G V C A & ASSOCIATES
Chartered Accountants
Ph.No.9989799099, E-mail:gvreddyca@yahoo.com

Independent Auditor's Report

To the Members of Keertana Finserv Limited
(Formerly known as Keertana Finserv private Limited)

Report on the Audit of the Standalone financial statements

Opinion

We have audited the standalone financial statements of Keertana Finserv Limited (Formerly known as Keertana Finserv private Limited) ("the Company"), which comprise the Standalone Balance Sheet as at 31st March 2026, the Standalone Statement of Profit and Loss (including other comprehensive Income), the Standalone Statement of Changes in equity and the Standalone Cash Flow Statement for the year ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2026, and its profit, total comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current year. These matters were addressed in the context of our audit of the standalone 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 Matter	How our Audit Addressed Key Audit Matters
1. Compliance and disclosure requirement Compliance and disclosure requirements under the applicable Indian Accounting standards (Ind AS), Reserve Bank of India (RBI) guidelines and other applicable statutory, regulatory, and financial reporting framework	▶ Assessed the systems and processes laid down by the Company to appropriately ensure compliance and disclosures as per the applicable Ind AS, RBI guidelines and other applicable statutory, regulatory and financial reporting framework. ▶ Designed and performed audit procedures to assess the completeness and correctness of the details disclosed having regard to the assumptions made by the management in relation to the applicability and extent of disclosure requirements. ▶ Relied on internal records of the Company and external confirmations
2. IT Systems and Controls The Company uses Information Technology (IT) application for financial accounts and reporting process. Any gap in the financial accounting and reporting process may result in a misstatement, hence we have identified IT systems and controls over financial reporting as a Key Audit Matter	▶ Understood the IT systems and controls over key financial accounting and reporting systems. ▶ Tested the general IT controls for design and operating effectiveness. ▶ Understood the changes made in the IT environment during the year and ascertained its effect on the financial statements controls and accounts. ▶ We also assessed, through sample tests, the information generated from these systems which were relied upon for our audit.
3. Allowance for Expected Credit Loss (ECL) on loan assets As at 31 March, 2026, loan assets aggregated 3,93,766.75 lakhs (net of ECL 3,202.04 lakhs), which are measured at amortized cost, constituting 90.27% of the company's total assets. The Group recognized impairment provisions for the loan assets based on expected credit loss (ECL) approach laid down under 'IND AS 109-Financial Instruments.' The estimation of ECL on financial instruments involves significant management judgement and estimates and the use of different modelling techniques and assumptions which could have material impact on reported profits. Significant management judgement and assumptions involved in measuring ECL is required with respect to: • Ensuring completeness and accuracy of the data considered for assumptions used in the model.	**Principal audit procedures performed:** ▶ We have read and assessed the accounting policies and the policy on ECL approved by the Board of Directors of the Company. ▶ We have verified the methodology adopted for computation of ECL ("ECL Model") on loan assets that complies with policies approved by the Board of Directors, procedures, and controls for assessing and measuring credit risk on the loan assets measured at amortized cost. ▶ Our audit procedures related to the allowance for ECL on loan assets included the following, among others: • Testing the design and effectiveness of controls over the: (1) Completeness and accuracy of the Exposure at Default ("EAD") and the classification thereof into stages consistent with the definitions applied in accordance with the policy approved by the Board of Directors including the appropriateness of the qualitative factors to be applied.

• Determining the criteria for a significant increase in credit risk. • Factoring the future economic variables. • Techniques used to determine probability of default (PD), loss given default (LGD) and exposure at default (ED). **Disclosure:** The disclosures regarding the Group's application of Ind AS 109 are key to explaining the key judgements and material input to the ECL results. Further, disclosures to be provided as per RBI circulars with regards to Non-Performing Assets and Provisions is also an area of focus. Considering the significance of the above matter to the overall financial statements, and extent of management's estimates and judgements involved, it requires Auditor's significant attention. Accordingly, we have identified this as a Key Audit Matter.	(2) Appropriateness of information used in the estimation of the PD and LGD for the different stages depending on the nature of the portfolio; and • computation of the ECL including methodology used to determine macro-economic overlays and adjustments to the output of the ECL Model. • Also, for the samples tested included the following, among others: - the appropriateness of the qualitative factors applied by the Management for staging of loans as SICR or default categories in view of Company's policy on restructuring. • Tested the design and operating effectiveness of key controls over completeness and accuracy of the key inputs and assumptions considered for calculation, recording, monitoring of the impairment loss recognized and staging of assets. Also evaluated the controls over the modelling process, validation of data and related approvals; • Assessed the critical assumptions and input data used in the estimation of expected credit loss models for specific key credit risk parameters, such as the movement logic between stages, Exposure at default (EAD), probability of default (PD) or loss given default (LGD);

Other Information

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

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

During the Current Financial Year, the Company has been converted from a Private Limited Company to a Public Limited Company in accordance with the provisions of the Companies Act, 2013. The change in status was approved by the Registrar of Companies and is effective from April 10, 2025. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Standalone financial statements

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

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

Auditor's Responsibilities for the Audit of standalone financial statements.

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

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

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

• Obtain an understanding of internal 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 with reference to standalone financial statements in place and the operating effectiveness of such controls;

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

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

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

• Obtain sufficient appropriate audit evidence regarding the standalone financial statements of the Company to express an opinion on the standalone financial statements.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in

(i) planning the scope of our audit work and in evaluating the results of our work; and

(ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2026 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:

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

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

(c) The Standalone Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with Accounting Standards specified under Section 133 of the Act.

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

(f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate report in **'Annexure A'** wherein we gave expressed unmodified opinion; and

(g) With respect to the other matters to be included in the Auditors' report in accordance with section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Act; and

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

i. The Company does not have any pending litigations which would impact its financial position;

VCA & ASSOCIATES
FRN: 0100745
Chartered Accountants

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

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

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

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

v. No dividend was declared or paid during the year by the Company.

vi. Based on our examination which included test checks, the company has an accounting software for maintaining its books of accounts having the feature of recording audit trail (edit log) facility and the same has operated throughout the year of all the transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the company as per the statutory requirement for record Retention.

(2) As required by the Companies (Auditor's Report) Order, 2020, ('the Order') issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in **"Annexure B"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

For M/s. G V C A & Associates
Chartered Accountants
F.R No: 010074S

G V C A & ASSOCIATES
FRN: 010074S
Chartered Accountants

CA Vijendra G
Partner
M.No: 220735
Place: Hyderabad
Date:28/04/2026
UDIN: 26220735WTGRHG9471

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal Regulatory Requirements' section of our report to the Members of the Company of even date)

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

We have audited the internal financial controls with reference to standalone financial statements of **Keertana Finserv Limited** ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Inherent Limitations of Internal Financial Controls with reference to the standalone financial statements

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to the standalone financial statements

A company's internal financial control with reference to the standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to the standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Opinion

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

For M/s. G V C A & Associates
Chartered Accountants
F.R No: 010074S

CA Vijendra G
Partner
M.No: 220735
Place: Hyderabad
UDIN: 26220735WTGRHG9471
Date: 28/04/2026

Annexure "B" to the Independent Auditor's Report

With reference to Paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of the Company, we report that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

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

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

(b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) The Company does not own any immovable properties, Accordingly, clause 3(i)(c) of the Order is not applicable.

(d) The Company has not revalued any of its Property, Plant and Equipment including Right- of-Use Assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) The Company is a Non-Banking Finance Company and its business does not require maintenance of inventories and hence reporting under clause 3(ii)(a) of the Order is not applicable.

(b) The Company has not taken working capital limits in excess of Rs.5 Crore during the year, from banks or financial institutions on the basis of security of current assets. Hence reporting under clause 3(ii)(b) of the Order is not applicable.

iii. (a) The Company is a non-deposit taking non-banking financial company ("NBFC") registered with the Reserve Bank of India ("RBI") and principal business of the Company is to give loans, hence the requirement to report on clause 3(iii) (a) of the Order is not applicable to the Company.

(b) During the year, the company has not provided guarantees and security. In our opinion, having regard to the nature of the Company's business, the loans and advances in the nature of loans given and the investments made during the year are, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated. Being a Non-Banking (Systemically Important Non-Deposit) Finance Company, it is engaged in the business of granting loans to retail customers the entity-wise details of the amount, due date for payment and extent of delay have not been reported because it is not practicable to furnish such details owing to the

GVG & ASSOCIATES ★ FRN: 100745 ★ Chartered Accountants the instances where there are delays or defaults in repayment of principal and/ or interest and in respect of which the company has recognized necessary provisions in accordance with the principles of Indian Accounting Standards (IND AS) and the guidelines issued by the Reserve Bank of India ("RBI") for Income Recognition and Asset Classification (which has been disclosed by the Company in Note 74 and Note 75 to the financial statements), the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, as applicable.

(d) In respect of loans granted by the Company, an amount of Rs. 3.945.22 lakh is overdue for more than ninety days as disclosed in Note no. 42 and 74 of the financial statements. In our opinion and according to the information and explanations given to us, reasonable steps have been taken by the Company for recovery of the principal and interest.

(e) The principal business of the Company is to give loans, hence the requirement to report on clause 3(iii) (e) of the Order is not applicable to the company.

(f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with section 185 and 186 in respect of the loans granted, investments made, wherever applicable. The Company has not given guarantees or securities.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. According to the information and explanation given to us, the maintenance of cost records has not been specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause 3(vi) of the Order is not applicable to the Company.

vii. In respect of statutory dues:

a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, and other statutory dues applicable to it with the appropriate authorities.

b) There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, and other statutory dues in arrears as at March 31, 2026 for a period of more than six months from the date they became payable.

c) There are no disputed statutory dues that have not been deposited on account of any dispute by the Company as on 31st March, 2026.

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

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

b) The Company has not been declared willful defaulter by any bank or financial institution or other lender.

c) According to the information and explanations given to us and procedures performed by us, we report that the Company has applied the term loans for the purpose for which the loans were obtained.

d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies. Accordingly, paragraph 3(ix)(f) of the Order is not applicable.

x. a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

b) During the year, the Company has made private placement and preferential allotment of equity shares and complied with the requirements of section 42 and 62 of the Companies Act, 2013 and the amounts raised have been used for the purpose for which the funds were raised. Further, the Company has not issued convertible debentures during the year.

xi. a) According to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit except for instances of fraud on the Company aggregating to Rs. 32.34 Lakhs as included in Note 57 to the accompanying standalone financial statements. The Company has initiated necessary action against the customers connected to such instances.

b) According to the information and explanations given to us, there were no instances of frauds, requiring filing of report under sub-section (12) of section 143 of the Companies Act 2013 in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

d) As represented to us by the management, there are no whistle blower complaints received by the company during the year.

xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii)(a) to (c) of the Order is not applicable.

GVC & ASSOCIATES * Chartered Accountants * FRN: 100745 xiii In our opinion, the Company has complied with the provisions of Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements, as required under Indian Accounting Standard 24 "Related Party Disclosures".

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

b) We have considered internal audit reports for the year under audit issued to the company during the year and till date.

xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. a) The Company is a Non-Banking Finance Company and is required to obtain Registration under section 45-IA of the Reserve Bank of India Act, 1934 and such registration has been obtained.

b) The Company has a valid Certificate of Registration (CoR) from the Reserve Bank of India (RBI) for conducting Non-Banking Financial activities and no business has been conducted by the Company without a valid CoR for the period under Review.

c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting requirements under clause 3 (xvi)(c) of the Order is not applicable.

d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the Previous year. Accordingly, provisions of clause 3 (xviii) of the order are not applicable.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, Asset Liability Maturity (ALM) pattern, other information accompanying the financial statements and 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to Fund specified in Schedule VII to the Companies Act, 2013 in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause **3(xx)(a)** of the Order is not applicable for the year.

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

For M/s. G V C A & Associates
Chartered Accountants
F.R No: 010074S

CA Vijendra G
Partner
M.No: 220735
Place: Hyderabad
UDIN: 26220735WTGRHG9471
Date: 28/04/2026

KEERTANA FINSERV LIMITED
(Formerly Known as Keertana Finserv Private Limited)
Standalone Balance Sheet as at March 31, 2026
(Currency : INR in Lakhs)

Particulars	Note No	As at March 31, 2026	As at March 31, 2025
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	3	27,022.68	9,480.33
(b) Bank balance other than cash and cash equivalents	4	929.82	3,191.93
(c) Loans	5	3,93,766.75	2,35,607.15
(d) Investments	6	1,221.25	1,221.25
(e) Other financial assets	7	1,691.90	1,179.87
		4,24,632.40	2,50,680.53
(2) Non-financial assets			
(a) Current Tax Assets (Net)	8	-	476.11
(b) Deferred Tax Assets (Net)	9	-	1,092.64
(c) Property, Plant and Equipment	10	5,106.25	3,433.39
(d) Right of use asset	10	5,261.73	3,997.10
(e) Other non-financial assets	11	1,188.35	708.95
		11,556.34	9,710.18
Total assets		4,36,188.74	2,60,390.71
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial liabilities			
(a) Payables			
(i)Trade payables	12		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		75.74	184.14
(b) Debt Securities	13	2,24,603.21	67,351.10
(c) Borrowings (Other than Debt Securities)	14	1,13,493.10	1,27,008.65
(d) Other financial liabilities	15	9,694.16	5,901.86
		3,47,866.21	2,00,445.74
(2) Non-financial liabilities			
(a) Current tax liabilities (Net)	16	930.84	-
(b) Provisions	17	151.51	144.58
(c) Deferred tax liabilities (Net)	9	561.24	-
(d) Other non-financial liabilities	18	353.58	225.35
		1,997.17	369.92
EQUITY			
(a) Equity share capital	19	14,529.05	12,733.83
(b) Other equity	20	71,796.30	46,841.22
		86,325.35	59,575.05
Total liabilities and equity		4,36,188.74	2,60,390.71

Material accounting policies 2
Notes to accounts form an integral part of financial statements

As per our report of even date
For M/s. G V C A & Associates.,
Chartered Accountants
Firm's registration No. 010074S

CA Vijendra G
Partner
Membership No. 220735
UDIN

Place: Hyderabad
Date: 28.04.2026
UDIN 26220735WTGRHG9471

For Keertana Finserv Limited

Padmaja Gangireddy
Managing Director
DIN:00004842

Vara Prasad Chaganti
Director
DIN:09425725

Reyan Saahith Reddy V.
Chief Financial Officer

Amisha Tibrewal
Deputy Company Secretary
Membership No. 76615

Place: Hyderabad
Date: 28.04.2026

KEERTANA FINSERV LIMITED
(Formerly Known as Keertana Finserv Private Limited)
Standalone Statement of Profit and Loss for the year ended March 31, 2026
(Currency : INR in Lakhs)

	Particulars	Note No	Year ended March 31, 2026	Year ended March 31, 2025
	Revenue From operations			
(i)	Interest income	21	67,675.10	45,132.32
(ii)	Processing Fees	22	2,739.17	1,902.36
(iii)	Net gain on fair value changes	23	294.55	909.94
(I)	**Total revenue from operations**		**70,708.82**	**47,944.62**
(II)	**Other income**	24	1,702.77	523.21
(III)	**Total income (I + II)**		**72,411.59**	**48,467.83**
	Expenses			
(i)	Finance costs	25	33,871.31	24,139.13
(ii)	Impairment on financial instruments	26	14,696.73	5,709.45
(iii)	Employee Benefit Expenses	27	9,493.95	7,711.93
(iv)	Depreciation, amortization and impairment	28	1,552.26	976.07
(v)	Others expenses	29	2,672.98	1,757.75
(IV)	**Total expenses**		**62,287.23**	**40,294.32**
(V)	**Profit before tax (III - IV)**		10,124.36	8,173.51
(VI)	**Tax Expense/(benefit) :**			
	(1) Current Tax	30	1,202.02	1,858.51
	(2) Deferred Tax	30	1,219.21	-270.58
(VII)	**Profit for the period (V-VI)**		**7,703.13**	**6,585.58**
(VIII)	**Other comprehensive income**			
	(A) Items that will not be reclassified to profit or loss			
	Remeasurement of defined benefit plans (net of tax)		25.71	-6.21
	Income tax relating to above item		6.47	
	Subtotal (A)		19.24	-6.21
	(B) Items that will be reclassified to profit or loss		-	-
	Subtotal (B)		-	-
	Other comprehensive income (A+B) (VIII)		19.24	-6.21
(IX)	**Total comprehensive income for the period (VII + VIII)**		**7,722.37**	**6,579.37**
(X)	**Earnings per share (equity share, par value of Rs. 10 each)**			
	Basic (Rs.)	31	5.71	5.62
	Diluted (Rs.)	31	5.71	5.62

Material accounting policies 2
Notes to accounts form an integral part of financial statements

As per our report of even date
For M/s. G V C A & Associates.,
Chartered Accountants
Firm's registration No. 010074S

CA Vijendra G
Partner
Membership No. 220735
UDIN 26220735WTGRHG9471

Place: Hyderabad
Date: 28.04.2026

For Keertana Finserv Limited

Padmaja Gangireddy
Managing Director
DIN:00004842

Vara Prasad Chaganti
Director
DIN:09425725

Revan Saahith Reddy V.
Chief Financial Officer

Amisha Tibrewal
Deputy Company Secretary
Membership No. 76615

Place: Hyderabad
Date: 28.04.2026

KEERTANA FINSERV LIMITED
(Formerly Known as Keertana Finserv Private Limited)
Standalone Statement of Cash Flows as at March 31, 2026
(Currency : INR in Lakhs)

Particulars	For the period ended March 31, 2026	For the Year ended March 31, 2025
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	10,124.36	8,173.51
Adjustments for:		-
Interest Income	-67,527.76	-44,867.16
Interest Income of Fixed Deposits	-147.34	-245.16
Fees and commission income	-2,739.17	-1,902.36
Interest on lease deposits	-25.49	-11.34
Depreciation, amortisation and impairment	1,552.26	976.07
Finance Cost on borrowings	33,181.86	23,880.30
Interest on lease liabilities	709.45	478.74
Impairment on financial instrument	14,696.73	5,709.45
(Profit)/Loss on sale of mutual funds	-294.55	-909.94
Proceeds from Direct Assignment	22,453.83	-
Repayments of Direct Assignment	-6,243.38	-
Provision for gratuity & leave enchasment	102.87	114.15
Cash generated from / (used in) operations before working capital changes and adjustments for interest received and interest paid	5,823.86	-8,843.68
Adjustments for changes in Working Capital :		
(Increase) in Loans	-1,58,023.13	-84,947.56
(Increase) in Other financial assets	-512.03	-434.89
(Increase)/Decrease in Other non-financial assets	-479.40	84.27
Increase in Trade payables	-108.40	105.48
Increase in Other financial liabilities	3,792.31	651.24
Increase in Provisions	6.94	181.25
Increase in other non-financial liabilities	128.23	13.65
	-1,55,195.49	-84,346.58
Interest income realised on financial assets	61,377.58	43,405.44
Cash inflow from Fees and commission income	2,391.00	1,583.04
Finance costs paid	-37,513.54	-24,712.43
		-
Income tax paid (net of refunds)	-	-2,201.92
NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES	-1,23,116.30	-75,116.10
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	-2,516.80	-1,858.64
Purchase of investment measured at FVTPL	-2,04,871.16	-1,25,113.00
Proceeds from sale of investment measured at FVTPL	2,05,165.70	1,26,022.94
Investment in Subsidiary	-	-
Interest income realised on Fixed deposits	97.82	147.89
Investment in deposits with original maturity of more than 3 months	-	-3,946.15
Redemption of deposits with original maturity of more than 3 months	-	2,490.73
		-
NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES	-2,124.44	-2,257.44
CASH FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares (including securities premium)	19,575.10	15,061.47
Share issue expenses	-	-
Proceeds from Borrowings (other than debt securities)	94,356.45	1,63,550.35
Repayment of borrowings (other than debt securities)	-1,02,238.84	-1,17,429.53
Proceeds from Debt Securities	1,87,584.70	66,600.00
Repayment of debt securities	-55,808.78	-46,509.31
Payment of lease liabilities	-686.05	-561.15
NET CASH GENERATED FROM / (USED IN) FROM FINANCING ACTIVITIES	1,42,783.58	80,711.34
Net Increase / (Decrease) in Cash and Cash Equivalents	17,542.34	3,338.30
Cash and Cash Equivalents at the beginning of Year	9,480.33	6,142.03
Cash and Cash Equivalents at the end of the Year	27,022.68	9,480.33
Components of Cash and Cash Equivalent:		
Cash on hand	44.04	545.35
Balance with banks (of nature of cash and cash equivalents)		-
(a) Balances with banks (of the nature of cash and cash equivalents)	26,973.17	8,929.90
(b) Deposits with maturity less than 3 months	5.46	5.09
Total Cash and Cash Equivalents	27,022.68	9,480.33

The above statement of cash flows has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (IND AS)-7"Statement of Cash flows' as specified under Section 133 of the Companies Act, 2013. ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

Material accounting policies
Notes to accounts form an integral part of financial statements

As per our report of even date
For M/s. G V C A & Associates.,
Chartered Accountants
Firm's registration No. 010074S

CA Vijendra G
Partner
Membership No. 220735
UDIN: 26220735WTGRHG9471

Place: Hyderabad
Date: 28.04.2026

For Keertana Finserv Limited

Padmaja Gangireddy
Managing Director
DIN:02004842

Vara Prasad Chaganti
Director
DIN:09425725

Rayan Saahith Reddy V.
Chief Financial Officer
Place: Hyderabad

Amisha Tibrewal
Deputy Company Secretary
Membership No. 78615

Place: Hyderabad
Date: 28.04.2026

KEERTANA FINSERV LIMITED
(Formerly Known as Keertana Finserv Private Limited)
Standalone Statement of Changes in Equity for the year ended March 31, 2026
(Currency : INR in Lakhs)

A. Equity share capital

Particulars	For the Year ended March 31, 2026		
	Outstanding as on March 31, 2025	Issued during the Year 25-26	Outstanding as on March 31, 2026
Issued, Subscribed and paid up - fully paid (Equity shares of Rs.10 each, Fully paid-up)	10,434.48	1,795.22	14,629.05

B. Other equity

Particulars	Reserves and Surplus				Total
	Statutory Reserve	Securities Premium	Retained Earnings	Impairment Reserve	
Balance at March 31, 2024	**1,768.08**	**19,460.58**	**7,070.75**	-	**28,299.40**
Profit for the year	-	-	6,585.56	-	6,585.56
Other comprehensive income for the year	-	-	-6.21	-	-6.21
Prior Period Adjustment	-	-	-799.68	-	-799.68
Total comprehensive income for the year (net of tax)	-	-	-	-	-
Transfer to Statutory Reserves	1,317.12	-	-1,317.12	-	-
Transfer to General Reserves	-	-	-	-	-
Issue of equity shares	-	12,762.12	-	-	12,762.12
Amounts utilised towards share issue expenses	-	-	-	-	-
Balance at March 31, 2025	**3,085.19**	**32,222.70**	**11,533.32**	-	**46,841.22**
Profit for the year	-	-	7,703.13	-	7,703.13
Other comprehensive income for the year	-	-	19.24	-	19.24
Prior Period Adjustment			-547.17		-547.17
Total comprehensive income for the year (net of tax)					-
Transfer to Statutory Reserves	1,540.63	-	-1,540.63	-	-
Transfer to General Reserves	-	-	-	-	-
Issue of equity shares	-	17,779.88	-	-	17,779.88
Amounts utilised towards share issue expenses	-	-	-	-	-
Balance at March 31, 2026	**4,025.82**	**50,002.59**	**17,167.89**	-	**71,796.30**

Notes to accounts form an integral part of financial statements

As per our report of even date
For M/s. G V C A & Associates.,
Chartered Accountants
Firm's registration No. 010074S

CA Vijendra G
Partner
Membership No. 220735
UDIN 26220735WTGRHG9471
Place: Hyderabad
Date: 28.04.2026

For Keertana Finserv Limited

Padmaja Gangireddy
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DIN:09425725

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Chief Financial Officer
Place: Hyderabad

Amisha Tibrewal
Deputy Company Secretary
Membership No. 76615

Place: Hyderabad
Date: 28.04.2026

KEERTANA FINSERV LIMITED

(Formerly Known as Keertana Finserv Private Limited)

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

NOTE 1 : CORPORATE INFORMATION

Keertana Finserv Limited (Formerly Known As Keertana Finserv Private Limited) ("the Company") was incorporated as a private limited Company on 14th February, 1996 and was subsequently converted to a public limited Company on 10th April 2025. The Debentures of the company are Listed on Bombay Stock Exchange Limited ("BSE"). The Company is primarily engaged in the business of financing Gold Loans, Loan Against Property and Housing Loans, Business Loans, Micro Enterprise Loans, and Consumer Loans to low-income customers in semi-urban and rural areas. The Company obtained permission from the Reserve Bank of India for carrying on the business of Non-Banking Financial Institutions on 09-01-2001 vide Regn No. B.05.03970. Under the scale based regulations, the Company is categorised in the Middle Layer. The Registered Office of the Company is at - Office No 919, 9th Floor, 4A, Regus Grenduer, Abanindra Nath Thakur Sarani, PS Arcadia Central (Camac Street), Park Street, Kolkata 700016, West Bengal and its Corporate Office is at Plot No. 31 & 32, Ramky Selenium Towers, Tower A, Financial Dist. Nanakramguda, Hyderabad - 500 032, Telangana.

The Company has applied for the shifting of its Registered Office from Kolkata, in the State of West Bengal, to Hyderabad, in the State of Telangana. This was approved by the shareholders through a special resolution passed at the Extraordinary General Meeting held on 16 February 2026.

NOTE 2 : MATERIAL ACCOUNTING POLICIES

2 **Significant Accounting Policies**

2.1 **Basis of preparation**

The Company has prepared the financial statements for the year ended March 31, 2026 in accordance with Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standards) Rules, 2015 prescribed under section 133 of the Companies Act 2013 ("the Act) along with other relevant provisions of the Act and as amended from time to time, Master Direction - Reserve Bank of India (Non- Banking Financial Company Scale Based Regulation) Direction 2023, and any application guidance/ clarifications/ directions issued by RBI or other regulators are implemented as and when they are issued/ applicable, including notification for Implementation of Indian Accounting Standards vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 ('RBI notification for implementation of Ind AS') issued by RBI.

The Company uses accrual basis of accounting except in case of significant uncertainties. Accounting policies have been consistently applied for all periods presented unless otherwise stated.

Any application of guidance / clarification / directions issued by RBI or other regulators are implemented prospectively when they become applicable.

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

2.2 **Presentation of Financial Statements**

The financial statement of the company are presented as per Division III of the Schedule III to the Companies Act 2013 as amended from time to time, for Non-Banking Financial Companies ("NBFCs") that are required to comply with Ind-AS. The Statement of Cash Flows has been presented as per the requirements of Ind-AS 7 Statement of Cash Flows.

An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in **Note 38** Maturity analysis of assets and liabilities.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and/or its counterparties

2.3 **Statement of Compliance**

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 and the other relevant provisions of the Act.

The Company has consistently applied accounting policies to all the periods.

2.4 **Functional and presentational currency**

The financial statements are presented in Indian Rupees which is also functional currency of the Company and the currency of the primary economic environment in which the Company operates.

2.5 **Basis of Measurement**

The financial statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments and plan assets of defined benefit plans , which are measured at fair values at the end of each reporting period as explained in the accounting policies below. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116 'Leases' and measurements that have some similarities to fair value but are not fair value, such as value in use in Ind AS 36 '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 (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 inputs are 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.

All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupees in lakhs upto two decimal places, except per share data and unless stated otherwise in compliance with Schedule III of the Act.

KEERTANA FINSERV LIMITED

2.6 Summary of Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) at the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results could differ from these estimates. Any revisions to accounting estimates are recognized prospectively in the current and future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Key sources of estimation of uncertainty at the date of financial statements, which may cause a material adjustment to the carrying amount of assets and liabilities within the next financial year are included in the following notes:

a. Business model assessment

Classification and measurement of financial assets depends on the results of the solely payments of principal and interest (SPPI) and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

b. Effective Interest Rate (EIR) method

The Company recognizes interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loans given / taken. This estimation, by nature, requires an element of judgement regarding the expected behaviour and lifecycle of the instruments, as well as expected changes to other fee income/expense that are integral parts of the instrument.

c. Impairment of loans portfolio

The measurement of impairment losses on loan assets requires judgement, in estimating the amount and timing of future cash flows and recoverability of collateral values while determining the impairment losses and assessing a significant increase in credit risk.

The Company's Expected Credit Loss (ECL) calculation is the output of a complex model with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies.

- Stage 1: Performing Assets
- Stage 2: Under Performing Assets
- Stage 3: Non-Performing Assets

Under Ind AS, asset classification and provisioning moves from the 'rule based', incurred losses model to the Expected Credit Loss (ECL) model of providing for expected future credit losses. Thus, loan loss provisions are made on the basis of the Company's historical loss experience, future expected credit loss and after factoring in various macro-economic parameters.
Probability of Default (PD) - The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), 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 (EAD) – EAD is based on the amounts the Company expects to be owed at the time of default.
Elements of the ECL model that are considered to be accounting judgements and estimates include:
i) PD calculation includes historical data, benchmarking, assumptions and expectations of future conditions.
ii) The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life-time expected credit loss and the qualitative assessment.
iii) The segmentation of financial assets when their ECL is assessed on a collective basis.
iv) Development of ECL models, including the various formulas and the choice of inputs.

It is the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary. While estimating the expected credit losses, the Company reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Company analyses if there is any relationship between key economic trends like GDP, unemployment rates, benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD determined by the Company based on its internal data/external data.
While the internal estimates of PD rates by the Company may not be always reflective of such relationships, temporary overlays, if any, are embedded in the methodology to reflect such macro-economic trends reasonably.

The impairment loss on loans and advances is disclosed in more detail in **Note 5**- Loans and **Note 42** Risk Management.

KEERTANA FINSERV LIMITED

d. **Defined employee benefit assets and liabilities**

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

e. **Fair value measurement**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

f. **Other accounting judments, estimates and assumptions**

Key sources of estimation of uncertainty in respect of revenue recognition, employee benefits, useful lives of property, plant and equipment, Right of Use Assets, valuation of deferred tax assets, fair value measurement of financial instruments, discount rate of lease liabilities, share based payments, provisions and contingent liabilities have been discussed in the respective policies.

2.7 Revenue recognition

a. **Interest Income on loans**

The Company earns interest income primarily by giving loans.

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

Interest income is recorded using effective interest rate (EIR) method for all financial assets measured at amortised cost.

Interest income on loans is recognised taking into account the amount outstanding and rate applicable.

EIR is the rate that exactly discounts the estimated future cash flows through the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset except for credit impaired asset.

The calculation of the effective interest rate includes transaction costs and fees (loan processing fees and other premiums or discounts) that are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.

When a financial asset becomes credit-impaired, the Company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial asset cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

b. **Fees & Commission Income**

Commission income from portfolio loans are recognised on rendering of services. Fees and commissions are recognised when the Company satisfies the performance obligation, at fair value of the consideration received or receivable.

c. **Interest income on fixed deposits**

Interest on fixed deposits is recognised on a time proportion basis taking into account the amount outstanding and the applicable rate.

d. **Other income**

Interest on overdue of loans and other ancillary charges are recognised upon realisation. All other income is recognised on an accrual basis upon satisfaction of performance obligation, when there is no uncertainty in the ultimate realisation/collection and income can be measured reliably.

e. **Net gain/loss on fair value changes**

Any differences between the fair values of financial assets 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 cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed under "Expenses" in the statement of profit and loss as "Net loss on fair value changes".

Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL is recognised in net gain/loss on fair value changes.

2.8 Financial instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

a. **Initial recognition and measurement**

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

A financial asset and a financial liability are offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

KEERTANA FINSERV LIMITED

b. Classification and measurement of Financial assets

Based on the business model, the contractual characteristics of the financial assets and specific elections where appropriate, the Company classifies and measures financial assets in the following categories:
- Amortised cost
- Fair value through other comprehensive income ('FVOCI')
- Fair value through profit and loss ('FVTPL')

Financial assets at amortised cost

Financial instruments that meet the following conditions are subsequently measured at amortised cost less impairment loss:
• The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
• Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement and based on the assessment of the business model as asset held to collect contractual cash flows and SPPI, such financial assets are subsequently measured at amortised cost using effective interest rate ('EIR') method. Interest income and impairment expenses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.

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

Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to sole payments of principal and interest on the principal amount outstanding and by selling financial assets.

Movements in the carrying amount of such financial assets are recognised in Other Comprehensive Income ('OCI'), except dividend income and interest income which is recognised in statement of profit and loss. Equity instruments at FVOCI are not subject to an impairment assessment.

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

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

c. Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, and payables, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities measured at amortised cost:

Financial liabilities (other than financial liabilities at fair value through profit and loss) are measured at amortised cost. The carrying amounts are determined based on the EIR method. Interest expense is recognised in statement of profit and loss.

Financial liabilities at fair value through Profit or Loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

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d. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of directly attributable transaction costs.

e. Reclassification

Financial assets are not reclassified subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line or in the period the Company changes its business model for managing financial assets. Financial liabilities are not reclassified.

f. De-recognition of financial assets and financial liabilities

i. Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if, and only if, either:
i) The Company has transferred its contractual rights to receive cash flows from the financial asset, or
ii) It retains the rights to the cash flows but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement.

A transfer only qualifies for derecognition if either:
i) The Company has transferred substantially all the risks and rewards of the asset, or
ii) The Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

ii. Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying value of the original financial liability and the new financial liability with modified terms is recognised in statement of profit and loss.

g. Impairment of Financial Assets

The Company recognises impairment allowances for Expected Credit Loss (ECL) on all the financial assets held at amortised cost.

The Company recognises loss allowances (provisions) for expected credit losses on its financial assets (including undisbursed sanctioned amounts) that are measured at amortised costs.or at fair value through other comprehensive income account

The Company applies a three-stage approach to measuring expected credit losses (ECLs) for the following categories of financial assets that are not measured at fair value through profit or loss:

i) Debt instruments measured at amortised cost and fair value through other comprehensive income
ii) Loan commitments

The ECL provision is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss.
The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on financial assets that are possible within the 12 months after the reporting date.
The Company performs an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the financial instrument.

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Based on the above process, the Company categorises its loans into three stages as described below:

For non-impaired financial instruments

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

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

For impaired financial instruments:

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

The calculation of ECLs

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

Probability of Default (PD) -

The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognized and is still in the portfolio.

Exposure at Default -

The Exposure at Default is an estimate of the exposure at a future default date, considering expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

Loss Given Default

The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive. Company has relied on peer benchmarking given the limited historical data points availability.

Write-offs

Loans are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when it is determined that the customer does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

The company has adopted an ECL model for recognition of impairment on financial instruments.

A reconciliation between the provisioning norms as stipulated by RBI and the provisioning under ECL by the company has been provided in **Note 74** in the financial statements.

h. **Determination of fair value**

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Company measures certain categories of financial instruments (as explained in **Note 39** - Fair Value Measurement) at fair value on each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised

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

Level 2 financial instruments - Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

Level 3 financial instruments - Those that include one or more unobservable input that is significant to the measurement as whole.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. No such instances of transfers between levels of the fair value hierarchy were recorded during the reporting period.

i. Property, plant and equipment

Property, plant and equipment are carried at cost of acquisition less accumulated depreciation and accumulated impairment loss (if any). The total cost of the asset comprises the purchase price, taxes, duties, freight (net of rebates and discounts) and any other directly attributable costs of bringing the assets to their working condition for their intended use. Borrowing costs directly attributable to acquisition of those assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Advances paid towards the acquisition of assets outstanding at each balance sheet date are disclosed as other non-financial assets. The cost of assets not ready for their intended use at each balance sheet date is disclosed as capital work-in-progress.

Depreciation on property, plant and equipment is provided on the straight line method over the useful life of the assets as prescribed under Part 'C' of Schedule II of the Companies Act, 2013, or in case of assets where the estimated useful life was determined basis technical evaluation carried out by the Company, over the useful life so determined.

Asset Description	Useful life estimated (years)
Furniture & Fixtures	10
Office Equipment	5
Computers & Printers	3
Servers	6
Vehicles	10
Vehicles - Commercial	8

An item of property, plant and equipment, is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment, is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

j. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, 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 applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities representing obligations to make lease payments and right-of-use assets representing the right to use ('ROU') the underlying assets.

For a lease modification that is not accounted for as a separate lease, the company accounts for the remeasurement of the lease liability by:
(a) decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease. The company recognised in profit or loss any gain or loss relating to the partial or full termination of the lease.
(b) making a corresponding adjustment to the right-of-use asset for all other lease modifications.

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i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.
The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment

The right-of-use assets are also subject to impairment. (Refer to the accounting policies on Impairment of non-financial assets.)

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its average incremental borrowing rate at the commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense as and when due.

k. Employee benefits

Defined Contribution Plan.

The Company has a defined contribution plan for post-employment benefits in the form of Provident Fund. Under the Provident Fund Plan, the Company contributes to a Government administered provident fund / recognized provident fund on behalf of the employees. The Company has no further obligation beyond making the monthly contributions.
The Company's contributions to the above Plan are charged to the Statement of Profit and Loss as and when they become due.

Defined Benefit Plan:

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The benefit is in the form of lump sum payments to vested employees on resignation, retirement, or death while in employment or on termination of employment of an amount equivalent to 15 days basic salary payable for each completed year of service as required under 'The Payment of Gratuity Act, 1972'. Vesting occurs upon completion of five years of service.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non- routine settlements; and
- Net interest expense or income

An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Actuarial gains and losses comprise experience adjustments and the effects of changes in the actuarial assumptions are recognized immediately in the Statement of Profit and Loss in the year in which they arise.

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. Unutilised leave balance that accrues to employees as at the year end is charged to the Statement of Profit and Loss on an undiscounted basis.

Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the bonus/ex-gratia are recognised in the period in which the employee renders the related service.

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Other Employee Benefits:

The employees of the Company are entitled to compensated absence as per the policy of the Company, the liability in respect of which is provided, based on an actuarial valuation carried out by an independent actuary as at the year end. The actuarial valuation method used by the independent actuary for measuring the liability is the Projected Unit Credit Method.

Actuarial gains and losses comprise experience adjustments and the effects of changes in the actuarial assumptions are recognized immediately in the Statement of Profit and Loss in the year in which they arise.

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. Unutilised leave balance that accrues to employees as at the year end is charged to the Statement of Profit and Loss on an undiscounted basis.

l. Taxes

Income-tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income-tax expense is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in equity or in OCI.

(a) Current tax

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961, enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(b) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax assets are reviewed at each reporting date and based on management's judgement, are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if the Company:

- has a legally enforceable right to set off current tax assets against current tax liabilities; and
- the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

Tax paid on acquisition of assets or on

Expenses and assets are recognised net of the goods and services tax paid, except:

i. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable

ii. When receivables and payables are stated with the amount of tax included, the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

m. Provision and contingencies

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

A contract is considered as onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised in the financial statements.

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n. Earnings per share

The Company reports basic and diluted earnings per share in accordance with Indian Accounting Standard 33 – "Earnings Per Share". Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

o. Cash and cash equivalent

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

p. Statement of cash flows

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash future, any deferrals or accruals of past or future operating cash receipts or payments and item of expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

q. Statutory reserve

In accordance with section 45-IC of the RBI Act, 1934, the Company creates a reserve fund and transfers therein a sum not less than twenty per cent of its net profit every year as disclosed in the Statement of profit and loss before any dividend is declared.

r. Foreign currency transactions

Transactions in foreign currencies are initially recorded by the Company's functional currency at exchange rates prevailing at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.
Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

s. Recent accounting pronouncements

Ind AS 117 – Insurance Contracts

The Ministry of Corporate Affairs (MCA), via notification dated August 12, 2024, notified Ind AS 117, Insurance Contracts, replacing Ind AS 104. The standard is effective for annual periods beginning on or after April 1, 2024, and applies to all entities issuing insurance contracts, including non-insurance entities.
The Company does not issue insurance contracts and accordingly, Ind AS 117 is not expected to have a material impact on the financial statements.

Amendments to Other Ind AS

Consequential amendments have been made to the following standards effective from August 12, 2024, in line with the implementation of Ind AS 117:

a) Ind AS 101 – First-time Adoption of Indian Accounting Standards
b) Ind AS 103 – Business Combinations
c) Ind AS 105 – Non-current Assets Held for Sale and Discontinued Operations
d) Ind AS 107 – Financial Instruments: Disclosures
e) Ind AS 109 – Financial Instruments

SEBI BRSR Core Framework

As the Company is a limited NBFC with listed non-convertible debentures (NCDs) on the Bombay Stock Exchange (BSE), it qualifies as a listed entity under SEBI regulations.
SEBI has mandated the implementation of the Business Responsibility and Sustainability Reporting (BRSR) Core framework for the top 1,000 listed entities (by market capitalization), effective from FY 2024–25. The Company has assessed its applicability status based on SEBI criteria and is in the process of implementing appropriate ESG reporting controls, to the extent applicable.

Revised Guidance for Non-Corporate Entities

The ICAI has issued a revised format for non-corporate entities for FY 2024–25. Being a corporate entity, the Company is not directly impacted by this guidance. However, relevant improvements in disclosure structure have been considered for consistency and comparability.

The Company is assessing the impact of these changes and will accordingly incorporate the same in the financial statements for the year ending March 31, 2026.

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(Currency : INR in Lakhs)

3 Cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Cash on hand (Cash at Branches)	44.04	545.35
Balance with bank		-
in current accounts	26,973.17	8,929.90
In fixed deposits with maturity less than 3 months	5.46	5.09
		-
Total	27,022.66	9,480.33

4 Bank balance other than cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Fixed Deposits with maturity more than 3 months	-	-
Fixed Deposits	928.42	3,191.36
In earmarked accounts		-
ESCROW - Unpaid matured debenture interest	1.40	0.57
		-
Total	929.82	3,191.93

5 Loans

Particulars	As at March 31, 2026	As at March 31, 2025
A. Category of Loan wise details		
Loans (at amortised Cost)		
Term loans	3,96,968.79	2,38,945.66
Inter Corporate Loans	-	-
Total (Gross)	3,96,968.79	2,38,945.66
Less: Impairment Loss allowance	3,202.04	3,338.52
Total (Net)	3,93,766.75	2,35,607.15
B. Nature of Security wise details		
Loans (at amortised Cost)		
(I) Secured by tangible assets		
(i) Gold Loan	3,72,073.24	1,58,779.06
(ii) Loan Against Property / Housing Loans	17,409.67	18,061.31
Total (Gross) - (I)	3,89,482.92	1,76,840.36
Less: Impairment Loss allowance	2,225.20	1,004.60
Total (Net) - (I)	3,87,257.72	1,75,835.76
(II) Unsecured		
(i) Micro Enterprise Loans (MEL)	-	47,183.24
(ii) Business Loans (M'SME Loans)	494.56	1,656.17
(iii) Personal Loans/Consumer Loans	6,991.32	13,265.89
(iv) Corporate Loans	-	
Total (Gross) - (II)	7,485.87	62,105.30
Less: Impairment Loss allowance	976.84	2,333.91
Total (Net) - (II)	6,509.03	59,771.39
Total (Gross) - (I) + (II)	3,96,968.79	2,38,945.66
Less: Impairment Loss allowance	3,202.04	3,338.52
Total (Net) - (I) + (II)	3,93,766.75	2,35,607.15
C. (I) Loans in India		
(i) Public Sector	-	-
(ii) Others	3,96,969	2,38,946
(II)Loans outside India	-	-
Total (Gross)	3,96,969	2,38,946
Less: Impairment Loss allowance	3,202	3,339
Total (Net)	3,93,767	2,35,607
	-	-0

5.1 The Company's business model is to hold contractual cash flows, being the payment of Principal and Interest till maturity and accordingly the loans are measured at amortised cost.

5.2 Underlying for the term loans secured by tangible assets are properties and Gold Jewellery.

5.3 There are no loans measured at Fair Value Other Comprehensive income or Fair value through Profit or Loss or Designated at fair value through Profit or Loss

5.4 Loans sanctioned and undisbursed amount to INR 6.88 lakhs as on March 31, 2026 (March 31, 2025: INR 97.69 lakhs), and the same amount is disclosed under Other Financial Liabilities.

5.5 The Company has balance of securitised assets amounting to INR 9290.46 lakhs (March 31, 2025: INR 36,548.58 lakhs). These loan assets have not been de-recognised from the loan portfolio of the Company as these do not meet the de-recognition criteria. The Company is responsible for collection and servicing of this loan portfolio on behalf of buyers/investors of Pass through Certificates (PTC). In terms of the said securitisation agreements, the Company pays to buyer/investor of Pass through Certificates (PTC) on monthly basis the prorated collection amount as per the respective agreement terms.

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5.6 The Company has not granted loans and advances in the nature of loans to Promoters, Directors , Key Managerial Personnel or related parties u/s2(76) either repayable on demand or without specifying terms/period. Refer related party disclosure (Note 37).

5.7 The Company does not have any loans outside India.

5.8

Direct Assignment (Managed portfolio/ Off Balance Sheet)

A. Background

During the year ended March 31, 2026, the Company undertook Direct Assignment (DA) transactions in compliance with the Reserve Bank of India's Master Direction — Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021. Specified pools of standard gold loan receivables aggregating to a principal balance of ₹24,948.70 lakhs were assigned on a true sale basis at par to Bandhan Bank Limited and Northern Arc Capital Limited. The 90% portion of the assigned pools (₹22,453.83 lakhs) was transferred to the assignees and the contractual Minimum Retention Requirement (MRR) of 10% (₹2,494.87 lakhs) was retained by the Company in compliance with paragraph 39 of the said Master Direction. The assignment is structured such that substantially all risks and rewards relating to the transferred portion are passed to the assignee. (Refer Note 5 — Loans for the MRR portion retained, and Note 7 — Other Financial Assets for the EIS receivable.)

B. Accounting policy

The Company assesses derecognition of the assigned pools in accordance with Ind AS 109 — Financial Instruments. The 90% portion of the assigned pool transferred meets the derecognition criteria (substantial transfer of risks and rewards) and is removed from the loan portfolio at carrying amount on the date of assignment. The 10% MRR portion retained continues to be recognised under Loans at amortised cost and is subject to expected credit loss assessment under Ind AS 109.

On the date of assignment, the Excess Interest Spread (EIS) attributable to the Company over the residual tenor of the assigned pool, representing the expected future spread inflows net of servicing costs, is recognised as a Day-1 gain in the Statement of Profit and Loss, with a corresponding EIS receivable recognised under Other Financial Assets. The EIS receivable is measured at the undiscounted value of expected contractual cash flows. Although strict application of Ind AS 109 paragraph 3.2.13(a) would require measurement at fair value (ordinarily computed by discounting expected future cash flows to present value at a market rate), the Company has assessed the impact of discounting as immaterial to the financial statements taken as a whole, owing to the short residual tenor of the underlying gold loan pools (typically up to 12 months). The maximum reasonably possible discounting impact, computed by applying a conservative discount rate to the consolidated EIS receivable over the weighted-average residual tenor of the assigned pools on a lump-sum basis, is less than 0.6% of profit before tax and 0.02% of total assets, falling well within accepted materiality benchmarks. The assessment is consistent with the Company's internal monitoring of EIS based on actual collections from the assigned pool.

The EIS receivable is realised based on actual collections of the underlying excess spread, and no interest unwinding is recognised in finance income, given the immateriality of the discounting effect at initial recognition. The carrying amount of the EIS receivable is reduced as collections are received.

C. Quantitative disclosures pursuant to RBI Master Direction

Disclosures pursuant to paragraph 49 of the RBI Master Direction — Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021:

Particulars	FY 2025-26	FY 2024-25
Number of accounts assigned	28,436.00	-
Aggregate principal outstanding of loans transferred	24,948.70	-
Sale consideration received from the assignee (corresponding to the portion of the pool derecognised)	22,453.83	-
Weighted-average residual maturity of loans transferred (months)	3.88	-
Weighted-average holding period before transfer (months)	5.08	-
Retention of beneficial economic interest (MRR) by the originator (corresponding to the portion of the pool retained)	2,494.87	-
Coverage of tangible security	100%	-
Rating-wise distribution of loans transferred	Not rated for Northern Arc, Rated for Bandhan DA- ICRA BBB Stable	-
Number of transactions undertaken during the year	2.00	-
Whether transferred to ARC	No	No

The Company has not acquired any stressed loans (including non-performing assets) and has not transferred any loans to Asset Reconstruction Companies during the year.

D. Day-1 gain on assignment and EIS receivable

Financial impact of the direct assignment transactions for the year ended March 31, 2026:

Particulars	FY 2025-26	FY 2024-25
EIS Day-1 gain recognised in Statement of Profit and Loss (within Other Income, Note 24)	1207.53	-
EIS receivable balance as at the reporting date (within Other Financial Assets, Note 7)	1026.76	-
EIS collected during the year (Day-1 gain less closing receivable)	180.77	-

The EIS receivable as at March 31, 2026 is included within "Other receivables" under Note 7, comprising

Composition of "Other receivables" under Note 7	As at Mar 31, 2026
EIS receivable on Direct Assignment transactions	1026.76
Other items (advances, refunds receivable, sundry receivables	278.12
Total — Other receivables (Note 7)	1304.88

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(Currency : INR in Lakhs)

E. Continuing involvement in transferred financial assets (Ind AS 107)

Pursuant to paragraphs 42A to 42H of Ind AS 107, the Company's continuing involvement in the assigned pools is limited to (i) contractual servicing of the underlying loans on behalf of the assignee for a servicing fee netted within the EIS computation, and (ii) the 10% MRR portion which continues to be recognised on the balance sheet under Loans at amortised cost. The Company has not provided any credit enhancement, guarantee, recourse obligation or first-loss-default facility to the assignee in respect of the transferred portion.

The maximum exposure of the Company to loss arising from continuing involvement is limited to the carrying amounts of the MRR retained portion (subject to expected credit loss provision) and the EIS receivable, both of which are reflected in the financial statements. There are no contractual cash outflows that may be required to be paid to the assignee, other than the assignee's share of pool collections paid through the designated escrow account in the ordinary course of servicing.

F. Reassessment

The Company will reassess the immateriality conclusion at each reporting date and will adopt strict present value measurement if (i) DA transaction volumes scale up materially, (ii) the Company commences direct assignment transactions on portfolios with significantly longer contractual tenors, or (iii) any change in market interest rates, regulatory direction or auditor materiality assessment renders the discounting effect material in a future period.

6 Investments

Particulars	As at March 31, 2026	As at March 31, 2025
Investments carried at cost		
(a) Equity Instruments		
Subsidiary (at cost)	1,221.25	1,221.25
Investment carried at fair value through profit & loss		
(a) Mutual Funds (Quoted / Unquoted)	-0.00	-
Total Gross (A)	**1,221.25**	**1,221.25**
(i) Investments outside India	-	-
(ii) Investments in India	1,221.25	1,221.25
Total Gross (B)	**1,221.25**	**1,221.25**
Less: Impairment loss Allowance (C)	-	-
Total (A) - (C)	1,221.25	1,221.25

7 Other Financial Assets

Particulars	As at March 31, 2026	As at March 31, 2025
Security Deposit Leases	387.02	333.97
Insurance Claims receivables	-	-
Other receivables	1,304.88	845.90
Total	**1,691.90**	**1,179.87**

8 Current Tax Assets (Net)

Particulars	As at March 31, 2026	As at March 31, 2025
Advance Taxes & TDS (Net of Provision)	-	478.11
Total	-	**478.11**

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9 Deferred tax assets (Net)

Particulars	As at March 31, 2026	As at March 31, 2025
Tax effect of items constituting deferred tax liabilities:		
Difference in written down value of property, plant and equipment as per Companies Act and Income Tax Act	-20.48	0.97
Difference in written down value of EIS receivable from DA as per Companies Act and Income Tax Act	258.41	-
Difference in carrying value of Unrealised gain(loss) on investements at FVTPL	-	-
Difference in written down value of Right of Use assets as per Companies Act and Income Tax Act	1,324.27	1,005.99
Deferred Tax liabilities (total) (A)	**1,562.21**	**1,006.96**
Tax effect of items constituting deferred tax assets:		
On application of Expected Credit Loss method for loan loss provisions and related adjustments as per Ind AS 109	805.89	730.14
Amortisation of net income under Effective Interest Rate Method not adjusted under Income Tax Act, 1961	-1,442.63	296.96
Impact of expenditure charged to the Statement of Profit and Loss in the current year but claimed as expense for tax purpose on payment basis	42.23	37.64
Impact of leases under Ind AS 116	1,539.81	1,116.07
On Fair Value Changes of financial assets not adjusted under Income Tax Act, 1961	55.67	-81.20
Deferred Tax liabilities (total) (A)	**1,000.96**	**2,099.60**
Total Deferred tax Asset/(liabilities) (Net)	**-561.24**	**1,092.64**

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10 Property, Plant and Equipment

Particulars	Furniture & Fixtures	Computers & printers	Servers	Office equipment	Vehicles	Total	Right to Use Assets
Gross carrying amount							
Balance as at April 1, 2025*	2,046.03	562.40	20.03	1,604.27	267.90	4,500.64	4,914.27
Additions	692.36	179.40	-	1,607.46	37.61	2,516.82	1,972.94
Disposals						-	
As at March 31, 2026	**2,738.39**	**741.80**	**20.03**	**3,211.73**	**305.51**	**7,017.46**	**6,887.21**
Accumulated depreciation and impairment:							
Balance as at April 1, 2025*	317.46	252.87	3.96	444.86	48.09	1,067.25	917.18
Depreciation for the year	229.61	163.54	3.17	413.73	33.91	843.96	708.30
Disposals	-	-	-	-	-	-	
As at March 31, 2026	**547.07**	**416.41**	**7.13**	**858.59**	**82.00**	**1,911.20**	**1,625.48**
Net book value							
As at April 1, 2025	**1,728.57**	**309.53**	**16.07**	**1,159.42**	**219.81**	**3,433.39**	**3,997.10**
As at March 31, 2026	**2,191.32**	**325.39**	**12.90**	**2,353.14**	**223.51**	**5,106.25**	**5,261.73**
Previous Year							
Gross carrying amount							
Balance as at April 1, 2024*	1,336.17	316.65	17.31	828.31	142.35	2,640.79	2,283.49
Additions	709.86	245.75	2.73	775.97	125.55	1,859.85	2,630.78
Disposals						-	
As at March 31, 2025	**2,046.03**	**562.40**	**20.03**	**1,604.27**	**267.90**	**4,500.64**	**4,914.27**
Accumulated depreciation and impairment:							
Balance as at April 1, 2024*	162.48	110.69	0.97	229.81	22.72	526.67	481.68
Depreciation for the year	154.99	142.18	2.99	215.05	25.37	540.57	435.50
Disposals	-	-		-	-	-	
As at March 31, 2025	**317.46**	**252.87**	**3.96**	**444.86**	**48.09**	**1,067.25**	**917.18**
Net book value							
As at April 1, 2024	**1,173.69**	**205.97**	**16.33**	**598.50**	**119.63**	**2,114.12**	**1,801.81**
As at March 31, 2025	**1,728.57**	**309.53**	**16.07**	**1,159.42**	**219.81**	**3,433.39**	**3,997.10**

*The Company has not revalued property, plant and equipment during the year ended 31st March, 2026

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11 Other non-financial assets

Particulars	As at March 31, 2026	As at March 31, 2025
Advance for Expenses	4.33	5.16
Capital Advances	145.25	182.07
Prepaid Expenses	125.20	141.20
Balance with Government Authorities	913.57	380.52
Total	**1,188.35**	**708.95**

12 Trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
Trade Payables		
A: Total outstanding dues of micro enterprises and small enterprises	-	-
B: Total outstanding dues of creditors other than micro enterprises and small enterprises	75.74	184.14
Total	**75.74**	**184.14**

13 Debt Securities

Particulars	As at March 31, 2026	As at March 31, 2025
At amortised cost - Secured		
Redeemable non-convertible debentures	2,24,603.21	67,351.10
	2,24,603.21	**67,351.10**
Out of Above		
Debt Securities in India	2,24,603.21	67,351.10
Debt Securities outside India	-	-
Total	**2,24,603.21**	**67,351.10**

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13.1 Details of debt securities

(i) INE0NES07097: 15,000 (31 March, 2025: 15,000), @ 11.40% Listed, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 1,00,000 each aggregating to Rs. 150 Crores. The date of allotment was 12 April, 2024(Rs. 50 Crores) and 18 April, 2024(25 Crores) and 7 May, 2024(75Crores). The amount outstanding as on 31 March, 2026 is Rs.18.75 Crores (31 March, 2025: Rs.93.75 Crores).

(ii) INE0NES07105: 17,500 (31 March, 2025: 17,500), @ 11.40% Listed, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 1,00,000 each aggregating to Rs. 175 Crores. The date of allotment was 10 May, 2024(Rs. 175 Crores). The amount outstanding as on 31 March, 2026 is Rs.21.875 Crores (31 March, 2025: 109.375 Crores).

(iii) INE0NES07154: 11,500 (31 March, 2025: 5000), @ 11.30% Listed, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 1,00,000 each aggregating to Rs. 115 Crores. The date of allotment was 23 January, 2025(Rs. 50 Crores) and 28 July,2025(Rs.35 Crores) and 5 January,2026(Rs.30 crores). The amount outstanding as on 31 March, 2026 is Rs.115.00 Crores (31 March, 2025: Rs. 50 crores).

(iv) INE0NES07121: 10,000 (31 March, 2024: 0), @ 11.40% Listed, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 1,00,000 each aggregating to Rs. 100 Crores. The date of allotment was 30 July, 2024(Rs. 50 Crores) and 29 August, 2024 (Rs 50 Crores). The amount outstanding as on 31 March, 2026 is Rs.100.00 Crores (31 March, 2025. Rs.100 Crores).

(v) INE0NES07162: 17,300 (31 March, 2025: 4000), @ 11.30% Listed, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 1,00,000 each aggregating to Rs. 173 Crores. The date of allotment was 06 March, 2025(Rs. 40 Crores), 24 April 2025(Rs 38 Crores) and 15 May, 2025(Rs 25 Crores) and 14th January, 2026(Rs.70 Crores). The amount outstanding as on 31 March, 2026 is Rs.173.00 Crores (31 March, 2025: Rs. 40 crores).

(vi) INE0NES07139: 7,500(31 March, 2025: 7500), @ 11.40% Listed, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs 1,00,000 each aggregating to Rs. 75 Crores. The date of allotment was 22 October, 2024(Rs. 75 Crores). The amount outstanding as on 31 March, 2026 is Rs.75.00 Crores (31 March, 2025: Rs. 75 Crores).

(vii) INE0NES07147: 6,200(31 March, 2025: 4000), @ 11.40% Listed, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 1,00,000 each aggregating to Rs. 62 Crores. The date of allotment was 26 November, 2024(Rs. 40 Crores) and 8th April, 2025(Rs.22 Crores). The amount outstanding as on 31 March, 2026 is Rs.31.00 Crores (31 March, 2025: Rs.40 Crores).

(viii) INE0NES07113: 3,600(31 March, 2025: 3600), @ 11.40% Listed, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 1,00,000 each aggregating to Rs. 36 Crores. The date of allotment was 13 June, 2024(Rs. 36 Crores). The amount outstanding as on 31 March, 2026 is Rs.36.00 Crores (31 March, 2025: Rs. 36 Crores).

(ix) INE0NES07253: 17,743 (31 March, 2025: 0), @ 11.40% Listed, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 1,00,000 each aggregating to Rs. 177.43 Crore. The date of allotment was 12 August, 2025(Rs 100 Crores) and 4 December, 2025(Rs 52.5 Crores) and 20 January, 2026(Rs. 24.93 Crores). The amount outstanding as on 31 March, 2026 is Rs. 177.43 Crores (31 March, 2025: Nil).

(x) INE0NES07311: 7,725 (31 March, 2025: 0), @ 12.00% Listed, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 1,00,000 each aggregating to Rs. 77.25 Crores. The date of allotment was 25 March, 2026. The amount outstanding as on 31 March, 2026 is Rs 77.25 Crores (31 March, 2025: Rs. Nil).

(xi) INE0NES07279: 15,500(31 March, 2025: 0), @ 11.40% Unlisted, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 1,00,000 each aggregating to Rs. 155 Crores. The date of allotment was 11 September, 2025(Rs. 45 Crores) and 5 March,2026(Rs 40 crores) and 20 March, 2026(Rs. 70 Crores). The amount outstanding as on 31 March, 2026 is Rs. 155 Crores (31 March, 2025: Nil)

(xii) INE0NES07204: 2,500 (31 March, 2025: 0), @ 11.40% Listed, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs 1,00,000 each aggregating to Rs. 25 Crores. The date of allotment was 25 June, 2025. The amount outstanding as on 31 March, 2026 is Rs.25 Crores (31 March, 2025: Nil).

(xiii) INE0NES07238: 18,525 (31 March, 2025: 0), @ 11.40% Unlisted, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 1,00,000 each aggregating to Rs. 185.25 Crores. The date of allotment was 15 July, 2025(Rs. 50 Crores) and 12 December, 2025(Rs. 135.25 Crores). The amount outstanding as on 31 March, 2026 is Rs. 148.20 Crores (31 March, 2025: Nil).

(xiv) INE0NES07295: 5,000 (31 March, 2025: 0), @ 11.50% Unlisted, Unrated, secured non-convertible debentures (NCD) of face value Rs. 1,00,00,000 each aggregating to Rs. 50 Crores. The date of allotment was 30 December, 2025(Rs. 35 Crores) and 2 February, 2026(Rs.15 Crores). The amount outstanding as on 31 March, 2026 is Rs.50 Crores (31 March, 2025: Nil).

(xv) INE0NES07196: 9,000(31 March, 2025: 0), @ 11.40% Listed, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 1,00,000 each aggregating to Rs. 90 Crores. The date of allotment was 16 June, 2025. The amount outstanding as on 31 March, 2026 is Rs.22.50 Crores (31 March, 2025: Nil).

(xvi) INE0NES07170: 7,683 (31 March, 2025: 0), @ 11.30% Listed, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 1,00,000 each aggregating to Rs. 76.83 Crores. The date of allotment was 30 April, 2025(Rs. 40 Crores) and 18 July,2025(Rs.36.83 Crores). The amount outstanding as on 31 March, 2026 is Rs.43.90 Crores (31 March, 2025: Nil).

(xvii) INE0NES07287: 40,809 (31 March, 2025: 0), @ 11.40% Listed, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 10,000 each aggregating to Rs. 408.087 Crores. The date of allotment was 24 October, 2025(Rs. 101 Crores) and 7 November,2025(Rs.50 Crores) and 26 November,2025(Rs.50 Crores) and 09 January,2026(Rs.20 Crores) and 13th February,2026(Rs 187.087 Crores). The amount outstanding as on 31 March, 2026 is Rs.408.087 Crores (31 March, 2025: Nil).

(xviii) INE0NES07261: 15,000 (31 March, 2025: 0), @ 11.10% Listed, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 10,000 each aggregating to Rs. 150 Crores. The date of allotment was 19 August, 2025(Rs. 50 Crores) and 10 October,2025(Rs.100 Crores). The amount outstanding as on 31 March, 2026 is Rs.150 Crores (31 March, 2025: Nil).

(xix) INE0NES07188: 25,600 (31 March, 2025: 0), @ 11.20% Unlisted, Unrated, secured non-convertible debentures (NCD) of face value Rs. 1,00,00,000 each aggregating to Rs. 256 Crores. The date of allotment was 01 August, 2025(Rs. 35 Crores) and 11 June, 2025(Rs.50 Crores) and 24 September, 2025(Rs. 20 Crores) and 6 October, 2025(Rs.30 Crores) and 18 November, 2025(Rs 70 Crores) and 9th December, 2025(Rs.51 Crores). The amount outstanding as on 31 March, 2026 is Rs.256 Crores (31 March, 2025: Nil).

(xx) INE0NES07212: 2,500 (31 March, 2025: 0), @ 11.40% Unlisted, Unrated, secured non-convertible debentures (NCD) of face value Rs. 1,00,00,000 each aggregating to Rs. 25 Crores. The date of allotment was 23 June, 2025. The amount outstanding as on 31 March, 2026 is Rs 18.75 Crores (31 March, 2025: Nil).

(xxi) INE0NES07246: 19,000 (31 March, 2025: 0), @ 11.20% Listed, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs 10,000 each aggregating to Rs. 190 Crores. The date of allotment was 24 July, 2025(Rs. 100 Crores) and 12 November,2025(Rs.90 Crores). The amount outstanding as on 31 March, 2026 is Rs.129.20 Crores (31 March, 2025: Nil)

(xxii) INE0NES07220: 5,000 (31 March, 2025: 0), @ 11.30% Unlisted, Unrated, secured non-convertible debentures (NCD) of face value Rs. 1,00,00,000 each aggregating to Rs. 50 Crores. The date of allotment was 11 July, 2025(Rs. 20 Crores) and 16 September, 2025(Rs.30 Crores). The amount outstanding as on 31 March, 2026 is Rs.35.71 Crores (31 March, 2025: Nil)

(xxiii) INE0NES07303: 2,500 (31 March, 2025: 0), @ 12.00% Listed, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs 10,000 each aggregating to Rs. 25 Crores. The date of allotment was 10 February, 2026. The amount outstanding as on 31 March, 2026 is Rs.25 Crores (31 March, 2025: Nil).

13.2 13.2 All the above mentioned NCDs are having first and exclusive charge via deed of hypothecations signed over specific standard asset portfolio of receivables to the extent equal to an amount aggregating to the total outstanding such that the value of security shall be equal of 1.10 times). Further, NCDs detailed above in para (i) to (vi) are secured against personal guarantee of the Director

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13.3 Details of term of repayment

ISIN No	Issued at	Due Date of Maturity	Closing balance	
			As at March 31, 2026	As at March 31, 2025
INE0NES07048	At Par	11-05-2025	-	1,090.00
INE0NES07063	At Par	20-06-2025	-	1,287.50
INE0NES07014	At Par	30-09-2025	-	500.00
INE0NES07071	At Par	28-11-2025	-	6,000.00
INE0NES07089	At Par	20-02-2026	-	5,500.00
INE0NES07097	At Par	12-04-2026	1,875.00	9,375.00
INE0NES07105	At Par	10-05-2026	2,187.50	10,937.50
INE0NES07154	At Par	23-01-2027	11,500.00	5,000.00
INE0NES07121	At Par	28-01-2027	10,000.00	10,000.00
INE0NES07162	At Par	06-03-2027	17,300.00	4,000.00
INE0NES07139	At Par	22-04-2027	7,500.00	7,500.00
INE0NES07147	At Par	26-05-2027	3,100.00	4,000.00
INE0NES07113	At Par	13-06-2027	3,600.00	3,600.00
INE0NES07170	At Par	30-01-2027	4,390.29	-
INE0NES07188	At Par	11-12-2026	25,600.00	-
INE0NES07196	At Par	19-06-2026	2,250.00	-
INE0NES07204	At Par	25-06-2028	2,500.00	-
INE0NES07212	At Par	23-06-2028	1,875.00	-
INE0NES07220	At Par	11-04-2027	3,571.43	-
INE0NES07238	At Par	15-01-2027	14,820.00	-
INE0NES07246	At Par	03-04-2027	12,920.00	-
INE0NES07253	At Par	12-05-2027	17,743.00	-
INE0NES07261	At Par	19-08-2027	15,000.00	-
INE0NES07279	At Par	11-04-2028	15,500.00	-
INE0NES07287	At Par	24-10-2027	40,808.70	-
INE0NES07295	At Par	28-03-2029	5,000.00	-
INE0NES07303	At Par	10-05-2028	2,500.00	-
INE0NES07311	At Par	25-06-2028	7,725.00	-
Total			2,29,265.92	68,790.00
EIR Adjustment			6,008.92	1,306.06
Grand Total			2,23,256.99	67,483.94

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14 Borrowings (Other than Debt Securities)

Particulars	As at March 31, 2026	As at March 31, 2025
At amortised cost		
Term loans		
from banks	44,805.83	50,370.27
from others	61,477.69	47,714.46
from ICD	-	-
Loans against securitised assets	7,209.58	28,923.92
	1,13,493.10	**1,27,008.65**
Out of Above		
Secured Borrowings in India	1,13,493.10	1,23,508.65
Secured Borrowings outside India	-	-
Unsecured Borrowings in India	-	3,500.00
Unsecured Borrowings outside India	-	-
		-
Total	**1,13,493.10**	**1,27,008.65**

15 Other financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Amount payable to borrowers	4.79	42.10
Lease liability	6,118.11	4,434.46
Employee Related Payables	1,364.25	1,239.44
Insurance premium collected and payable	127.39	52.04
Loans sanctioned but undisbursed	8.88	97.70
Unpaid matured debenture & interest accrued thereon*	0.99	0.56
Insurance claims received and payable to Borrowers/others	34.45	35.53
Bandhan DA repayment	1,470.27	-
Northern arc DA repayment	551.71	-
Other payables	13.32	-
Total	9,694.16	5,901.86

*Unpaid matured debentures & interest accrued thereon is on account of deceased investor

16 Current tax liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for income tax (net of advance taxes and TDS)	930.84	-
Total	**930.84**	**-**

17 Provisions

Particulars	As at March 31, 2026	As at March 31, 2025
Provisions for Employee benefit expenses		
Provision for gratuity	77.73	64.01
Provision for Leave Encashment	73.78	80.56
		-
Total	**151.51**	**144.58**

18 Other non-financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory dues payable	353.58	225.35
Total	**353.58**	**225.35**

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14.1 Secured term loans from banks and financial institutions include loans from various banks and financial institutions and carry rate of interest in the range of 11.50% to 15.00% p.a (March 31, 2025: 11.30% to 13.20%). The loans are having tenure of 4 to 60 months (March 31, 2025: 12 to 36 months) from the date of disbursement and are repayable in monthly or quarterly installments. These loans are secured by hypothecation (exclusive charge) of certain loans given by the Company.

14.2 The Company is not a declared willful defaulter by any bank or financial institution or other lender, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India, during the year ended March 31, 2026 and March 31, 2025.

14.3 The Company has borrowings from banks and financial institutions on the basis of security of loans and the quarterly details filed by the Company with the banks and financial institutions are in accordance with the books of accounts of the Company for the respective quarters.

14.4 The Company has not defaulted in the repayment of debt securities, borrowings(other than debt securities) and interest thereon for the year ended March 31, 2026 and March 31, 2025

14.5 The Company has utilised the borrowings for the purpose for which it was obtained.

14.6 The Company has balance of securitised assets amounting to INR 7086.51 lakhs (March 31, 2025: INR 38,548.56 lakhs). These loan assets have not been de-recognised from the loan portfolio of the Company as these do not meet the de-recognition criteria. The Company is responsible for collection and servicing of this loan portfolio on behalf of buyers/investors of Pass through Certificates (PTC). In terms of the said securitisation agreements, the Company pays to buyer/investor of Pass through Certificates (PTC) on monthly basis the prorated collection amount as per the respective agreement terms.

14.7 Loans against securities assets are include investment in equity tranche of PTC amounting to Rs. 925.24 Lakhs as at March 31, 2026 (INR 1,852.86 Lakhs as at March 31, 2025)

14.8 Terms of repayments

Term Loans from	Tenure	Repayment	Interest Ranges	Due with in a year		Due with in 1 to 2 year		Due with in 2 to 3 year		Due with in 3 to 4 year		Due with in 4 to 5 year		Above 5 year		Total
				No of Installments	Amount	No of Installments	Amount	No of Installments	Amount	No of Installments	Amount	No of Installments	Amount	No of Installments	Amount	
Bank	1 to 3 yr	Monthly	11%-12%	68	10,986.07	8	1,776.39	-	-	-	-	-	-	-	-	12,762.46
			12%-13%	117	15,999.45	22	3,431.16	-	-	-	-	-	-	-	-	19,430.65
			13%-14%	12	567.08	11	45.27	-	-	-	-	-	-	-	-	612.35
			14%-15%	-	-	-	-	-	-	1	5,000	-	-	-	-	5,000.00
		Quarterly	12%-13%	6	5,500.00	-	-	-	-	-	-	-	-	-	-	5,500.00
			13%-14%	-	-	-	-	-	-	-	-	-	-	-	-	-
	0.6 yr	Bullet	11%-12%	1	1,500.00											1,500.00
Others	1 to 3 yr	Monthly	11%-12%	1	1,875.00	9	9,880.62	4	775.00							12,530.62
			12%-13%	170	19,327.75	27	2,291.21	-	-	-	-	-	-	-	-	21,620.96
			13%-14%	222	21,447.35	21	1,121.53	-	-	-	-	-	-	-	-	22,568.88
			14%-15%	11	458.33	-	-	-	-	-	-	-	-	-	-	458.33
		Quarterly	11%-12%	59	92,106.93	48	75,602.45	8	5,014.58							1,72,723.96
			12%-13%	18	5,625.00	16	5,036.67	3	750.00	-	-	-	-	-	-	11,411.67
			13%-14%	3	750.00	-	-	-	-	-	-	-	-	-	-	750.00
		Bullet	11%-12%	4	41,300.00	1	1,250.00									42,550.00
Loans against securitised assets (PTC)	1 to 3 yr	Monthly	11%-12%	36	2,991.35	34	2,391.75	15	1,177.19	2	135	-	-	-	-	6,895.17
			12%-13%	3	391.33	-	-	-	-	-	-	-	-	-	-	391.33
Others (RP)	0-6 months	Bullet	11%-12%	-	-	-	-	-	-	-	-	1	4,500.00	-	-	4,500.00
Total																3,41,022.37
EIR adjustment																-6,340.40
Total																3,34,681.98

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Term Loans from	Tenure	Repayment	Interest Ranges	Due with in a year		Due with in 1 to 2 year		Due with in 2 to 3 year		Due with in 3 to 4 year		Due with in 4 to 5 year		Above 5 year		Total
				No of Installments	Amount	No of Installments	Amount	o of Installmen	Amount	No of Installments	Amount	o of Installmen	Amount	o of Installmen	Amount	
Bank	1 to 3 yr	Monthly	11%-12%	65	10,914.25	33	6,218.30	-	-	-	-	-	-	-	-	17,132.55
			12%-13%	178	21,257.10	57	6,172.07	-	-	-	-	-	-	-	-	27,429.17
			13%-14%	29	1,896.32	12	557.08	11	45.27	-	-	-	-	-	-	2,498.67
			14%-15%	-	-	-	-	-	-	-	-	-	-	-	-	-
		Quarterly	12%-13%	3	1,500.00	4	2,000.00	-	-	-	-	-	-	-	-	3,500.00
			13%-14%	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	1 to 3 yr	Monthly	12%-13%	121	8,540.87	93	6,799.57	4	269.22	-	-	-	-	-	-	15,609.66
			13%-14%	222	9,473.03	130	4,824.96	8	292.08	-	-	-	-	-	-	14,590.08
			14%-15%	47	2,459.65	11	458.33	-	-	-	-	-	-	-	-	2,917.98
		Quarterly	12%-13%	7	2,575.00	5	1,727.08	1	333.33	-	-	-	-	-	-	4,635.42
			13%-14%	15	5,256.25	5	1,375.00	-	-	-	-	-	-	-	-	6,631.25
Loans against securitised assets (PTC)	1 to 3 yr	Monthly	12%-13%	130	27,346.88	16	1,802.56	10	978.81	-	-	-	-	-	-	30,128.25
			13%-14%	5	921.78	-	-	-	-	-	-	-	-	-	-	921.78
Others (RP)	0-6 months	Bullet	11%-12%	1	3,500.00	-	-	-	-	-	-	-	-	-	-	3,500.00
Total																1,29,494.81
EIR adjustment																-2,486.16
Total																1,27,008.65

14.9 **Reconciliation of liabilities arising from financing activities**

Particulars	Debt Securities	Loans against securitised asets	Borrowings (from Banks)	Borrowings (from Others)	Total
March 31, 2023	-	-	15,658.13	34,987.69	50,646.02
Cash flows:					
Repayments	15,475.00	5,951.59	28,813.93	61,506.78	1,11,747.30
Proceeds	64,900.00	24,338.46	43,050.00	59,025.00	1,91,313.46
Non Cash					
Amortisation of upfront fees and others(net)	827.07	93.80	230.20	25.14	1,176.21
Accrued interest(net)	101.38	245.24	109.32	154.60	610.53
March 31, 2024	48,699.31	18,538.31	29,773.32	32,635.56	1,29,646.50
Cash flows:					
Repayments	46,509.31	32,055.22	27,512.71	57,061.60	1,63,933.84
Proceeds	66,600.00	42,940.35	48,300.00	72,310.00	2,30,150.35
Non Cash					
Amortisation of upfront fees and others(net)	1,576.84	146.48	197.59	200.28	2,121.19
Accrued interest(net)	137.84	446.96	7.24	30.77	622.91
March 31, 2025	67,351.10	28,923.92	50,370.27	47,714.46	1,94,359.74
Cash flows:					
Repayments	54,169.88	27,692.88	39,366.52	43,551.92	1,64,781.18
Proceeds	2,16,084.70	5,855.45	33,800.00	57,200.00	3,12,940.15
Non Cash					
Amortisation of upfront fees and others(net)	6,008.92	51.02	125.31	154.14	6,340.40
Accrued interest(net)	1,346.22	174.09	128.40	268.29	1,917.00
March 31, 2026	2,24,603.21	7,209.58	44,805.83	61,477.69	3,38,096.31

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19 Equity share capital

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number	Amount	Number	Amount
Authorised Capital				
Equity shares of INR 10 each	20,00,00,000	20,000.00	20,00,00,000	20,000.00
Total	**20,00,00,000**	**20,000.00**	**20,00,00,000**	**20,000.00**
Issued, subscribed and fully paid-up shares				
Equity Shares of INR 10 each fully paid up	14,52,90,482	14,529.05	12,73,38,311	12,733.83
Total	**14,52,90,482**	**14,529.05**	**12,73,38,311**	**12,733.83**

19.1 Reconciliation of number of shares

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number	Amount	Number	Amount
At the beginning of the year	12,73,38,311	12,733.83	10,43,44,801	10,434.48
Shares issued during the Year	1,79,52,171	1,795.22	2,29,93,510	2,299.35
Outstanding at the end of the year	**14,52,90,482**	**14,529.05**	**12,73,38,311**	**12,733.83**

19.2 Terms/rights attached to equity shares

The Company has only one class of equity shares of par value of INR 10 per share. Each holder of equity share is entitled to one vote per share. Any dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The Company declares and pays dividends in Indian rupees.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

19.3 Details of shareholder(s) holding more than 5% of equity shares in the Company :

Name of shareholder	As at March 31, 2026		As at March 31, 2025	
	No. of shares held	% Holding	No. of shares held	% Holding
Vijaya Sivarami Reddy Vendidandi	10,91,58,433	75.13%	9,56,45,505	75.11%
Padmaja Gangireddy	3,19,70,436	22.00%	2,79,81,994	21.97%

19.4 Details of shares held by promoters at the end of the year

As at March 31, 2026

Promoter name	No of Shares at the beginning of the year	Change during the year	No of Shares at the year end	% of total shares
Vijaya Sivarami Reddy Vendidandi	9,56,45,505	1,35,12,928	10,91,58,433	75.13%
Padmaja Gangireddy	2,79,81,994	39,88,442	3,19,70,436	22.00%
Ravan Saahith Reddy Vendidandi	28,84,772	4,07,566	32,92,338	2.27%
Hina Ansari	4,00,183	-	4,00,183	0.28%
TOTAL	12,69,12,454	1,79,08,936	14,48,21,390	99.68%

As at March 31, 2025

Promoter name	No of Shares at the beginning of the year	Change during the year	No of Shares at the year end	% of total shares
Vijaya Sivarami Reddy Vendidandi	7,98,63,230	1,57,82,275	9,56,45,505	75.11%
Padmaja Gangireddy	2,13,39,500	66,42,494	2,79,81,994	21.97%
Ravan Saahith Reddy Vendidandi	23,73,085	5,11,687	28,84,772	2.27%
Hina Ansari	4,00,183	-	4,00,183	0.31%
TOTAL	10,39,75,998	2,29,36,456	12,69,12,454	99.67%

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19.5 The Company (except disclosed above) has not allotted any shares for consideration other than cash, bonus shares and shares bought back for the five years immediately preceding the reporting date.

Particulars	Fully paid up pursuant to contract(s) without payment being received in cash	Fully paid up by way of bonus shares	Shares bought back
FY 2025-26	Nil	Nil	Nil
FY 2024-25	Nil	Nil	Nil
FY 2023-24	Nil	Nil	Nil
FY 2022-23	Nil	Nil	Nil
FY 2021-22	Nil	Nil	Nil

20 Other Equity

Particulars	As at March 31, 2026	As at March 31, 2025
Securities premium account	50,002.59	32,222.70
Statutory Reserve	4,625.82	3,085.19
Retained earnings	17,167.89	11,533.32
	71,796.30	**46,841.22**

A. Nature and purpose of reserve

Securities Premium Reserve:

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes in accordance with the provisions of the Companies Act. 2013.

Statutory reserve:

Statutory Reserve represents the Reserve Fund created under Section 45 IC of the Reserve Bank of India Act, 1934. Accordingly an amount representing 20% of Profit for the period is transferred to the fund for the year.

Retained earnings:

Retained earnings represents surplus / accumulated earnings of the Company and are available for distribution to shareholders.

B. Movement in Other equity

Particulars	As at March 31, 2026	As at March 31, 2025
I. Securities premium reserve		
Opening balance	32,222.70	19,460.58
Add : Premium received on issue of securities	17,779.89	12,762.12
Less : Share issue expenses	-	-
	50,002.59	32,222.70
Impact of first time adoption of Ind AS	-	-
	50,002.59	**32,222.70**
II. Special Reserve under section 45-IC of the Reserve Bank of India Act, 1934		
Opening balance	3,085.19	1,768.08
Add : Transfer from retained earnings	1,540.63	1,317.12
	4,625.82	**3,085.19**
III. Retained earning		
Opening balance	11,533.32	7,070.75
Add : Profit for the year	7,703.13	6,585.58
Add : Other comprehensive income	19.24	-6.21
Less: Prior Period Adjustment	-547.17	-799.68
Appropriations:		-
Transfer to Special Reserve u/s 45-IC of the Reserve Bank of India Act, 1934	-1,540.63	-1,317.12
Transfer to General reserve	-	-
	17,167.89	**11,533.32**
Impact of first time adoption of Ind AS		
Total	71,796.30	46,841.22

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21 Interest income

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
On financial assets measured at amortised cost		
Interest on term loans	67,527.76	44,887.16
Interest Income on fixed deposits	147.34	245.16
Total	**67,675.10**	**45,132.32**

22 Fees and commission income

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Fees income	2,680.99	1,871.90
Commission income	58.17	30.46
Total	**2,739.17**	**1,902.36**

23 Net gain on fair value changes

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Net gain/(loss) on financial instruments at fair value through profit or loss		
Realised gain/(loss) on investments at FVTPL	294.55	909.94
Unrealised gain/(loss) on investments at FVTPL	-	-
Total	294.55	909.94

24 Other income

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest on lease deposits	25.49	11.34
Profit of derecognition of ROU	1.40	-
Marketing Support Income	123.90	467.00
EIS income from Direct Assignment	1,207.53	-
Recovery of Written of Loans	321.03	37.43
Interest Income on Income Tax Refund	23.41	-
Provisions Written off	-0.00	7.45
Total	**1,702.77**	**523.21**

25 Finance costs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
On financial liabilities measured at amortised cost		
Interest on borrowings - Debt Securities	15,781.45	8,314.86
Interest on borrowings - Others	17,380.41	15,345.52
Interest on lease liabilities	709.45	478.74
Total	33,871.31	24,139.13

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26 Impairment on financial instruments

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
On financial instruments measured at amortised cost		
Impairment Loss Provision (Expected Credit Loss)	-271.69	1,837.38
Auction Loss	10.66	0.30
Loans written off	14,957.76	3,871.78
Total	**14,696.73**	**5,709.45**

27 Employee benefits expenses

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Salaries and wages	9,268.97	7,470.40
Directors' sitting fees	65.40	26.16
Staff welfare expenses	56.71	101.22
Gratuity Expenses	34.92	35.99
Interest Expense on EBO as per Acturial Report	4.51	1.56
Compensated Absences	63.44	76.59
Total	**9,493.95**	**7,711.93**

28 Depreciation, amortization and impairment

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation on property, plant and equipment	843.96	540.57
Depreciation of Right of use assets	708.30	435.50
Total	**1,552.26**	**976.07**

29 Other expenses

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Advertisement, publicity and sales promotion expenses	48.90	83.51
Auditor's fees and expenses (Refer Note 28.1)	23.60	30.46
Bank Charges	95.27	95.43
Communication cost	111.10	73.31
DP Custodian Fees	9.92	6.77
Enerygy Costs	112.02	65.29
Expenditure on Corporate Social Responsibility (Refer Note 31)	126.37	73.95
Expenses for Credit Information Companies (under RBI)	97.21	19.76
Insurance	199.43	83.97
Interest and Penalties	3.22	0.12
Legal and Professional charges	201.38	95.08
Loss due to Frauds & Thefts	33.50	61.53
Miscellaneous expenses	14.38	17.36
Office maintenance	302.93	179.87
Printing and stationary	163.96	92.54
Rates and taxes	13.25	6.64
Rent	456.01	331.91
Rent on Carat meter's	100.84	9.96
Repairs and maintenance	11.66	12.75
Security Charges	4.18	4.71
Software maintenance	517.26	379.43
Staff Recruitment Charges	9.60	21.26
Travelling and conveyance	14.99	11.95
Total	**2,672.98**	**1,757.75**

KEERTANA FINSERV LIMITED

34 Employee benefit obligations

i) Defined contribution plan

The Company makes contributions to Provident Fund which are defined contribution plan for qualifying employees. The Company recognized INR 67.48 Lakhs (March 31, 2025: INR 60.73 Lakhs) for Provident Fund contributions in the Statement of Profit and Loss

ii) Defined benefit plan

The Company has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service gets a gratuity on leaving the service of the company at 15 days salary (last drawn salary) for each completed year of service.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and amounts recognised in the balance sheet for the plan:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Defined Benefit Cost included in P & L	39.43	37.56
Other Comprehensive (Income) / Loss	-25.71	4.96
Total Defined Benefit Cost recognized in P&L and OCI	13.72	42.52
Defined Benefit Obligation the at end	77.73	64.01
Fair Value of Plan Assets at the end	-	-
Net Defined Benefit Liability/ (Asset)	77.73	64.01

Disclosure Information

A. Change in Defined Benefit Obligation

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Defined Benefit Obligation at the beginning	64.01	21.49
Current Service Cost	34.92	35.99
Past Service Cost	-	-
(Gain) / Loss on settlements	-	-
Interest Expense	4.51	1.56
Benefit Payments from Plan Assets	-	-
Benefit Payments from Employer	-	-
Settlement Payments from Plan Assets	-	-
Settlement Payments from Employer	-	-
Other (Employee Contribution, Taxes, Expenses)	-	-
Increase / (Decrease) due to effect of any business combination/ divesture /transfer)	-	-
Increase / (Decrease) due to Plan combination	-	-
Remeasurements - Due to Demographic Assumptions	-8.80	-2.19
Remeasurements - Due to Financial Assumptions	-2.63	0.82
Remeasurements - Due to Experience Adjustments	-14.29	6.34
Defined Benefit Obligation at the end	0.00	64.01

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B. Change in Fair Value of Plan Assets

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Fair Value of Plan Assets at the beginning	-	-
Interest Income	-	-
Employer Contributions	-	-
Employer Direct Benefit Payments	-	-
Employer Direct Settlement Payments	-	-
Benefit Payments from Plan Assets	-	-
Benefit Payments from Employer	-	-
Settlement Payments from Plan Assets	-	-
Settlement Payments from Employer	-	-
Other (Employee Contribution, Taxes, Expenses)	-	-
Increase / (Decrease) due to effect of any business combination / divestiture /transfer)	-	-
Increase / (Decrease) due to Plan combination	-	-
Remeasurements - Return on Assets	-	-
(Excluding Interest Income)	-	-
Fair Value of Plan Assets at the end	-	-

C. Changes in Reimbursement Rights

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Reimbursement Rights at the beginning	-	-
Reimbursement Service Cost	-	-
Gain/ (loss) on Settlements	-	-
Interest Income	-	-
Employer Contributions to Reimbursement Rights	-	-
Reimbursements to Employer	-	-
Increase / (Decrease) due to effect of any business combination / divesture /transfer)	-	-
Increase / (Decrease) due to Plan combination	-	-
Benefits paid by the Company in prior valuation period and settled by Fund Manager in current 3 Quarter	-	-
Net Transfer In / (Out) (Including the effect of any business combination / divesture)	-	-
Remeasurements - Return on Reimbursement Rights (Excluding Interest Income)	-	-
Reimbursement Rights at the end	-	-

D. Change in Asset Ceiling / Onerous Liability

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Asset Ceiling/ Onerous Liability at the beginning	-	-
Interest Income	-	-
Gain / (Loss) on Settlements	-	-
Remeasurement - Due to Asset Ceiling / Onerous Liability (Excluding Interest Income)	-	-
Asset Ceiling / Onerous Liability at the end	-	-

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E. Components of Defined Benefit Cost

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Current Service	34.92	35.99
Cost Past Service Cost	-	-
(Gain) / Loss on Settlements	-	-
Reimbursement Service Cost	-	-
Total Service Cost	34.92	35.99
Interest Expense on DBO	4.51	1.56
Interest (Income) on Plan Assets	-	-
Interest (Income) on Reimbursement Rights	-	-
Interest Expense on (Asset Ceiling) / Onerous Liability	-	-
Total Net Interest Cost	4.51	1.56
Reimbursement of Other Long Term Benefits	-	-
Defined Benefit Cost included in P & L	39.43	37.56
Remeasurements - Due to Demographic Assumptions	-8.80	-2.19
Remeasurements - Due to Financial Assumptions	-2.63	0.82
Remeasurements - Due to Experience Adjustments	-14.29	6.34
(Return) on Plan Assets (Excluding Interest Income)	-	-
(Return) on Reimbursement Rights	-	-
Changes in Asset Ceiling / Onerous Liability	-	-
Total Remeasurements in OCI	-25.71	4.96
Total Defined Benefit Cost recognized in P&L and OCI	13.72	42.52

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F. Bifurcation of Present Value of Obligations at the end of the valuation period as per Schedule III of the Companies Act 2013

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Current Liabilities	6.36	0.52
Non- current Liabilities	71.37	63.49

G. Amounts recognized in the Statement of Financial Position

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Defined Benefit Obligation	77.73	64.01
Fair Value of Plan Assets	-	-
Funded Status	77.73	64.01
Effect of Asset Ceiling/ Onerous Liability	-	-
Net Defined Benefit Liability/ (Asset)	77.73	64.01
Of which, Short term Liability	6.36	0.52

H. Net Defined Benefit Liability f(Asset) reconciliation

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Net Defined Benefit Liability / (Asset) at the beginning	64.01	21.49
Defined Benefit Cost included in P & L	39.43	37.56
Total Remeasurements included in OCI	-25.71	4.96
Net Transfer In / (Out) (Including the effect of any business combination / divesture)	-	-
Amount recognized due to Plan Combinations	-	-
Employer Contributions	-	-
Employer Direct Benefit Payments	-	-
Employer Direct Settlement Payments	-	-
Credit to Reimbursements	-	-
Net Defined Benefit Liability / (Asset) at the end	77.73	64.01

I. Experience Adjustments on Present Value of DBO and Plan Assets

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
(Gain) / Loss on Plan Liabilities	-14.29	6.34
% of Opening Plan Liabilities	-22.32%	29.50%
Gain / (Loss) on Plan Assets		
% of Opening Plan Assets		

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

The financial and demographic assumptions on annual basis used for valuation as at the Valuation Date are shown below. The assumptions as at the Valuation Date are used to determine the Present Value of Defined Benefit Obligation at that date.

Summary of Financial Assumptions

Particulars	Valuation Date	
	Year ended March 31, 2026	Year ended March 31, 2025
Discount Rate	7.83%	7.05%
Salary Escalation	5.00%	5.00%

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Summary of Demographic Assumptions

Particulars	Valuation Date	
	Year ended March 31, 2026	Year ended March 31, 2025
Mortality Rate (as % of IALM (2012-14) Ult. Mortality Table)	100.00%	100.00%
Disability Rate (as % of above mortality rate)	0.00%	0.00%
Withdrawal Rate	27.81%	19.45%
Normal Retirement Age	62 Years	62 Years
Average Future Service	34.00	33.56

Additional Disclosure Items

Expected Cash flowforfollowing years

Maturity Profile of Defined Benefit Obligations	Year ended March 31, 2026	Year ended March 31, 2025
Year 1	6.36	0.52
Year 2	10.09	4.06
Year 3	19.97	8.08
Year 4	14.20	15.40
Year 5	13.24	10.89
Year 6	10.48	9.39
Year 7	8.29	8.17
Year 8	6.56	6.96
Year 9	5.19	6.00
Year 10	4.11	5.17
Pay-outs above 10 years	15.43	31.34

The weighted average duration of the defined benefit obligation is 5.00 (PY - 7.00)

Discontinuance Liability
Amount payable upon discontinuance of all employment is INR 45,692 (PY - INR 1,00,385)

Sensitivity analysis
Discount Rate, Salary Escalation Rate and Withdrawal Rate are significant actuarial assumptions. The change in the Present Value of Defined Benefit Obligation for a change of 100 Basis Points from the assumed assumption is given below:

Summary of Financial & Demographic Assumptions

Scenario	DBO	Percentage Change
Under Base Scenario	77.73	0%
Salary Escalation - Up by 1%	81.57	4.93%
Salary Escalation - Down by 1%	74.12	-4.65%
Withdrawal Rates - Up by 1%	76.70	-1.32%
Withdrawal Rates - Down by 1%	78.77	1.33%
Discount Rates - Up by 1%	74.58	-4.06%
Discount Rates - Down by 1%	81.13	4.37%
Mortality Rates - Up by 10%	77.75	0.02%
Mortality Rates - Down by 10%	77.72	-0.02%

Disclosure for Compensated absences
(i) Amount recognised in the balance sheet

Particulars	As at March 31, 2026	As at March 31, 2025
Compensated Absences	73.78	80.56
Total	**73.78**	**80.56**

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. Unutilised leave balance that accrues to employees as at the year end is charged to the Statement of Profit and Loss on an undiscounted basis.

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35 Leases
Company as a lessee

The Company has entered into long term lease arrangement for its branches.The Company determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.The Company is restricted from assigning or subleasing the leased asset under the terms of lease.
Apart from above,the Company has short-term leases with contractual tenure of less than 12 months. The Company has recognised the lease payments associated with these leases as an expense on accrual basis.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Balance at the beginning	0.04	1,801.81
Additions	1,972.94	2,630.78
Deletions	-	-
Depreciation	708.30	435.50
Balance at the end	**1,264.68**	**3,997.10**

Set out below are the carrying amounts of lease liabilities (included under Other financial liability) and the movements during the year:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Balance at the beginning	0.04	1,992.99
Additions	1,860.25	2,523.88
Finance cost accrued during the period	0.01	478.74
Payment of lease liabilities	-886.05	-561.15
Balance at the end	974.25	4,434.46

The effective interest rate for lease liabilities is 13.44% for the year ended March 31, 2026

Maturity analysis of undiscounted lease liability
The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Less than 3 months	198.71	212.31
3 to 12 months	952.76	650.74
1 to 3 years	3,410.42	1,617.95
More than 3 years	5,857.36	1,953.46
Total undiscounted lease liabilities	**10,419.25**	**4,434.46**

Amounts recognized in the Statement of Profit and Loss	Year ended March 31, 2026	Year ended March 31, 2025
Interest expense on lease liability	0.01	478.74
Expense relating to short-term leases	456.01	331.91
	456.02	**810.66**

A. Lease payments not included in measurement of lease liability

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Short - term Leases	456.01	331.91
Leases of Low value assests	-	-
Variable lease payments	-	-
	456.01	**331.91**

B. Total cash outflow for leases for the year ended March 31, 2026 was INR 886.05 lakhs (March 31, 2025: INR 561.14 Lakhs).

C. The Company has total commitment for short-term leases as at March 31, 2026 INR 12.90 lakhs (March 31, 2025: Nil)

36 Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Promoters of the Company.The Company is engaged primarily in the business of financing. The Company operates in a single geographical segment i.e.domesctic. Accordingly the Company does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

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37 Related Party transactions

A Key Managerial Personal
Padmaja Gangireddy - Managing Director
Raghu Venkata Harish- Non-Executive Director
Vara Prasad Chaganti- Non-Executive Director
Mahesh Payannavar-Non-Executive Director
Vijaya Sivarami Reddy Vendidandi-Non-Executive Director (w.e.f. 02.11.2022)
Rajendra Kovikondala - Company Secretary (w.e.f. 30th Sep. 2024 till 28th February 2026)

B Subsidiary
Keertana Financial Limited (w.e.f. 04.05.2023)

C Entities in which KMP (directors) and their relatives (close members) have significant influence
Spandana Rural & Urban Development Organization (SRUDO)
Spandana Mutual Benefit Trust (SMBT)
Abhiram Marketing Services Limited (AMSL)
Fins Technologies Limited(FINs)
Keertana Financial Limited (KFL) (till 03.05.2023)

D Relatives (close members) of KMP
Revan Saahith Reddy Vendidandi, son of Padmaja Gangireddy

Transactions with related parties for year ended March 31, 2026

Particulars	Key Managerial Personnel (Directors)	Key Managerial Personnel (other than directors)	Entities over which Key Management Personnel (Directors) and their relatives (close members) have significant influence	Subsidiary
Rent paid (Property)	72.36	-	85.33	-
Rent paid (Machinery)	-	-	-	108.80
Interest Expense on Loan taken	188.41	-	356.03	7.20
Financial Assets Acquisition	-	-	-	-
Service Charges paid	-	-	488.63	-
Commission Income	-	-	-	-
Investment in Equity Share Capital	-	-	-	-
Remuneration	175.00	69.19	-	-
Sitting Fees	60.00	-	-	-
Borrowings (other than Debt Securities)	26,830.00	-	30,427.00	2,206.00
Repayment of Borrowings (other than Debt Securities)	30,330.00	-	21,427.00	2,206.00

Transactions with related parties for year ended March 31, 2025

Particulars	Key Managerial Personnel (Directors)	Key Managerial Personnel (other than directors)	Entities over which Key Management Personnel (Directors) and their relatives (close members) have significant influence	Subsidiary
Rent paid (Property)	66.86	-	53.78	-
Rent paid (Machinery)	-	-	-	10.04
Interest Expense on Loan taken	72.27	-	41.75	7.69
Financial Assets Acquisition	-	-	-	-
Purchase of Property, plant and equipment	-	-	101.49	-
Service Charges paid	-	-	374.86	-
Commission Income	-	-	30.46	-
Investment in Equity Share Capital	-	-	-	-
Remuneration	169.48	62.38	36.00	-
Sitting Fees	35.62	-	-	-
Borrowings (other than Debt Securities)	12,000.00	-	13,660.00	2,400.00
Repayment of Borrowings (other than Debt Securities)	8,500.00	-	13,660.00	2,400.00

Terms and conditions of transactions with related parties

All Related Party Transactions entered during the year were in ordinary course of the business and on arm's length basis. Outstanding balances at the period-end are unsecured and settlement occurs in cash.

Outstanding balances with related parties for year ended March 31, 2026

Particulars	Key Managerial Personnel (Directors)	Key Managerial Personnel (other than directors)	Entities over which Key Management Personnel (Directors) and their relatives (close members) have significant influence	Relatives (close members) Key Managerial Personnel (Directors)
Remuneration	89.56	13.76	-	-
Sitting Fees payable	15.00	-	-	-

Outstanding balances with related parties for year ended March 31, 2025

Particulars	Key Managerial Personnel (Directors)	Key Managerial Personnel (other than directors)	Entities over which Key Management Personnel (Directors) and their relatives (close members) have significant influence	Relatives (close members) Key Managerial Personnel (Directors)
Remuneration	7.88	2.04	2.64	-
Sitting Fees payable	5.40	-	-	-
Service Charges paid	-	-	29.53	
Borrowings (other than Debt Securities)	-	-	0.04	-

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38 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, 2026			As at March 31, 2025		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	27,022.68	-	27,022.68	9,480.33	-	9,480.33
Bank Balance other than cash and cash equivalents	928.42	1.40	929.82	3,191.36	0.57	3,191.93
Loans	3,68,972.33	24,794.42	3,93,766.75	2,15,839.46	19,767.69	2,35,607.15
Investments	-	1,221.25	1,221.25	-	1,221.25	1,221.25
Other Financial assets	1,304.88	387.02	1,691.90	845.90	333.97	1,179.87
Sub total	**3,98,228.30**	**26,404.09**	**4,24,632.40**	**2,29,357.05**	**21,323.48**	**2,50,680.53**
				-	-	-
Non-financial assets				-	-	-
Current Tax assets (Net)	-	-	-	478.11	-	478.11
Deferred Tax assets (Net)	-	-	-	-	1,092.64	1,092.64
Property, plant and equipment	-	5,106.25	5,106.25	-	3,433.39	3,433.39
Right to Use Assets	-	5,261.73	5,261.73	-	3,997.10	3,997.10
Other non-financial assets	1,188.35	-	1,188.35	708.95	-	708.95
Sub total	**1,188.35**	**10,367.99**	**11,556.34**	**1,187.06**	**8,523.13**	**9,710.18**
Total assets	**3,99,416.65**	**36,772.08**	**4,36,188.74**	**2,30,544.11**	**29,846.60**	**2,60,390.71**
				-	-	-
LIABILITIES AND EQUITY				-	-	-
				-	-	-
LIABILITIES				-	-	-
Financial liabilities				-	-	-
Payables				-	-	-
(I) Trade payables				-	-	-
(i) total outstanding dues of creditors of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	75.74		75.74	184.14	-	184.14
Debt Securities	1,36,628.14	87,975.07	2,24,603.21	31,321.44	36,029.66	67,351.10
Borrowings (Other than Debt Securities)	87,259.12	26,233.98	1,13,493.10	90,061.57	36,947.08	1,27,008.65
Other Financial liabilities	3,576.05	6,118.11	9,694.16	1,467.40	4,434.46	5,901.86
Sub total	**2,27,539.05**	**1,20,327.16**	**3,47,866.21**	**1,23,034.55**	**77,411.19**	**2,00,445.74**
				-	-	-
Non-Financial liabilities				-	-	-
Current tax liabilities (Net)	930.84	-	930.84	-	-	-
Provisions	73.78	77.73	151.51	80.56	64.01	144.58
Deferred tax liabilities (Net)	-	561.24	561.24	-	-	-
Other non-financial liabilities	353.58		353.58	225.35	-	225.35
Sub total	**1,358.20**	**638.98**	**1,997.17**	**305.91**	**64.01**	**369.92**
Total liabilities	**2,28,897.25**	**1,20,966.13**	**3,49,863.39**	**1,23,340.46**	**77,475.20**	**2,00,815.66**

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39 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

Fair value hierarchy
The Company determines fair values of its financial instruments according to the following hierarchy:
Level 1 - Valuation technique using quoted market price: financial instruments with quoted prices for identical instruments in active markets that Company can access at the measurement date.
Level 2 - Valuation technique using observable inputs: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.

Level 3 - Valuation technique with significant unobservable inputs: Those that include one or more unobservable input that is significant to the measurement as whole.

Financial instruments by category

Particulars	Measurement category	Fair value hierarchy	As at March 31, 2026	As at March 31, 2025
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	Amortised Cost	Level 1	27,022.68	9,480.33
Bank Balances other than cash and cash equivalents	Amortised Cost	Level 1	929.82	3,191.93
Loans	Amortised Cost	Level 3	3,93,766.75	2,35,607.15
Investments in				-
Equity Investment in Subsidiary	Amortised Cost	Level 3	1,221.25	1,221.25
Mutual Funds	Fair Value	Level 1	-	-
Other financial assets	Amortised Cost	Level 3	1,691.90	1,179.87
Total Financial assets			4,24,632.40	2,50,680.53
Financial liabilities				
Measured at amortised cost				
Trade payables	Amortised Cost	Level 3	75.74	184.14
Debt Securities	Amortised Cost	Level 3	2,24,603.21	67,351.10
Borrowings (other than Debt Securities)	Amortised Cost	Level 3	1,13,493.10	1,27,008.65
Other financial liabilities	Amortised Cost	Level 3	9,694.16	5,901.85
Total Financial liabilities			3,47,866.21	2,00,445.74

Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are initially measured at fair value and subsequently carried at amortised cost in the financial statements. This table does not include the fair values of investments in subsidiaries measured at cost.

Particulars	As at March 31, 2026		As at March 31, 2025	
	Carrying value	Fair Value	Carrying value	Fair Value
Financial assets				
Security Deposits for Right of use	387.02	316.74	333.97	264.27
Loans	3,93,766.75	3,93,766.75	2,35,607.15	2,35,607.15
Total	3,94,153.77	3,94,083.49	2,35,941.12	2,35,871.42
Financial liabilities				
Debt Securities	2,24,603.21	2,24,603.21	67,351.10	67,351.10
Borrowings (Other than Debt Securities)	1,13,493.10	1,13,493.10	1,27,008.65	1,27,008.65
Total	3,38,096.31	3,38,096.31	1,94,359.74	1,94,359.74

There have been no transfers between Level 1, Level 2 and Level 3 for the year ended March 31, 2026

The management assessed that fair values of cash and cash equivalents, bank balances other than cash and cash equivalents, other financial assets, trade payables, other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Valuation techniques
Security Deposit
The fair values of Security deposits for premises are based on discounted cash flows using a simple average deposit rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

Loans
Fair value of Loans estimated using a discounted cash flow model on contractual cash flows using actual/estimated yields.

Lease liabilities
The fair values of lease liability are based on discounted lease payments using a Company's average incremental borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

Borrowings
The fair values of financial liabilities held-to-maturity (financial liabilities other than trade payables and debt securities) are estimated using effective interest rate model based on contractual cash flows using actual yields. Since the cost of borrowing on the reporting date is not expected to be significantly different from the actual yield considered under effective interest rate model, the carrying value of financial liabilities at amortised cost is considered a reasonable approximation of their fair value. The fair value of floating rate borrowing is deemed to equal its carrying value.
Investment in Mutual fund
The fair values of the investment in mutual fund schemes are based on net asset value at the reporting date. The Company does not hold any units as on reporting date.

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40 Disclosure with regard to dues to Micro Enterprises and Small Enterprises 22.10.106/2019-20 dated March 13,2020

Particulars	As at March 31, 2026	As at March 31, 2025
(i) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;		
- Principal due	NIL	NIL
- Interest due	NIL	NIL
(ii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	NIL	NIL
(iii) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	NIL	NIL
	NIL	NIL
iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	NIL	NIL
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	NIL	NIL

41 Breach of Covenant

During the financial year ended March 31, 2026, no bank or financial institution or debenture trustee has issued any notice of breach of covenant in respect of loans availed or debt securities issued by the Company.

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42 Risk management

Risk is an integral part of the Company's business and sound risk management is critical to the success. As a financial institution, the Company is exposed to risks that are particular to its lending and the environment within which it operates and primarily includes credit, liquidity and market and operational risks. Company's goal in risk management is to ensure that it understands measures and monitors the various risks that arise and the organization adheres strictly to the policies and procedures which are established to address these risks. The Company has a risk management policy which covers risks associated with the financial assets and liabilities.The Board of Directors of the Company are responsible for the overall risk management approach and for approving the risk management strategies and principles. Further, company has Asset-Liability Management Committee (ALCO) to monitor ALM and liquidity risk.

42.1 Introduction and Risk Profile

Risk management and mitigation

The Company's risks are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment, as necessary.

The Company's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

It is the Company's policy to ensure that a robust risk awareness is embedded in its organisational risk culture. Employees are expected to take ownership and be accountable for the risks the Company is exposed to that they decide to take on. The Company's continuous training and development emphasises that employees are made aware of the Company's risk appetite and they are supported in their roles and responsibilities to monitor and keep their exposure to risk within the Company's risk appetite limits.

The Company is generally exposed to credit risk, liquidity risk, market risk, and operational risk.

42.2 Credit Risk

Credit risk is the risk that a customer or counterparty will default on its contractual obligations resulting in financial loss to the Company. Company is into lending operations and is principally exposed to credit risk. Credit risk mainly arises from loans and advances to customers and investments in debt securities that are an asset position. The credit risk is governed by various product policies. The product policies outlines the type of products that can be offered, customer categories, the targeted customer profile and the credit approval process and limits. The Company measures, monitors and manages credit risk at an individual borrower level. Depending on the products, the Company has a structured and standardised credit approval process, which includes a well-established procedure of comprehensive credit appraisal.
The Company also follow a systematic methodology in the opening of new branches, which takes into account factors such as demand for credit in the area; income and market potential; and socio-economic and law and order risks in the proposed area.

1. Policies and procedure for credit risk for different products

The Company addresses credit risk by following

a) Gold Loan

a) Credit risk on Gold loan is generally reduced as collateral is Gold ornaments which can be easily liquidated and there is only a distant possibility of losses due to adequate margin of 25% or more retained while disbursing the loan.

b) Maximum Loan to Value ratio for Gold loans remains at 75%, as prescribed by Reserve Bank of India. Within this Loan to Value, the Sanctioning powers for Gold Loans is delegated to various authorities at branches/controlling offices. Sanctioning powers is used only for granting loans for legally permitted purposes.

c) Extra care is taken if the gold jewellery brought for pledge by any customer at any one time or cumulatively is more than 20 gm with additional measures in place to ascertain the ownership of the gold being pledged. Apart from the branch staff, independent call by back office is made with preset questions asked to the customer for ascertaining the interest in loan, the ownership of the gold jewellery.

d) In case of default, pledged Gold can be auctioned. Auctions are conducted as per the Auction Policy of the Company and the guidelines issued by Reserve Bank of India. Auction is generally conducted before loan amount plus interest exceeds beyond the internal set threshold, which is generally close to realizable value of gold. After reasonable time is given to the customers for release after loan becomes overdue and exhausting all efforts for persuasive recovery, auction is resorted to as the last measure in unavoidable cases. Loss on account of auctions are recovered from the customer. Any excess received on auctions are refunded to the customer.

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(b) Housing Loan/Loan against property

Company has a separate Credit Risk policy which outlines all the product characteristis and assessment of borrower, including the technical and legal aspects of the property. Loan against property or Housing loan involves not only the income assessment but also the property assessment. The detailed on the income assessment and property assessment is guided as per the credit policy applicable.

(c) MICRO ENTERPRISE LOANS (MEL)

Micro Enterprise loans are unsecured loans wherein the credit delivery mechanism remains as per Joint Liability Group (JLG). Thus, despite being the unsecured characteristics, the loans have social collateral in place, i.e. the group guarantee. Credit risk under such arrangement is though higher that a secured loan but remains lower than the unsecured consumption loan. The loans are preliminary extended to women borrowers in the group for income generation purpose. In order to address credit risk under such product, Compay has stringent credit assessment policies for client selection. Measures such as verifying client details, online documentation and the usage of credit bureau data to get information on past credit behaviour also supplement the efforts for containing credit risk. Company also follows key non negotiable underwriting norms incluidng having a own house mandatory without which the loan would get rejected. Company also follows a systematic methodology in the opening of new branches, which takes into account factors such as the demand for credit in the area; income and market potential; and socio-economic and law and order risks in the proposed area.

(d) BUSINESS LOANS ('M'SME LOANS)

Micro SME loans are of unsecured nature and extended for business purpose. The well defined policy on credit appraisal is in place to ensure that the loan is sanctioned as per the eligibility norms.

(e) PERSONAL LOANS

Personal loan portfolio of the company is limited to the existing customers, i.e. having one or more other secured loans. The credit risk thus gets limited.

Impairment assessment

The references below show where the Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the summary of significant accounting policies.

Definition of default and cure

The Company considers a financial instrument as defaulted and therefore Stage 3 (credit-impaired) for Expected Credit Loss (ECL) calculations in all cases when the borrower becomes more than 3 months past due on its contractual payments.

The staging criteria used by the Company is as below:

Loans months past due	Stage
Upto 30 days	Stage 1
Between 31 to 90 days	Stage 2
above 90 days	Stage 3

Exposure at default (EAD)

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the ability to increase its exposure while approaching default and potential early repayments too.

To calculate the EAD for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12 months ECL.
For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments.

Probability of default (PD)

The Probability of Default is an estimate of the likelihood of default over a given time horizon. To calculate the ECL for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12month ECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments. The Company uses historical information wherever available to determine PD

Loss given Default (LGD)

LGD is the estimated loss that the Company might bear if the borrower defaults. The Company determines its recovery (net present value) by analysing the recovery trends, borrower rating, collateral value and expected proceeds from sale of asset.

LGD Rates have been computed internally based on the discounted recoveries in defaulted accounts that are closed/ written off/ repossessed and upgraded during the year.

When estimating ECLs on a collective basis for a group of similar assets, the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

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Expected credit loss

Expected credit loss is a calculation of the present value of the amount expected not to be recovered on a financial asset, for financial reporting purposes. Credit risk is the potential that the obligor and counterparty will fail to meet its financial obligations to the lender. This requires an effective assessment and management of the credit risk at both individual and portfolio level.

The references below show where the Company's impairment assessment and measurement approach is set out in these notes. It should be read in conjunction with the Summary of significant accounting policies.

(i) Definition of default
The Company considers a financial instrument as defaulted and considered it as Stage 3 (credit-impaired) for ECL calculations in all cases, when the borrower becomes more than 90 days past due on its contractual payments or classified as NPA as per RBI directions. The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed year, if the facility has not been previously derecognised and is still in the portfolio.

(ii) Exposure at default
The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the client's ability to increase its exposure while approaching default and potential early repayments too.

(iii) Loss given default
Loss given default represents an estimate of the loss expected to be incurred when the event of default occurs. For calculation company use prescribed rate by the RBI under FIRB

(iv) Significant increase in credit risk
The Company continuously monitors all assets subject to ECL. In order to determine whether an instrument or a portfolio of instruments is subject to 12 month ECL or lifetime ECL, the Company assesses whether there has been a significant increase in credit risk since initial recognition taking in to account both qualitative and quantitative information. The Company mandatorily considers an exposure to have significantly increased in credit risk when contractual payments are more than 30 days past due.
When estimating ECL on a collective basis for a group of similar assets, the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

(v) Delinquency buckets have been considered as the basis for the staging of all loans with:
- Stage 3 is those accounts which are classified as NPA
- Stage 2 is those accounts wherein there is significant increase in credit risk
- Stage 1 is those accounts wherein DPD is 0-30 days and not considered in Stage 2 and Stage 3

The Company has classified all individual loans as amortised cost and has assessed it at the collective pool level.

MEL, MSME, and LAP Loans
Due to limited historical data, the company relies on peer benchmarking. This involves looking at delinquency rates of other lenders offering similar loan products (MEL, MSME, and LAP loans) and operating in the same region. By analysing these benchmarks, the company estimate the PD for its own loan portfolio.
Since historical data on defaulted loans is insufficient, the company uses LGD rates prescribed by the RBI under FIRB (Foundation Internal Rating Based) approach. These rates serve as a substitute for actual recovery data. The company considers a 55% LGD for secured loans and 65% for unsecured loans, as specified by the FIRB guidelines.

Gold Loans
The company leverages both receivable aging data and a management overlay to estimate potential credit losses for gold loans. The flow rate matrix approach analyses how loans transition through delinquency stages, while the management overlay considers factors like loan-to-value ratio, historical recovery data, and industry benchmarks to account for limited default recovery data. This comprehensive approach helps the company make informed provisions for potential losses associated with their gold loan portfolio.

Expected Credit Loss for the Financial Assets other than Loans
As at March 31, 2026

Particulars	Gross Carrying Amount at Default	Expected Credit Loss	Carrying amount Net of Impairment Provision
Cash and cash equivalents	27,023	-	27,023
Bank balance other than cash and cash equivalents	930	-	930
Other financial assets	1,692	-	1,692
	29,644	-	29,644

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As at March 31, 2025

Particulars	Gross Carrying Amount at Default	Expected Credit Loss	Carrying amount Net of Impairment Provision
Cash and cash equivalents	9,480	-	9,480
Bank balance other than cash and cash equivalents	3,192	-	3,192
Other financial assets	1,180	-	1,180
	13,852	-	13,852

The company has not provided ECL on cash and cash equivalents, bank balance other than cash and cash equivalents as these instruments are short term in nature and there is no history of defaults in the past. Also there has not been any changes in the credit rating of these custodians.

Credit Quality of Loans

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances.

Particulars	FY 2025-26			
	Stage 1	Stage 2	Stage 3	Total
0 DPD	3,79,253.35	-	-	3,79,253.35
(1-30) DPD	12,155.82	-	-	12,155.82
(31-60) DPD	-	1,334.71	-	1,334.71
(61-90) DPD	-	888.07	-	888.07
(91-120) DPD	-	-	815.75	815.75
(>120) DPD	-	-	3,129.47	3,129.47

Particulars	FY 2024-25			
	Stage 1	Stage 2	Stage 3	Total
0 DPD	2,15,514.46	-	-	2,15,514.46
(1-30) DPD	9,532.48	-	-	9,532.48
(31-60) DPD	-	10,956.72	-	10,956.72
(61-90) DPD	-	2,234.85	-	2,234.85
(91-120) DPD	-	-	1,730.03	1,730.03
(>120) DPD	-	-	121.46	121.46

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

Particulars	FY 2025-26			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	2,23,631.28	13,378.33	1,936.05	2,38,945.66
Add: EIR impact of Service charges received	1,144.34			1,144.34
New assets originated or purchased	15,22,311.91	-	-	15,22,311.91
Assets derecognised or repaid (excluding write offs)	-13,49,866.97	-	-	-13,49,866.97
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-5,811.38	5,811.38	-	-
Transfers to Stage 3		-16,966.92	16,966.92	-
Amounts written off		-	-14,957.76	-14,957.76
Gross carrying amount closing balance	3,91,409.18	2,222.78	3,945.22	3,97,577.18
Less: EIR impact of Service charges received	608.39	-	-	608.39
Gross carrying amount closing balance net of EIR impact of service charge received	3,90,800.79	2,222.78	3,945.22	3,96,968.79

Particulars	FY 2024-25			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	1,58,203.35	167.13	73.02	1,58,443.50
Add: EIR impact of Service charges received	1,463.66			1,463.66
New assets originated or purchased	5,96,776.20	-	-	5,96,776.20
Assets derecognised or repaid (excluding write offs)	-5,12,676.16	-	-	-5,12,676.16
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-17,092.24	17,092.24	-	-
Transfers to Stage 3	-1,853.76	-3,881.05	5,734.81	-
Amounts written off	-45.42	-	-3,871.78	-3,917.20
Gross carrying amount closing balance	2,24,775.62	13,378.33	1,936.05	2,40,090.00
Less: EIR impact of Service charges received	1,144.34	-	-	1,144.34
Gross carrying amount closing balance net of EIR impact of service charge received	2,23,631.28	13,378.33	1,936.05	2,38,945.66

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Reconciliation of ECL balance is given below:

	FY 2025-26			
Particulars	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
ECL allowance - opening balance	1,064.49	1,318.77	955.26	3,338.52
New assets originated or purchased	13,962.78			13,962.78
Assets derecognised or repaid (excluding write offs)	858.50			858.50
Transfers to Stage 1	-14,942.04	14,942.04		-
Transfers to Stage 2		-15,982.13	15,982.13	-
Transfers to Stage 3	-	-	-	-
Impact on year end ECL of exposures transferred between stages during the year	943.73	278.68	16,937.39	18,159.80
Amounts written off	-	-	14,957.76	14,957.76
ECL allowance - closing balance	943.73	278.68	1,979.63	3,202.04

	FY 2024-25			
Particulars	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
ECL allowance - opening balance	1,376.55	51.33	73.02	1,500.91
New assets originated or purchased	7,224.61			7,224.61
Assets derecognised or repaid (excluding write offs)	-1,385.46	-51.33	-73.02	-1,509.81
Transfers to Stage 1	-5,209.11	5,209.11		-
Transfers to Stage 2	-942.11	-3,890.34	4,827.03	-5.41
Transfers to Stage 3	-	-	-	-
Impact on year end ECL of exposures transferred between stages during the year	1,064.49	1,318.77	4,827.03	7,210.29
Amounts written off	-	-	3,871.78	3,871.78
ECL allowance - closing balance	1,064.49	1,318.77	955.26	3,338.52

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42.3 Liquidity Risk

Liquidity risk refers to the risk that the Company may not meet its financial obligations. Liquidity risk arises due to the unavailability of adequate funds at an appropriate cost or tenure. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company consistently generates sufficient cash flows from operating and financial activities to meet its financial obligations as and when they fall due. Our resource mobilisation team sources funds from multiple sources, including from banks, financial institutions and capital markets to maintain a healthy mix of sources. The resource mobilisation team is responsible for diversifying fund raising sources, managing interest rate risks and maintaining a strong relationship with banks, financial institutions, mutual funds, insurance companies, other domestic and foreign financial institutions and rating agencies to ensure the liquidity risk is well addressed.The maturity schedule for all financial liabilities and assets are regularly reviewed and monitored.

The following table shows the maturity analysis of financial liabilities of the Company based on contractually agreed undiscounted cash flows as at the Balance Sheet date:

Particulars	upto 1 month	over one month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months upto 1 year	Over 1 upto 3 years	Over 3 years upto 5 years	Total
As at March 31, 2026								
Trade payables	75.74	-	-	-	-	-	-	75.74
Debt Securities	11,113.07	2,807.50	2,458.33	13,325.19	1,06,924.05	87,975.07		2,24,603.21
Borrowings (other than debt securities)	11,490.05	11,503.44	8,203.56	24,093.05	31,969.02	16,733.98	9,500.00	1,13,493.10
Lease liabilities	99.17	99.54	99.78	298.51	554.46	3,410.42	5,857.36	10,419.25
Other financial liabilities	3,568.57	7.49	-	-	-	-	-	3,576.05
Total	**26,346.59**	**14,417.97**	**10,761.68**	**37,716.76**	**1,39,447.52**	**1,08,119.47**	**15,357.36**	**3,52,167.35**

Particulars	upto 1 month	over one month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months upto 1 year	Over 1 upto 3 years	Over 3 years upto 5 years	Total
As at March 31, 2025								
Trade payables	184.14	-	-	-	-	-	-	184.14
Debt Securities	2,591.99	7,426.99	519.49	7,760.98	13,021.97	36,029.66	-	67,351.10
Borrowings (other than debt securities)	3,146.03	3,213.00	3,162.45	9,877.66	16,064.37	91,545.14	-	1,27,008.65
Lease liabilities	70.55	70.83	70.94	213.92	436.82	1,617.95	1,953.46	4,434.46
Other financial liabilities	1,261.16	84.47	-	80.62	-	-	-	1,426.25
Total	**7,253.87**	**10,795.29**	**3,752.88**	**17,933.19**	**29,523.16**	**1,29,192.75**	**1,953.46**	**2,00,404.59**

42.4 Market Risk

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The objective of market risk management is to avoid excessive exposure of our earnings and equity to loss and reduce our exposure to the volatility inherent in financial instruments. There are broadly two types of market risks: (a) Interest rate risk, and (b) Price risk.

(Currency : INR in Lakhs)

a **Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is subject to interest rate risk, primarily since it lends to customers at fixed rates and for short maturity periods.

The Company borrows at both fixed and floating interest rates for different periods. Floating rates gives rise to interest rate risk. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk, the Company seek to optimize borrowing profile between short-term and long-term loans. The Company adopts funding strategies to ensure diversified resource-raising options to minimize cost and maximize stability of funds. Assets and liabilities are categorized into various time buckets based on their maturities. The Interest Rate Risk is mitigated by availing funds at very competitive rates through diversified borrowings and for different tenors.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before taxes affected through the impact on floating rate borrowings are as follows:

Impact on Profit before taxes	As at March 31, 2026	As at March 31, 2025
On Floating Rate Borrowings:		
1% increase in interest rates	2,216.72	1,760.37
1% decrease in interest rates	(2,216.72)	(1,760.37)

b **Price risk**

The company offers Gold loan as the product and is exposed to Price Risk on account of sudden change in price of Gold. Sudden fall in the gold price or fall in the value of the pledged gold ornaments can result in some of the customers to default if the loan amount and interest exceeds the market value of gold. This risk is in part gets mitigated by a minimum 25% margin retained on the value of gold jewellery at the time of sanction of loan. Further, we appraise the gold jewellery collateral solely based on the weight of its gold content, excluding weight and value of the stone studded in the jewellery. In addition, the sentimental value of the gold jewellery to the customers may induce repayment and redemption of the collateral even if the value of gold ornaments falls below the value of the repayment amount. An occasional decrease in gold prices will not increase price risk significantly on account of our adequate collateral security margins, short tenure of the gold loans and quality valuation done at the time of sanction. However, a sustained decrease in the market price of gold can additionally cause a decrease in the size of our loan portfolio and our interest income.

42.5 Operational and business risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

43 Capital Management

The primary objectives of the Company's capital management are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities.

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44 Other regulatory disclosures

44.1 No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

44.2 The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

44.3 The Company has no transactions with the companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

44.4 The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

44.5 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

44.6 There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded previously in the books of account.

44.7 All charges or satisfaction are registered with ROC within the statutory period for the financial year ended March 31, 2026. No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

44.8 The Company has not revalued its Property, Plant and Equipment (including Right-of Use Assets) based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

44.9 The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

44.10 There is no amount due and outstanding to be credited to Investor Education And Protection Fund.

44.11 The company has opted for new regime of taxation u/s 115BAA.

45 Schedule to the Standalone Balance Sheet of a Non-deposit taking Non Banking Financial Company

As required in term of Paragraph 31 of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023

	Liabilities Side:		
1	**Loans and Advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:**	**Amount Outstanding**	**Amount Overdue**
	a) Debenture:	-	-
	Secured	2,24,603.21	
	Unsecured	-	-
	(Other than falling within the meaning of public deposits)		
	b) Deferred Credits	-	-
	c) Term Loans	1,13,493.10	-
	d) Inter - Corporate loans and borrowing	-	-
	e) Commercial Paper	-	-
	f) Other Loans (Specify Nature)	-	-
2	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :**	**Amount Outstanding**	**Amount Overdue**
	a) In the form of unsecured Debentures	-	-
	b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
	c) Other public deposits	-	-

	Assets Side:	
3	**Breakup of Loans and Advances including bills receivables (other than those included in (4) below) :**	**Amount Outstanding**
	a) Secured	3,67,257.72
	b) Unsecured	8,509.03

4	**Breakup of Leased Assets and stock on hire and other assets counting towards AFC activities**	**Amount Outstanding**
	i) Lease assets including lease rentals under sundry debtors:	
	a) Financial Lease	-
	b) Operating Lease	
	ii) Stock on hire including hire charges under sundry debtors:	
	a) Assets on hire	-
	b) Repossessed Assets	
	iii) Other loans counting towards AFC activities	
	a) loans where assets have been repossessed	-
	b) Loans other than (a) above	-
5	**Breakup of Investments:**	Amount Outstanding
	Current Investments	
	1. Quoted:	
	i) Shares:	-
	a) Equity	
	b) Preference	-
	ii) Debentures and Bonds	-
	iii) Units of Mutual Funds	-
	iv) Government Securities	-
	v) Others (Please specify)	-
	2. Unquoted:	
	i) Shares:	-
	a) Equity	
	b) Preference	-
	ii) Debentures and Bonds	-
	iii) Units of Mutual Funds	-
	iv) Government Securities	-
	v) Others (Please specify)	-
	Long Term Investments:	
	1. Quoted:	
	i) 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	1,221.25
	b) Preference	-
	ii) Debentures and Bonds	-
	iii) Units of Mutual Funds	-
	iv) Government Securities	-
	v) Others (Venture Capital Fund)	-

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

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties			
a) Subsidiaries	-	-	-
b) Companies in the same group	-	-	-
c) Other related Parties	-	-	-
2. Other than related parties	3,87,257.72	6,509.03	3,93,766.75
Total	3,87,257.72	6,509.03	3,93,766.75

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

Category	Market Value/ Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties		
a) Subsidiaries	1,221.25	1,221.25
b) Companies in the same group	-	-
c) Other related Parties	-	-
2. Other than related parties		
a) Listed Equity Shares	-	-
b) Mutual Funds	-	-
c) Debentures/ Bonds	-	-
d) Others: Special Purpose Vehicles	-	-
Total	1,221.25	1,221.25

8 Other information

	Particulars	Amount
i)	Gross Non Performing Assets	
	a) Related Parties	-
	b) Other than related parties	3,945.22
ii)	Net Non Performing Assets	
	a) Related Parties	-
	b) Other than related parties	-
iii)	Assets acquired in satisfaction of debt	-

46 Regulatory capital

	For the year ended March 31, 2026	For the year ended March 31, 2025
CRAR	23.85%	25.12%
CRAR – Tier I capital (%)	21.22%	23.87%
CRAR – Tier II capital (%)	2.66%	1.25%
Amount of subordinated debt raised as Tier-II capital	-	-
Amount raised by issue of perpetual debt instruments	-	-
Leverage Ratio	4.05	3.37

47 Exposures

1 Exposure to Real Estate Sector

Category	For the year ended March 31, 2026	For the year ended March 31, 2025
i) Direct exposure		
(a) Residential Mortgages -		
Lending secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to Rs. 15 lakh may be shown separately)	17,409.67	18,061.31
(b) Commercial Real Estate -	-	-
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	-	-
(c) Investments in Mortgage Backed Securities (MBS) and other securitized exposures -		
a. Residential	-	-
b. Commercial Real Estate	-	-
ii) Indirect exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	-	-
Total Exposure to Real Estate Sector	17,409.67	18,061.31

2 Exposure to capital market

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt	1,221.25	1,221.25
Total exposure to capital market	1,221.25	1,221.25

KEERTANA FINSERV LIMITED

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(Formerly Known as Keertana Finserv Private Limited)

Notes to Standalone financial statements as at March 31, 2026

(Currency : INR in Lakhs)

3 Sectoral Exposure

Particulars	Current Year			Previous Year		
	Total Exposure	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	3,19,369.39	2,549.68	0.80%	53,697.87	933.44	1.74%
	-	-		-	-	
2. Industry - Others	9,270.69	316.33	3.41%	9,867.02	342.15	3.47%
	-	-		-	-	
3. Services	3,552.00	134.23	3.78%	4,156.76	208.17	5.01%
	-	-		-	-	
4. Personal Loans	-	-	0.00%	-	-	0.00%
	-	-		-	-	
5. Others, if any	53,994.56	944.68	1.75%	1,67,170.10	370.01	0.22%

4 There are no intra-group exposures during the year ended March 31, 2026 and year ended March 31, 2025.

48 Concentration of Advances, Exposures and NPAs

1 Concentration of Advances

Particulars	Amount
Total Advances to twenty largest borrowers	2,630.43
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	0.67%

2 Concentration of Exposures

Particulars	Amount
Total Exposure to twenty largest borrowers/customers	2,630.43
Percentage of Exposures to twenty largest borrowers/customers to Total Exposure of the NBFC on borrowers/customers	0.67%

3 Concentration of NPAs

Particulars	Amount
Total Exposure to top four NPA accounts	86.02

4 Sector-wise NPAs

Sector	Percentage of NPAs to Total Advances in that
1. Agriculture and Allied Activities	0.80%
2. Industry - Others	3.41%
3. Services	3.78%
4. Personal Loans	-
5. Others, if any	1.75%

49 Movement of NPAs

Particulars	For the year ended March	For the year ended March
(i) Net NPAs to Net Advances (%)	0.50%	0.38%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	1,851.50	73.02
(b) Additions during the year	19,135.22	1,851.50
(c) Reductions during the year	17,041.50	73.02
(d) Closing balance	3,945.22	1,851.50
(iii) Movement of NPAs (Net)		
(a) Opening balance	905.11	-
(b) Additions during the year	1,965.59	905.11
(c) Reductions during the year	905.11	-
(d) Closing balance	1,965.59	905.11
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	946.39	73.02
(b) Provisions made during the year	1,979.63	946.39
(c) Write-off/write-back of excess provisions	946.39	73.02
(d) Closing balance	1,979.63	946.39

KEERTANA FINSERV LIMITED
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Notes to Standalone financial statements as at March 31, 2026
(Currency : INR in Lakhs)

50 Details of Gold Loan related Auctions Conducted

Particulars	FY 2025-26	FY 2024-25
No. of Auctions Conducted	1	4
No. of Loan accounts involved	20	318
Outstanding Value of Loans	7.00	303.40
Value Fetched in Auction	6.78	304.89
Participation of any sister concern in the auctions	NO	NO

51 Disclosure of complaints

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

	Particulars	For the year ended March	For the year ended March
	Complaints received by the NBFC from its customers		
1	Number of complaints pending at beginning of the year	1	0
2	Number of complaints received during the year	1,037	565
3	Number of complaints disposed during the year	1,035	564
3.1	Of which, number of complaints rejected by the NBFC	2	1
4	Number of complaints pending at the end of the year	-	-
	Maintainable complaints received by the NBFC from Office of Ombudsman	-	
5	Number of maintainable complaints received by the NBFC from Office of Ombudsman	-	-
5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	-	-
5.2	Of 5, number of complaints resolved through conciliation/mediation/ advisories issued by Office of Ombudsman	-	-
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBF	-	-
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

Top five grounds of complaints received by the NBFCs from customers

	Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
	1	2	3	4	5	6
	Current Year					
1	Related to Loans and Advances	1	1,029.00	84%	-	-
2	Related to Staff Behaviour	-	6.00	20%	-	-
	Total	1	-	-		
	Previous Year		-	-		
1	Related to Loans and Advances	-	580.00	428%	1	1
2	Related to Staff Behaviour	-	5.00	-74%	-	-
	Total	-	585		-	-

52 Licenses obtained from other financial sector regulators

i. The Company is registered with the following regulators:
a) Ministry of Corporate Affairs (MCA)
b) Securities Exchange Board of India (SEBI)
c) Ministry of Finance (FIU-Ind)
d) Central Registry of Securitization Asset Reconstruction and Security Interest of India (CERSAI)

ii. The company has also applied for registration as Corporate Agent to the Insurance Regulatory and Development Authority of India (IRDAI).

53 There has been no drawdown from reserve during the year ended March 31, 2026 and March 31, 2025.

54 Disclosure of Penalties and Strictures imposed by Regulators - NIL (PY - NIL)

55 Ratings assigned by Credit Rating Agencies and migration during the year

Nature of instrument	Rating agency	March 31, 2026	March 31, 2025	March 31, 2024
Non-convertible debentures	ICRA	ICRA[BBB]	ICRA[BBB]	ICRA[BBB] (Stable)
Non-convertible debentures	CRISIL		CRISIL	CRISIL BBB/Stable
Non-convertible debentures	India Ratings	IND BBB+/Stable	IND BBB+/Stable	-
Term Loans	ICRA	[ICRA]BBB(Stable)/	[ICRA]BBB(Stable)/ [ICRA]A3+	[ICRA]BBB(Stable)/ [ICRA]A3+
Term Loans	CRISIL		CRISIL	CRISIL BBB/Stable
Term Loans	India Ratings	IND BBB+/Stable	IND BBB+/Stable	-

KEERTANA FINSERV LIMITED
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(Currency : INR in Lakhs)

56 Related Party Transactions - Refer note 37 for related party transactions and related disclosures

57 Information on instances of fraud

The frauds detected and reported for the year amounted to INR 32.34 Lakhs (PY - 61.52 Lakhs)

58 Derivatives - Forward Rate Agreement / Interest Rate Swap - Not Applicable

59 Exposures

a) **Details of financing of parent company products - Not Applicable**

b) **Details of Single Borrower Limited (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC - NIL**

60 Unsecured Advances

Particulars	For the year ended March	For the year ended March
(i) The exposure to unsecured advances	6,509.03	69,771.39

61 Details of transaction with non-executive directors:

Independent Non-Executive Directors have no pecuniary relationship with the company, except for receiving sitting fees for the meetings attended. For transactions with other Non- Executive and Executive Directors please refer note 37 for related party transactions and related disclosures.

62 Divergence in Asset Classification and Provisioning

There are no divergence in Asset Classification and Provisioning requirements as such the disclosure requirement of the same is not applicable for the company.

63 Breach of covenant

There are no instances of breach of covenant of loans availed for debt securities issued during the current year as well as previous year.

64 Advances Against Intangible Securities

The Company has not given any loans against intangible securities.

65 Overseas Assets

There are no overseas asset owned by the Company.

66 Off-Balance Sheet SPVs Sponsored

The Company has not sponsored any SPVs. Accordingly this disclosure is not applicable.

67 Net profit / loss for the year, prior period, changes in accounting policies

During the current financial year, no changes in accounting policies affected the net profit.
However, certain prior period errors were identified and corrected in accordance with Ind AS 8. These corrections have been accounted for prospectively, with adjustments made to the retained earnings opening balances as of April 1, 2025. The errors did not impact the net profit for the current year.
Nature of Prior Period Errors:
1.Addition to deferred tax liability amounting Rs 4.28 crores due to computation oversight.
2.Provision of ₹1.19 crore pertaining to prior years, previously unrecognized, has been accounted for during the current year.
The total adjustment of Rs. 5.47 crores has been recognized by factoring the same in the opening balances of retained earnings as at April 1, 2025. There was no impact on the net profit for the current year.
These changes have been reviewed and acknowledged by the statutory auditors. In accordance with Ind AS 8, the same has been recorded prospectively.

68 Revenue Recognition

Revenue recognition has not been postponed due to the pending resolution of significant uncertainties in respect of any revenue stream of the Company.

69 Consolidated Financial Statements (CFS)

The Company has 1 wholly owned subsidiary as on March 31, 2026 and has consolidated financial statement of its all the underlying subsidiaries in accordance with the requirement of Ind AS 110 - Consolidated Financial Statements.

70 Loans to Directors, Senior Officers and relatives of Directors

Particulars	For the year ended March	For the year ended March
1) Directors and their relatives	-	-
2) Entities associated with directors and their relatives	-	-
3) Senior Officers and ther relatives	-	-

71 Remuneration of Directors

Refer note 37 for related party transactions and related disclosures.

72 Management

The annual report has a detailed chapter on Management Discussion and Analysis.

73 Off-Balance Sheet exposure

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Estimated amount of contracts remaining to be executed on capital account, net of advances and not provided for	195.35	159.13
Commitments related to loans sanctioned but undrawn	-	-
Total	195.35	159.13

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Notes to Standalone financial statements as at March 31, 2026
(Currency : INR in Lakhs)

74 Asset Classification as per RBI Norms

For the year ended March 31, 2026

Particulars	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 (including Income deferred)	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	3,91,409.18	943.73	3,90,465.45	1,565.64	-621.91
	Stage 2	2,222.78	278.68	1,944.10	8.89	269.79
Sub total		**3,93,631.96**	**1,222.41**	**3,92,409.55**	**1,574.53**	**-352.12**
Non-Performing Assets (NPA)						
Substandard	Stage 3	3,945.22	1,979.63	1,965.59	394.52	1,585.11
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		**3,945.22**	**1,979.63**	**1,965.59**	**394.52**	**1,585.11**
Loss Assets	Stage 3	-	-	-	-	-
Subtotal for NPA		**3,945.22**	**1,979.63**	**1,965.59**	**394.52**	**1,585.11**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Sub total		**3,945.22**	**1,979.63**	**1,965.59**	**394.52**	**1,585.11**
Total (On book assets)	**Stage 1**	3,91,409.18	943.73	3,90,465.45	1,565.64	-621.91
	Stage 2	2,222.78	278.68	1,944.10	8.89	269.79
	Stage 3	3,945.22	1,979.63	1,965.59	394.52	1,585.11
	Total	**3,97,577.18**	**3,202.04**	**3,94,375.14**	**1,969.05**	**1,232.99**

(Currency : INR in Lakhs)

For the year ended March 31, 2025

Particulars	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 (Including Income deferred)	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	2,25,046.94	1,073.39	2,23,973.54	900.19	173.21
	Stage 2	13,191.57	1,318.74	11,872.83	52.77	1,265.97
Sub total		**2,38,238.50**	**2,392.13**	**2,35,846.37**	**952.95**	**1,439.18**
Non-Performing Assets (NPA)						
Substandard	Stage 3	1,851.50	946.39	905.11	185.15	761.24
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		**1,851.50**	**946.39**	**905.11**	**185.15**	**761.24**
Loss Assets	Stage 3	-	-	-	-	-
Subtotal for NPA		**1,851.50**	**946.39**	**905.11**	**185.15**	**761.24**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Sub total		**1,851.50**	**946.39**	**905.11**	**185.15**	**761.24**
Total (On book assets)	**Stage 1**	2,25,046.94	1,073.39	2,23,973.54	900.19	173.21
	Stage 2	13,191.57	1,318.74	11,872.83	52.77	1,265.97
	Stage 3	1,851.50	946.39	905.11	185.15	761.24
	Total	**2,40,090.00**	**3,338.52**	**2,36,751.48**	**1,138.10**	**2,200.41**

75 Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	For the year ended March 31, 2026	For the year ended March 31, 2025
Provisions for depreciation on Investment	-	
Provision towards NPA	1,980	946.39
Provision made towards Income tax	1,202	1,858.51
Other Provision and Contingencies (Gratuity & Compensated Absences)	152	144.58
Provision for Standard Assets	1,222	1,427.90

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Notes to Standalone financial statements as at March 31, 2026
(Currency : INR in Lakhs)

76 Disclosure On Liquidity Risk As On March 31, 2026

RBI has issued guidelines on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies vide circular RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated 04th November 2019. According to the said guidelines, NBFCs' with asset size of INR 100 Crores and above, are required to publicly disclose the below information related to liquidity risk on a quarterly basis. Accordingly, the disclosures on liquidity risk as at March 31, 2026 are as under

1. Funding Concentration based on significant counterparty (both deposits and borrowings)

Number of Significant Counterparties	Amount (INR in lakhs)	% of Total Liabilities
23	2,86,819.96	82.55%

*Including Securitization

^Significant Counterparties is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-D's total liabilities and 10% for other non-deposit taking NBFC

2. Top 20 large deposits (amount in INR lakhs and percent of total deposits) – Not Applicable

3. Top 10 borrowings (amount INR in lakhs and percent of total borrowings)

Term Loan/NCD/Securitisation	% of total borrowings
2,17,361.26	64.29%

4. Funding Concentration based on significant instrument/product

Name of the instrument/product	Amount (INR in crores)	% of Total Liabilities
Term Loan	86,987.42	24.86%
NCD (Non-Convertible Debentures)	1,94,405.33	55.57%
Securitisation (PTC)	7,427.22	2.12%

**Significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.

5. Stock Ratios

Particulars	March 31, 2026
Commercial Papers to Total Public Funds	NA
Commercial Papers to Total Liabilities	NA
Commercial Papers to Total Assets	NA
NCDs (Original Maturity <1 yrs.) to Total Public Funds	NA
NCDs (Original Maturity <1 yrs.) to Total Liabilities	NA
NCDs (Original Maturity <1 yrs.) to Total Assets	NA
Other Short Term Liabilities to Total Public Funds	NA
Other Short Term Liabilities to Total Liabilities	NA
Other Short Term Liabilities to Total Assets	NA

6. Institutional set-up for liquidity risk management

The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk. The Board approves the governance structure, policies, strategy, and the risk tolerance limit for the management of liquidity risk.

The Company has an Asset Liability Management Committee (ALCO), a management level committee to handle liquidity risk management. The ALCO meetings are held at periodic intervals. At the top level, the Risk Management Committee (RMC), a sub-committee of the Board of Directors of the Company, oversees the liquidity risk management. The RMC subsequently updates the Board of Directors on the same.

KEERTANA FINSERV LIMITED

(Currency : INR in Lakhs)

77 Disclosures to be made in Notes to Accounts by originators

**"Disclosure pursuant to the Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021"
("RBI Securitisation Directions").**

A) Disclosure as per the RBI Securitisation Directions for securitisation transactions as an originator :

Sl. No.	Particulars	As at March 31, 2026	As at March 31, 2025
1	No of SPEs holding assets for securitisation transactions originated by the originator (only the SPVs relating to outstanding securitization exposures to be reported here)	5	14
2	Total amount of securitised assets as per books of the SPEs	9,290.46	38,548.56
3	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures	NA	NA
	• First loss		
	• Others		
	b) On-balance sheet exposures		
	• First loss (Cash Collateral and Equity tranche)		
	• Others	1,492.69	4,298.65
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures	NA	NA
	i) Exposure to own securitisations		
	• First loss		
	• Others		
	ii) Exposure to third party securitisations		
	• First loss		
	• Others		
	b) On-balance sheet exposures	2,203.96	9,925.12
	i) Exposure to own securitisations		
	• First loss		
	• Others		
	ii) Exposure to third party securitisations		
	• First loss		
	• Others		
5	Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation	15,573.81	56,828.45
		There is no gain or loss.	There is no gain or loss.
6	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc	-	-
7	Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided.		
	Credit Enhancement - Cash Collateral		
	(a) Amount paid	567.44	2,645.68
	(b) Repayment received		
	(c) Outstanding amount		
		567.44	2,645.68
8	Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	**	**
9	Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	Nil	Nil
10	Investor complaints (a) Directly/Indirectly received and, (b) Complaints outstanding	Nil	Nil

** There is no relevant information due to limited vintage due to which average default rates can be disclosed.

B) Details of financial assets sold to Securitisation / Reconstruction Company for Asset Reconstruction

During the year, the Company has not sold any financial assets to Securitisation / Reconstruction Company for Asset Reconstruction (March 31, 2025: Nil)

78 The Company has not sponsored any off Balance Sheet SPVs which are required to be consolidated as per accounting norms for the year ended March 31, 2026.

79 Corporate Governance

The Company recognizes that strong governance is fundamental to its ability to ensure transparency, accountability, and effective decision-making to create long-term value for all the stakeholders. The Company's commitment to sound governance practices is embedded in every aspect of the operations, from the boardroom to the frontline. The board of directors comprises a diverse group of individuals with a wide range of financial skills and experience. The Board has maintained a balanced mix of 3 Independent Directors, 1 Woman Executive Director and 1 Non-Executive Director to ensure robust oversight and strategic guidance. The Board of Directors plays a crucial role in guiding the company's direction and evaluating the performance according to corporate governance norms.

80
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 has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and 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.

81 Previous year figures have been recasted & regrouped wherever necessary to make them comparable with current year figures.

Notes to accounts form an integral part of financial statements

As per our report of even date
For M/s. G V C A & Associates.,
Chartered Accountants
Firm's registration No. 010074S

CA Vijendra G
Partner
Membership No. 220735
UDIN 26220735WIGRHG9471

Place: Hyderabad
Date: 28.04.2026

For Keertana Finserv Limited

Padmaja Gangireddy
Managing Director
DIN:00004842

Vara Prasad Chaganti
Director
DIN:09425725

Revan Saahith Reddy V.
Chief Financial Officer

Amisha Tibrewal
Deputy Company Secretary
Membership No. 76615

Place: Hyderabad
Date: 28.04.2026

KEERTANA FINSERV LIMITED

G V C A & ASSOCIATES
(Formerly Known as M/s G C REDDY & ASSOCIATES)
Chartered Accountants
Ph.No.9989799099, E-mail:gvreddyca@yahoo.com

INDIA

Independent Auditor's Report

To the Members of Keertana Finserv Limited
(Formerly known as Keertana Finserv Private Limited)

Report on the Audit of the Standalone financial statements

Opinion

We have audited the standalone financial statements of Keertana Finserv Limited (Formerly known as Keertana Finserv Private Limited) ("the Company"), which comprise the Standalone Balance Sheet as at 31st March 2025, the Standalone Statement of Profit and Loss (including other comprehensive Income), the Standalone Statement of Changes in equity and the Standalone Cash Flow Statement for the year ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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

Basis for Opinion

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

Key Audit Matters

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

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We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our Audit Addressed Key Audit Matters
1. Compliance and disclosure requirement Compliance and disclosure requirements under the applicable Indian Accounting standards (Ind AS), Reserve Bank of India (RBI) guidelines and	▶ Assessed the systems and processes laid down by the Company to appropriately ensure compliance and disclosures as per the applicable Ind AS, RBI guidelines and other applicable statutory, regulatory and financial reporting framework.
other applicable statutory, regulatory, and financial reporting framework	▶ Designed and performed audit procedures to assess the completeness and correctness of the details disclosed having regard to the assumptions made by the management in relation to the applicability and extent of disclosure requirements. ▶ Relied on internal records of the Company and external confirmations
2. IT Systems and Controls The Company uses Information Technology (IT) application for financial accounts and reporting process. Any gap in the financial accounting and reporting process may result in a misstatement, hence we have identified IT systems and controls over financial reporting as a Key Audit Matter	▶ Understood the IT systems and controls over key financial accounting and reporting systems. ▶ Tested the general IT controls for design and operating effectiveness. ▶ Understood the changes made in the IT environment during the year and ascertained its effect on the financial statements controls and accounts. ▶ We also assessed, through sample tests, the information generated from these systems which were relied upon for our audit.
3. Allowance for Expected Credit Loss (ECL) on loan assets As at 31 March, 2025, loan assets aggregated 2,35,607.15 lakhs (net of ECL 3,338.51 lakhs), which are measured at amortized cost, constituting 90.46% of the company's total assets. The Group recognized impairment provisions for the loan assets based on expected credit loss (ECL) approach laid down under 'IND AS 109-Financial Instruments.' The estimation of ECL on financial instruments involves significant management judgement and estimates and the use of different modelling techniques and assumptions which could have material impact on reported profits. Significant management judgement and assumptions involved in measuring ECL is required with respect to: • Ensuring completeness and accuracy of the data considered for assumptions used in the model.	**Principal audit procedures performed:** ▶ We have read and assessed the accounting policies and the policy on ECL approved by the Board of Directors of the Company. ▶ We have verified the methodology adopted for computation of ECL ("ECL Model") on loan assets that complies with policies approved by the Board of Directors, procedures, and controls for assessing and measuring credit risk on the loan assets measured at amortized cost. ▶ Our audit procedures related to the allowance for ECL on loan assets included the following, among others: • Testing the design and effectiveness of controls over the: (1) Completeness and accuracy of the Exposure at Default ("EAD") and the classification thereof into stages consistent with the definitions applied in accordance with the policy approved by the Board of Directors including the appropriateness of the qualitative factors to be applied.

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• Determining the criteria for a significant increase in credit risk. • Factoring the future economic variables. • Techniques used to determine probability of default (PD), loss given default (LGD) and exposure at default (ED). **Disclosure:** The disclosures regarding the Group's application of Ind AS 109 are key to explaining the key judgements and material input to the ECL results. Further, disclosures to be provided as per RBI circulars with regards to Non-Performing Assets and Provisions is also an area of focus. Considering the significance of the above matter to the overall financial statements, and extent of management's estimates and judgements involved, it requires Auditor's significant attention. Accordingly, we have identified this as a Key Audit Matter.	(2) appropriateness of information used in the estimation of the PD and LGD for the different stages depending on the nature of the portfolio; and • computation of the ECL including methodology used to determine macro-economic overlays and adjustments to the output of the ECL Model. • Also, for the samples tested included the following, among others: - the appropriateness of the qualitative factors applied by the Management for staging of loans as SICR or default categories in view of Company's policy on restructuring. • Tested the design and operating effectiveness of key controls over completeness and accuracy of the key inputs and assumptions considered for calculation, recording, monitoring of the impairment loss recognized and staging of assets. Also evaluated the controls over the modelling process, validation of data and related approvals; • Assessed the critical assumptions and input data used in the estimation of expected credit loss models for specific key credit risk parameters, such as the movement logic between stages, Exposure at default (EAD), probability of default (PD) or loss given default (LGD);

Other Information

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

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

We draw attention to the fact that subsequent to the Balance Sheet date, the Company has been converted from a Private Limited Company to a Public Limited Company in accordance with the provisions of the Companies Act, 2013. The change in status was approved by the Registrar of Companies and is effective from April 10, 2025. Revised CoR from RBI in the name of Keertana Finserv Limited is Awaited, our audit report pertains to the financial statements of the Company for the year ended March 31, 2025, when it was a Private Limited Company. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing

CA & ASSOCIATES FRN: 010074S Chartered Accountants and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of standalone financial statements.

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

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

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

- Obtain an understanding of internal 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 with reference to standalone financial statements in place and the operating effectiveness of such controls;

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

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

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

• Obtain sufficient appropriate audit evidence regarding the standalone financial statements of the Company to express an opinion on the standalone financial statements.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in

(i) planning the scope of our audit work and in evaluating the results of our work; and
(ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:

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

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

(c) The Standalone Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with Accounting Standards specified under Section 133 of the Act.

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

(f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate report in **'Annexure A'** wherein we gave expressed unmodified opinion; and

(g) With respect to the other matters to be included in the Auditors' report in accordance with section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of

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section 197 read with Schedule V to the Act; and

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

i. The Company does not have any pending litigations which would impact its financial position;

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

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

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

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

v. No dividend was declared or paid during the year by the Company.

vi. Based on our examination which included test checks, the company has an accounting software for maintaining its books of accounts having the feature of recording audit trail (edit log) facility and the same has operated throughout the year of all the transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the company as per the statutory requirement for record Retention.

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(2) As required by the Companies (Auditor's Report) Order, 2020, ('the Order') issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in **"Annexure B"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

For M/s. G V C A & Associates
(Formerly Known as G C Reddy & Associates)
Chartered Accountants
F.R No: 010074S

CA Vijendra G
Partner
M.No: 220735
Place: Hyderabad
UDIN: 25220735BMKQOX9249
Date:02/05/2025

G V C A & ASSOCIATES
(Formerly Known as M/s G C REDDY & ASSOCIATES)
Chartered Accountants
Ph.No.9989799099, E-mail:gvreddyca@yahoo.com

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal Regulatory Requirements' section of our report to the Members of the Company of even date)

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

We have audited the internal financial controls with reference to standalone financial statements of **Keertana Finserv Limited** (Formerly known as Keertana Finserv Private Limited) ("the Company") as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Inherent Limitations of Internal Financial Controls with reference to the standalone financial statements

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to the standalone financial statements

A company's internal financial control with reference to the standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to the standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Opinion

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

For M/s. G V C A & Associates
(Formerly Known as G C Reddy & Associates)
Chartered Accountants
F.R No: 010074S

G V C A & ASSOCIATES FRN: 010074S Chartered Accountants

CA Vijendra G
Partner
M.No: 220735
Place: Hyderabad
UDIN: 25220735BMKQOX9249
Date: 02/05/2025

Annexure "B" to the Independent Auditor's Report

With reference to Paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of the Company, we report that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

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

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

(b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) The Company does not own any immovable properties, Accordingly, clause 3(i)(c) of the Order is not applicable.

(d) The Company has not revalued any of its Property, Plant and Equipment including Right- of-Use Assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) The Company is a Non-Banking Finance Company and its business does not require maintenance of inventories and hence reporting under clause 3(ii)(a) of the Order is not applicable.

(b) The Company has not taken working capital limits in excess of Rs.5 Crore during the year, from banks or financial institutions on the basis of security of current assets. Hence reporting under clause 3(ii)(b) of the Order is not applicable.

iii. (a) The Company is a non-deposit taking non-banking financial company ("NBFC") registered with the Reserve Bank of India ("RBI") and principal business of the Company is to give loans, hence the requirement to report on clause 3(iii) (a) of the Order is not applicable to the Company.

(b) During the year, the company has not provided guarantees and security. In our opinion, having regard to the nature of the Company's business, the loans and advances in the nature of loans given and the investments made during the year are, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated. Being a Non-Banking (Systemically Important Non-Deposit) Finance Company, it is engaged in the business of granting loans to retail customers the entity-wise details of the amount, due date for payment and extent of delay have not been reported because it is not practicable to furnish such details owing to the

G V C A & ASSOCIATES FRN: 010074S Chartered Accountants the instances where there are delays or defaults in repayment of principal and/ or interest and in respect of which the company has recognized necessary provisions in accordance with the principles of Indian Accounting Standards (IND AS) and the guidelines issued by the Reserve Bank of India ("RBI") for Income Recognition and Asset Classification (which has been disclosed by the Company in Note 74 and Note 75 to the financial statements), the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, as applicable.

(d) In respect of loans granted by the Company, an amount of Rs. 1,851.49 lakh is overdue for more than ninety days as disclosed in Note no. 42 and 74 of the financial statements. In our opinion and according to the information and explanations given to us, reasonable steps have been taken by the Company for recovery of the principal and interest.

(e) The principal business of the Company is to give loans, hence the requirement to report on clause 3(iii) (e) of the Order is not applicable to the company.

(f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with section 185 and 186 in respect of the loans granted, investments made, wherever applicable. The Company has not given guarantees or securities.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. According to the information and explanation given to us, the maintenance of cost records has not been specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause 3(vi) of the Order is not applicable to the Company.

vii. In respect of statutory dues:

a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, and other statutory dues applicable to it with the appropriate authorities.

b) There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, and other statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.

c) There are no disputed statutory dues that have not been deposited on account of any dispute by the Company as on 31st March, 2025.

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

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

b) The Company has not been declared willful defaulter by any bank or financial institution or other lender.

c) According to the information and explanations given to us and procedures performed by us, we report that the Company has applied the term loans for the purpose for which the loans were obtained.

d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies. Accordingly, paragraph 3(ix)(f) of the Order is not applicable.

x. a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

b) During the year, the Company has made private placement and preferential allotment of equity shares and complied with the requirements of section 42 and 62 of the Companies Act, 2013 and the amounts raised have been used for the purpose for which the funds were raised. Further, the Company has not issued convertible debentures during the year.

xi. a) According to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit except for instances of fraud on the Company aggregating to Rs. 61.52 Lakhs as included in Note 57 to the accompanying standalone financial statements. The Company has initiated necessary action against the customers connected to such instances.

b) According to the information and explanations given to us, there were no instances of frauds, requiring filing of report under sub-section (12) of section 143 of the Companies Act 2013 in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

d) As represented to us by the management, there are no whistle blower complaints received by the company during the year.

xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii)(a) to (c) of the Order is not applicable.

xiii In our opinion, the Company has complied with the provisions of Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements, as required under Indian Accounting Standard 24 "Related Party Disclosures".

G V C A & ASSOCIATES * Chartered Accountants * FRN: 010074S

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

b) We have considered internal audit reports for the year under audit issued to the company during the year and till date.

xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. a) The Company is a Non-Banking Finance Company and is required to obtain Registration under section 45-IA of the Reserve Bank of India Act, 1934 and such registration has been obtained.

b) The Company has a valid Certificate of Registration (CoR) from the Reserve Bank of India (RBI) for conducting Non-Banking Financial activities and no business has been conducted by the Company without a valid CoR for the period under Review.

c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting requirements under clause 3 (xvi)(c) of the Order is not applicable.

d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

xviii. During the year, the statutory auditors, M/s. M. Anandam & Co., Chartered Accountants (FRN-000125S), resigned with effect from June 2, 2024. We have considered the issues, Objections, or concerns raised by the outgoing auditors, if any, and have taken them into account in our audit.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, Asset Liability Maturity (ALM) pattern, other information accompanying the financial statements and 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

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xx. There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to Fund specified in Schedule VII to the Companies Act, 2013 in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause **3(xx)(a)** of the Order is not applicable for the year.

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

For M/s. G V C A & Associates
(Formerly Known as G C Reddy & Associates)
Chartered Accountants
F.R No: 010074S

CA Vijendra G
Partner
M.No: 220735
Place: Hyderabad
UDIN: 25220735BMKQOX9249
Date: 02/05/2025

KEERTANA FINSERV LIMITED
(Formerly Known as Keertana Finserv Private Limited)
Standalone Balance Sheet as at March 31, 2025
(Currency : INR in Lakhs)

Particulars	Note No	As at March 31, 2025	As at March 31, 2024
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	3	9,480.33	6,142.03
(b) Bank balance other than cash and cash equivalents	4	3,191.93	1,639.24
(c) Loans	5	2,35,607.15	1,56,942.59
(d) Investments	6	1,221.25	1,221.25
(e) Other financial assets	7	1,179.87	814.35
		2,50,680.53	**1,66,759.46**
(2) Non-financial assets			
(a) Current Tax Assets (Net)	8	478.11	-
(b) Deferred Tax Assets (Net)	9	1,092.64	823.30
(c) Property, Plant and Equipment	10	3,433.39	2,114.12
(d) Right of use asset	10	3,997.10	1,801.81
(e) Other non-financial assets	11	708.95	315.11
		9,710.18	**5,054.33**
Total assets		**2,60,390.71**	**1,71,813.80**
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial liabilities			
(a) Payables			
(i)Trade payables	12		
(i) total outstanding dues of micro enterprises and small enterprises		-	2.62
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		184.14	76.04
(b) Debt Securities	13	67,351.10	48,699.31
(c) Borrowings (Other than Debt Securities)	14	1,27,008.65	80,947.19
(d) Other financial liabilities	15	5,901.86	2,809.15
		2,00,445.74	**1,32,534.32**
(2) Non-financial liabilities			
(a) Current tax liabilities (Net)	16	-	256.42
(b) Provisions	17	144.58	77.47
(c) Deferred tax liabilities (Net)	9	-	-
(d) Other non-financial liabilities	18	225.35	211.70
		369.92	**545.60**
EQUITY			
(a) Equity share capital	19	12,733.83	10,434.48
(b) Other equity	20	46,841.22	28,299.40
		59,575.05	**38,733.88**
Total liabilities and equity		**2,60,390.71**	**1,71,813.80**

Material accounting policies 2
Notes to accounts form an integral part of financial statements

As per our report of even date
For M/s. G V C A & Associates.,
(Formerly Known as G C Reddy & Associates)
Chartered Accountants
Firm's registration No. 010074S

CA Vijendra G
Partner
Membership No. 220735
Place : Secunderabad
Date: 02.05.2025
UDIN:

G V C A & ASSOCIATES * Chartered Accountants * FRN: 010074S

For Keertana Finserv Limited

Padmaja Gangireddy
Managing Director
DIN: 00004842
Place : Hyderabad
Date: 02.05.2025

Vara Prasad Chaganti
Director
DIN: 09425725
Place : Hyderabad
Date: 02.05.2025

Revan Saahith Reddy V.
Chief Financial Officer
Place : Hyderabad
Date: 02.05.2025

Rajendra Kavikondala
Company Secretary
Place : Hyderabad
Date: 02.05.2025

Keertana Finserv Limited

KEERTANA FINSERV LIMITED
(Formerly Known as Keertana Finserv Private Limited)
Standalone Statement of Profit and Loss for the year ended March 31, 2025
(Currency : INR in Lakhs)

	Particulars	Note No	Year ended March 31, 2025	Year ended March 31, 2024
	Revenue From operations			
(i)	Interest income	21	45,132.32	24,557.38
(ii)	Processing Fees	22	1,902.36	2,120.68
(iii)	Net gain on fair value changes	23	909.94	214.50
(I)	**Total revenue from operations**		**47,944.62**	**26,892.57**
(II)	**Other income**	24	523.21	790.08
(III)	**Total income (I + II)**		**48,467.83**	**27,682.65**
	Expenses			
(i)	Finance costs	25	24,139.13	12,523.91
(ii)	Impairment on financial instruments	26	5,709.45	1,165.25
(iii)	Employee Benefit Expenses	27	7,711.93	3,530.45
(iv)	Depreciation, amortization and impairment	28	976.07	607.75
(v)	Others expenses	29	1,757.75	930.02
(IV)	**Total expenses**		**40,294.32**	**18,757.37**
(V)	**Profit before tax (III - IV)**		8,173.51	8,925.27
(VI)	**Tax Expense/(benefit) :**			
	(1) Current Tax	30	1,858.51	2,388.02
	'(2) Deferred Tax	30	-270.58	-621.48
(VII)	**Profit for the period (V-VI)**		**6,585.58**	**7,158.73**
(VIII)	**Other comprehensive income**			
	(A) Items that will not be reclassified to profit or loss			
	Remeasurement of defined benefit plans (net of tax)		-6.21	1.24
	Subtotal (A)		-6.21	1.24
	(B) Items that will be reclassified to profit or loss		-	-
	Subtotal (B)		-	-
	Other comprehensive income (A+B) (VIII)		-6.21	1.24
(IX)	**Total comprehensive income for the period (VII + VIII)**		**6,579.37**	**7,159.97**
(X)	**Earnings per share (equity share, par value of Rs. 10 each)**			
	Basic (Rs.)	31	5.62	8.89
	Diluted (Rs.)	31	5.62	8.89

Material accounting policies 2
Notes to accounts form an integral part of financial statements

As per our report of even date
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Chartered Accountants
Firm's registration No. 010074S

G V C A & ASSOCIATES FRN: 010074S Chartered Accountants

CA Vijendra G
Partner
Membership No. 220735
Place : Secunderabad
Date: 02.05.2025
UDIN:

For Keertana Finserv Limited

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Managing Director
DIN: 00004842
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Date: 02.05.2025

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Date: 02.05.2025

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Chief Financial Officer
Place : Hyderabad
Date: 02.05.2025

Rajendra Kavikondala
Company Secretary
Place : Hyderabad
Date: 02.05.2025

Keertana Finserv Limited

KEERTANA FINSERV LIMITED
(Formerly Known as Keertana Finserv Private Limited)
Standalone Statement of Cash Flows for the Year ended March 31, 2025
(Currency : INR in Lakhs)

Particulars	**For the Year ended March 31, 2025**	**For the Year ended March 31, 2024**
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	8,173.51	8,925.27
Adjustments for:		
Interest Income	-44,887.16	-24,288.48
Interest Income of Fixed Deposits	-245.16	-268.91
Fees and commission income	-1,902.36	-2,120.68
Interest on lease deposits	-11.34	-6.96
Depreciation, amortisation and impairment	976.07	607.75
Finance Cost on borrowings	23,660.39	12,255.31
Interest on lease liabilities	478.74	244.61
Impairment on financial instrument	5,709.45	1,165.25
(Profit)/Loss on sale of mutual funds	-909.94	-214.50
Provision for gratuity & leave enchasment	114.15	71.96
Cash generated from / (used in) operations before working capital changes and adjustments for interest received and interest paid	-8,843.65	-3,629.38
<u>Adjustments for changes in Working Capital :</u>		
(Increase) in Loans	-84,947.56	-93,132.64
(Increase) in Other financial assets	-434.89	-623.48
(Increase)/Decrease in Other non-financial assets	64.27	-62.38
Increase in Trade payables	105.48	16.38
Increase in Other financial liabilities	651.24	497.28
Increase in Provisions	181.25	-17.77
Increase in other non-financial liablities	13.65	137.19
	-84,346.58	-93,185.42
Interest income realised on financial assets	43,405.44	22,235.21
Cash inflow from Fees and commission income	1,583.04	1,087.53
Finance costs paid	-24,712.43	-12,821.00
Income tax paid (net of refunds)	-2,201.92	-2,567.04
NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES	-75,116.10	-88,900.09
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	-1,859.84	-794.32
Purchase of investment measured at FVTPL	-1,25,113.00	-61,398.72
Proceeds from sale of investment measured at FVTPL	1,26,022.94	61,613.23
Investment in Subsidiary	-	-1,221.25
Interest income realised on Fixed deposits	147.89	216.14
Investment in deposits with original maturity of more than 3 months	-3,946.15	-1,478.26
Redemption of deposits with original maturity of more than 3 months	2,490.73	-
NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES	-2,257.44	-3,063.17
CASH FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares (including securities premium)	15,061.47	14,746.74
Share issue expenses	-	-13.03
Proceeds from Borrowings (other than debt securities)	1,63,550.35	1,26,413.46
Repayment of borrowings (other than debt securities)	-1,17,429.53	-96,272.30
Proceeds from Debt Securities	66,600.00	64,900.00
Repayment of debt securities	-46,509.31	-15,475.00
Payment of lease liabilities	-561.15	-414.34
NET CASH GENERATED FROM / (USED IN) FROM FINANCING ACTIVITIES	80,711.84	93,885.54
Net Increase / (Decrease) in Cash and Cash Equivalents	3,338.30	1,922.28
Cash and Cash Equivalents at the beginning of Year	6,142.03	4,219.76
Cash and Cash Equivalents at the end of the Year	9,480.33	6,142.03
Components of Cash and Cash Equivalent:		
Cash on hand	545.35	935.15
Balance with banks (of nature of cash and cash equivalents)		
(a) Balances with banks (of the nature of cash and cash equivalents)	8,929.90	4,648.16
(b) Deposits with maturity less than 3 months	5.09	558.72
Total Cash and Cash Equivalents	9,480.33	6,142.03

The above statement of cash flows has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) - 7 'Statement of Cash flows' as specified under Section 133 of the Companies Act, 2013, ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

Material accounting policies 2

Notes to accounts form an integral part of financial statements

As per our report of even date
For M/s. G V C A & Associates.,
(Formerly Known as G C Reddy & Associates)
Chartered Accountants
Firm's registration No. 010074S

CA Vijendra G
Partner
Membership No. 220735
Place : Secunderabad
Date: 02.05.2025
UDIN:

For Keertana Finserv Limited

Padmaja Gangireddy
Managing Director
DIN: 00004842
Place : Hyderabad
Date: 02.05.2025

Vara Prasad Chaganti
Director
DIN: 09425725
Place : Hyderabad
Date: 02.05.2025

Bevan Saahith Reddy V.
Chief Financial Officer
Place : Hyderabad
Date: 02.05.2025

Rajendra Kavikondala
Company Secretary
Place : Hyderabad
Date: 02.05.2025

KEERTANA FINSERV LIMITED
(Formerly Known as Keertana Finserv Private Limited)
Standalone Statment of Changes in Equity for the year ended March 31, 2025
(Currency : INR in Lakhs)

A. Equity share capital

Particulars	For the Year ended March 31, 2025		
	Outstanding as on March 31, 2024	Issued during the Year 24-25	Outstanding as on March 31, 2025
Issued, Subscribed and paid up - fully paid (Equity shares of Rs.10 each, Fully paid-up)	10,434.46	2,299.35	12,733.83

B. Other equity

Particulars	Reserves and Surplus				Total
	Statutory Reserve	Securities Premium	Retained Earnings	Impairment Reserve	
Balance at March 31, 2023	336.08	8,730.22	1,342.77	-	10,409.07
Profit for the year	-	-	7,158.73	-	7,158.73
Prior Period Adjustment			-		
Other comprehensive income for the year	-	-	1.24	-	1.24
Total comprehensive income for the year (net of tax)					-
Transfer to Statutory Reserves	1,431.99	-	-1,431.99	-	-
Transfer to General Reserves	-	-	-	-	-
Issue of equity shares	-	10,730.36	-	-	10,730.36
Amounts utilised towards share issue expenses	-	-	-	-	-
Balance at March 31, 2024	1,768.08	19,460.58	7,070.75	-	28,299.40
Profit for the year	-	-	6,585.58	-	6,585.58
Other comprehensive income for the year	-	-	-6.21	-	-6.21
Prior Period Adjustment			-799.68		-799.68
Total comprehensive income for the year (net of tax)					-
Transfer to Statutory Reserves	1,317.12	-	-1,317.12	-	-
Transfer to General Reserves	-	-	-	-	-
Issue of equity shares	-	12,762.12	-	-	12,762.12
Amounts utilised towards share issue expenses	-	-	-	-	-
Balance at March 31, 2025	3,085.19	32,222.70	11,533.32	-	46,841.22

Notes to accounts form an integral part of financial statements

As per our report of even date
For M/s. G V C A & Associates.,
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CA Vijendra G
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UDIN:

G V C A & ASSOCIATES
FRN: 010074S
Chartered Accountants

For Keertana Finserv Limited

Padmaja Gangireddy
Managing Director
DIN: 00004842
Place : Hyderabad
Date: 02.05.2025

Devan Saahith Reddy V.
Chief Financial Officer
Place : Hyderabad
Date: 02.05.2025

Keertana Finserv Limited

Vara Prasad Chaganti
Director
DIN: 09425725
Place : Hyderabad
Date: 02.05.2025

Rajendra Kavikondala
Company Secretary
Place : Hyderabad
Date: 02.05.2025

KEERTANA FINSERV LIMITED
(Formerly Known as Keertana Finserv Private Limited)
Notes to the Standalone Financial Statements for the year ended March 31, 2025

NOTE 1 : CORPORATE INFORMATION

Keertana Finserv Limited (Formerly Known As Keertana Finserv Private Limited) ("the Company") was incorporated as a private limited Company on 14th February, 1996 and was subsequently converted to a public limited Company on 10th April 2025. The Debentures of the company are Listed on Bombay Stock Exchange Limited ("BSE"). The Company is primarily engaged in the business of financing Gold Loans, Loan Against Property and Housing Loans, Business Loans, Micro Enterprise Loans, and Consumer Loans to low-income customers in semi-urban and rural areas. The Company obtained permission from the Reserve Bank of India for carrying on the business of Non-Banking Financial Institutions on 09-01-2001 vide Regn No. B.05.03970. Under the scale based regulations, the Company is categorised in the Middle Layer. The Registered Office of the Company is at - Office No 919, 9th Floor, 4A, Regus Granduer, Abanindra Nath Thakur Sarani, PS Arcadia Central (Camac Street), Park Street, Kolkata 700016, West Bengal and its Corporate Office is at Plot No. 31 & 32, Ramky Selenium Towers, Tower A, Financial Dist. Nanakramguda, Hyderabad - 500 032, Telangana.

NOTE 2 : MATERIAL ACCOUNTING POLICIES

2 Significant Accounting Policies

2.1 Basis of preparation

The Company has prepared the financial statements for the year ended March 31, 2025 in accordance with Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standards) Rules, 2015 prescribed under section 133 of the Companies Act 2013 ("the Act) along with other relevant provisions of the Act and as amended from time to time, Master Direction - Reserve Bank of India (Non- Banking Financial Company Scale Based Regulation) Direction 2023, and any application guidance/ clarifications/ directions issued by RBI or other regulators are implemented as and when they are issued/ applicable, including notification for Implemantation of Indian Accounting Standards vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 ('RBI notification for implemantation of Ind AS') issued by RBI.

The Company uses accrual basis of accounting except in case of significant uncertainities. Accounting policies have been consistently applied for all periods presented unless otherwise stated.

Any application of guidance / clarification / directions issued by RBI or other regulators are implemented prospectively when they become applicable. Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.2 Presentation of Financial Statements

The financial statement of the company are presented as per Division III of the Schedule III to the Companies Act 2013 as amended from time to time, for Non-Banking Financial Companies ('NBFCs') that are required to comply with Ind-AS. The Statement of Cash Flows has been presented as per the requirements of Ind-AS 7 Statement of Cash Flows.

An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non–current) is presented in **Note 38** Maturity analysis of assets and liabilities.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and/or its counterparties

2.3 Statement of Compliance

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 and the other relevant provisions of the Act. The Company has consistently applied accounting policies to all the periods.

2.4 Functional and presentational currency

The financial statements are presented in Indian Rupees which is also functional currency of the Company and the currency of the primary economic environment in which the Company operates.

2.5 Basis of Measurement

The financial statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments and plan assets of defined benefit plans , which are measured at fair values at the end of each reporting period as explained in the accounting policies below. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116 'Leases' and measurements that have some similarities to fair value but are not fair value, such as value in use in Ind AS 36 '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 (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 inputs are 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.

All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupees in lakhs upto two decimal places, except per share data and unless stated otherwise in compliance with Schedule III of the Act.

2.6 Summary of Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) at the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results could differ from these estimates. Any revisions to accounting estimates are recognized prospectively in the current and future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Key sources of estimation of uncertainty at the date of financial statements, which may cause a material adjustment to the carrying amount of assets and liabilities within the next financial year are included in the following notes:

a. Business model assessment

Classification and measurement of financial assets depends on the results of the solely payments of principal and interest (SPPI) and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

b. Effective Interest Rate (EIR) method

The Company recognizes interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loans given / taken. This estimation, by nature, requires an element of judgement regarding the expected behaviour and lifecycle of the instruments, as well as expected changes to other fee income/expense that are integral parts of the instrument.

c. Impairment of loans portfolio

The measurement of impairment losses on loan assets requires judgement, in estimating the amount and timing of future cash flows and recoverability of collateral values while determining the impairment losses and assessing a significant increase in credit risk.

The Company's Expected Credit Loss (ECL) calculation is the output of a complex model with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies.
• Stage 1: Performing Assets
• Stage 2: Under Performing Assets
• Stage 3: Non-Performing Assets

Under Ind AS, asset classification and provisioning moves from the 'rule based', incurred losses model to the Expected Credit Loss (ECL) model of providing for expected future credit losses. Thus, loan loss provisions are made on the basis of the Company's historical loss experience, future expected credit loss and after factoring in various macro-economic parameters.

Probability of Default (PD) - The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), 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 (EAD) – EAD is based on the amounts the Company expects to be owed at the time of default.

Elements of the ECL model that are considered to be accounting judgements and estimates include:
i) PD calculation includes historical data, benchmarking, assumptions and expectations of future conditions.
ii) The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life-time expected credit loss and the qualitative assessment.
iii) The segmentation of financial assets when their ECL is assessed on a collective basis.
iv) Development of ECL models, including the various formulas and the choice of inputs.

It is the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary. While estimating the expected credit losses, the Company reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Company analyses if there is any relationship between key economic trends like GDP, unemployment rates, benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD determined by the Company based on its internal data/external data. While the internal estimates of PD rates by the Company may not be always reflective of such relationships, temporary overlays, if any, are embedded in the methodology to reflect such macro-economic trends reasonably.

The impairment loss on loans and advances is disclosed in more detail in **Note 5**- Loans and **Note 42** Risk Management.

d. Defined employee benefit assets and liabilities

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

e. Fair value measurement

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

f. Other accounting judments, estimates and assumptions

Key sources of estimation of uncertainty in respect of revenue recognition, employee benefits, useful lives of property, plant and equipment, Right of Use Assets, valuation of deferred tax assets, fair value measurement of financial instruments, discount rate of lease liabilities, share based payments, provisions and contingent liabilities have been discussed in the respective policies.

2.7 Revenue recognition

a. Interest Income on loans

The Company earns interest income primarily by giving loans.

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

Interest income is recorded using effective interest rate (EIR) method for all financial assets measured at amortised cost.

Interest income on loans is recognised taking into account the amount outstanding and rate applicable.

EIR is the rate that exactly discounts the estimated future cash flows through the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset except for credit impaired asset.

The calculation of the effective interest rate includes transaction costs and fees (loan processing fees and other premiums or discounts) that are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.

When a financial asset becomes credit-impaired, the Company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial asset cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

b. Fees & Commission Income

Commission income from portfolio loans are recognised on rendering of services. Fees and commissions are recognised when the Company satisfies the performance obligation, at fair value of the consideration received or receivable.

c. Interest income on fixed deposits

Interest on fixed deposits is recognised on a time proportion basis taking into account the amount outstanding and the applicable rate.

d. Other income

Interest on overdue of loans and other ancillary charges are recognised upon realisation. All other income is recognised on an accrual basis upon satisfaction of performance obligation, when there is no uncertainty in the ultimate realisation/collection and income can be measured reliably.

e. Net gain/loss on fair value changes

Any differences between the fair values of financial assets 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 cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed under "Expenses" in the statement of profit and loss as "Net loss on fair value changes".

2.8 Financial instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

a. Initial recognition and measurement

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

A financial asset and a financial liability are offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

b. Classification and measurement of Financial assets

Based on the business model, the contractual characteristics of the financial assets and specific elections where appropriate, the Company classifies and measures financial assets in the following categories:
- Amortised cost
- Fair value through other comprehensive income ('FVOCI')
- Fair value through profit and loss ('FVTPL')

Financial assets at amortised cost

Financial instruments that meet the following conditions are subsequently measured at amortised cost less impairment loss:
• The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
• Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement and based on the assessment of the business model as asset held to collect contractual cash flows and SPPI, such financial assets are subsequently measured at amortised cost using effective interest rate ('EIR') method. Interest income and impairment expenses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.

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

Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to sole payments of principal and interest on the principal amount outstanding and by selling financial assets.

Movements in the carrying amount of such financial assets are recognised in Other Comprehensive Income ('OCI'), except dividend income and interest income which is recognised in statement of profit and loss. Equity instruments at FVOCI are not subject to an impairment assessment.

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

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

c. Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, and payables, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities measured at amortised cost:

Financial liabilities (other than financial liabilities at fair value through profit and loss) are measured at amortised cost. The carrying amounts are determined based on the EIR method. Interest expense is recognised in statement of profit and loss.

Financial liabilities at fair value through Profit or Loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

d. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of directly attributable transaction costs.

e. Reclassification

Financial assets are not reclassified subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line or in the period the Company changes its business model for managing financial assets. Financial liabilities are not reclassified.

f. De-recognition of financial assets and financial liabilities

i. Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if, and only if, either:
i) The Company has transferred its contractual rights to receive cash flows from the financial asset, or
ii) It retains the rights to the cash flows but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement.

A transfer only qualifies for derecognition if either:
i) The Company has transferred substantially all the risks and rewards of the asset, or
ii) The Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

ii. Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying value of the original financial liability and the new financial liability with modified terms is recognised in statement of profit and loss.

g. Impairment of Financial Assets

The Company recognises impairment allowances for Expected Credit Loss (ECL) on all the financial assets held at amortised cost.

The Company recognises loss allowances (provisions) for expected credit losses on its financial assets (including undisbursed sanctioned amounts) that are measured at amortised costs.or at fair value through other comprehensive income account

The Company applies a three-stage approach to measuring expected credit losses (ECLs) for the following categories of financial assets that are not measured at fair value through profit or loss:

i) Debt instruments measured at amortised cost and fair value through other comprehensive income
ii) Loan commitments

The ECL provision is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss.
The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on financial assets that are possible within the 12 months after the reporting date.
The Company performs an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Company categorises its loans into three stages as described below:

For non-impaired financial instruments

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

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

For impaired financial instruments:

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

The calculation of ECLs

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

Probability of Default (PD) -

The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognized and is still in the portfolio.

Exposure at Default -

The Exposure at Default is an estimate of the exposure at a future default date, considering expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

Loss Given Default

The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive. Company has relied on peer benchmarking given the limited historical data points availability.

Write-offs

Loans are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when it is determined that the customer does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

The company has adopted an ECL model for recognition of impairment on financial instruments.

A reconciliation between the provisioning norms as stipulated by RBI and the provisioning under ECL by the company has been provided in **Note 73** in the financial statements.

h. Determination of fair value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Company measures certain categories of financial instruments (as explained in **Note 39** - Fair Value Measurement) at fair value on each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised

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

Level 2 financial instruments - Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

Level 3 financial instruments - Those that include one or more unobservable input that is significant to the measurement as whole.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. No such instances of transfers between levels of the fair value hierarchy were recorded during the reporting period.

i. Property, plant and equipment

Property, plant and equipment are carried at cost of acquisition less accumulated depreciation and accumulated impairment loss (if any). The total cost of the asset comprises the purchase price, taxes, duties, freight (net of rebates and discounts) and any other directly attributable costs of bringing the assets to their working condition for their intended use. Borrowing costs directly attributable to acquisition of those assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Advances paid towards the acquisition of assets outstanding at each balance sheet date are disclosed as other non-financial assets. The cost of assets not ready for their intended use at each balance sheet date is disclosed as capital work-in-progress.

Depreciation on property, plant and equipment is provided on the straight line method over the useful life of the assets as prescribed under Part 'C' of Schedule II of the Companies Act, 2013, or in case of assets where the estimated useful life was determined basis technical evaluation carried out by the Company, over the useful life so determined.

Asset Description	Useful life estimated (years)
Furniture & Fixtures	10
Office Equipment	5
Computers & Printers	3
Servers	6
Vehicles	10
Vehicles - Commercial	8

An item of property, plant and equipment, is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment, is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

j. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, 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 applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities representing obligations to make lease payments and right-of-use assets representing the right to use ('ROU') the underlying assets.

For a lease modification that is not accounted for as a separate lease, the company accounts for the remeasurement of the lease liability by:

(a) decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease. The company recognised in profit or loss any gain or loss relating to the partial or full termination of the lease.

(b) making a corresponding adjustment to the right-of-use asset for all other lease modifications.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.
The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment

The right-of-use assets are also subject to impairment. (Refer to the accounting policies on Impairment of non-financial assets.)

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its average incremental borrowing rate at the commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense as and when due.

k. **Employee benefits**

Defined Contribution Plan:

The Company has a defined contribution plan for post-employment benefits in the form of Provident Fund. Under the Provident Fund Plan, the Company contributes to a Government administered provident fund / recognized provident fund on behalf of the employees. The Company has no further obligation beyond making the monthly contributions.
The Company's contributions to the above Plan are charged to the Statement of Profit and Loss as and when they become due.

Defined Benefit Plan:

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The benefit is in the form of lump sum payments to vested employees on resignation, retirement, or death while in employment or on termination of employment of an amount equivalent to 15 days basic salary payable for each completed year of service as required under 'The Payment of Gratuity Act, 1972'. Vesting occurs upon completion of five years of service.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non- routine settlements; and
- Net interest expense or income

An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Actuarial gains and losses comprise experience adjustments and the effects of changes in the actuarial assumptions are recognized immediately in the Statement of Profit and Loss in the year in which they arise.

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. Unutilised leave balance that accrues to employees as at the year end is charged to the Statement of Profit and Loss on an undiscounted basis.

Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the bonus/ex-gratia are recognised in the period in which the employee renders the related service.

Other Employee Benefits:

The employees of the Company are entitled to compensated absence as per the policy of the Company, the liability in respect of which is provided, based on an actuarial valuation carried out by an independent actuary as at the year end. The actuarial valuation method used by the independent actuary for measuring the liability is the Projected Unit Credit Method.

Actuarial gains and losses comprise experience adjustments and the effects of changes in the actuarial assumptions are recognized immediately in the Statement of Profit and Loss in the year in which they arise.

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. Unutilised leave balance that accrues to employees as at the year end is charged to the Statement of Profit and Loss on an undiscounted basis.

l. Taxes

Income-tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income-tax expense is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in equity or in OCI.

(a) Current tax

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961, enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

• has a legally enforceable right to set off the recognised amounts; and

• intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(b) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax assets are reviewed at each reporting date and based on management's judgement, are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if the Company:

• has a legally enforceable right to set off current tax assets against current tax liabilities; and

• the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

Tax paid on acquisition of assets or on

Expenses and assets are recognised net of the goods and services tax paid, except:

i. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable

ii. When receivables and payables are stated with the amount of tax included, the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

m. Provision and contingencies

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

A contract is considered as onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised in the financial statements.

n. Earnings per share

The Company reports basic and diluted earnings per share in accordance with Indian Accounting Standard 33 – "Earnings Per Share". Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

o. Cash and cash equivalent

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

p. Statement of cash flows

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash future, any deferrals or accruals of past or future operating cash receipts or payments and item of expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

q. Statutory reserve

In accordance with section 45-IC of the RBI Act, 1934, the Company creates a reserve fund and transfers therein a sum not less than twenty per cent of its net profit every year as disclosed in the Statement of profit and loss before any dividend is declared.

r. Foreign currency transactions

Transactions in foreign currencies are initially recorded by the Company's functional currency at exchange rates prevailing at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

s. Recent accounting pronouncements

Ind AS 117 – Insurance Contracts

The Ministry of Corporate Affairs (MCA), via notification dated August 12, 2024, notified Ind AS 117, Insurance Contracts, replacing Ind AS 104. The standard is effective for annual periods beginning on or after April 1, 2024, and applies to all entities issuing insurance contracts, including non-insurance entities.

The Company does not issue insurance contracts and accordingly, Ind AS 117 is not expected to have a material impact on the financial statements.

Amendments to Other Ind AS

Consequential amendments have been made to the following standards effective from August 12, 2024, in line with the implementation of Ind AS 117:

a) Ind AS 101 – First-time Adoption of Indian Accounting Standards
b) Ind AS 103 – Business Combinations
c) Ind AS 105 – Non-current Assets Held for Sale and Discontinued Operations
d) Ind AS 107 – Financial Instruments: Disclosures
e) Ind AS 109 – Financial Instruments

SEBI BRSR Core Framework

As the Company is a private limited NBFC with listed non-convertible debentures (NCDs) on the Bombay Stock Exchange (BSE), it qualifies as a listed entity under SEBI regulations.

SEBI has mandated the implementation of the Business Responsibility and Sustainability Reporting (BRSR) Core framework for the top 1,000 listed entities (by market capitalization), effective from FY 2024–25. The Company has assessed its applicability status based on SEBI criteria and is in the process of implementing appropriate ESG reporting controls, to the extent applicable.

Revised Guidance for Non-Corporate Entities

The ICAI has issued a revised format for non-corporate entities for FY 2024–25. Being a corporate entity, the Company is not directly impacted by this guidance. However, relevant improvements in disclosure structure have been considered for consistency and comparability.

The Company is assessing the impact of these changes and will accordingly incorporate the same in the financial statements for the year ending March 31, 2025.

KEERTANA FINSERV LIMITED
(Formerly Known as Keertana Finserv Private Limited)
Notes to Standalone financial statements for the year ended March 31, 2025
(Currency : INR in Lakhs)

3 Cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Cash on hand (Cash at Branches)	545.35	935.15
Balance with bank		
in current accounts	8,929.90	4,648.16
In fixed deposits with maturity less than 3 months	5.09	558.72
Total	9,480.33	6,142.03
Of the above, the balances that meet the definition of Cash & Cash Equivalent as per Ind AS 7 - "Statement of Cash Flows" is:	9,480.33	6,142.03

4 Bank balance other than cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Fixed Deposits with maturity more than 3 months	-	-
Fixed Deposits	3,191.36	1,639.24
In earmarked accounts		
ESCROW - Unpaid matured debenture interest	0.57	-
Total	**3,191.93**	**1,639.24**

4.1 Represent margin money deposits with banks and earmarked to avail term loans and issuance of Pass Through Certificates (Securitization of Loans and Advances)

4.2 Deposits are made from varying period from 6 months to 2 years and earn interest from 5% to 8.50%

5 Loans

Particulars	As at March 31, 2025	As at March 31, 2024
A. Category of Loan wise details		
Loans (at amortised Cost)		
Term loans	2,38,945.66	1,58,443.50
Inter Corporate Loans	-	-
Total (Gross)	**2,38,945.66**	**1,58,443.50**
Less: Impairment Loss allowance	3,338.52	1,500.91
Total (Net)	**2,35,607.15**	**1,56,942.59**
B. Nature of Security wise details		
Loans (at amortised Cost)		
(I) Secured by tangible assets		
(i) Gold Loan	1,58,779.05	70,369.46
(ii) Loan Against Property / Housing Loans	18,061.31	7,992.79
Total (Gross) - (I)	**1,76,840.36**	**78,362.25**
Less: Impairment Loss allowance	1,004.60	339.65
Total (Net) - (I)	**1,75,835.76**	**78,022.60**
(II) Unseured		
(i) Micro Enterprise Loans (MEL)	47,183.24	65,663.61
(ii) Business Loans ('M'SME Loans)	1,656.17	7,036.90
(iii) Personal Loans/Consumer Loans	13,265.89	7,380.74
(iv) Corporate Loans	-	-
Total (Gross) - (II)	**62,105.30**	**80,081.25**
Less: Impairment Loss allowance	2,333.91	1,161.25
Total (Net) - (II)	**59,771.39**	**78,919.99**
Total (Gross) - (I) + (II)	**2,38,945.66**	**1,58,443.50**
Less: Impairment Loss allowance	3,338.52	1,500.91
Total (Net) - (I) + (II)	**2,35,607.15**	**1,56,942.59**
C. (I) Loans in India		
(i) Public Sector	-	-
(ii) Others	2,38,945.66	1,58,443.50
(II)Loans outside India	-	-
Total (Gross)	**2,38,945.66**	**1,58,443.50**
Less: Impairment Loss allowance	3,338.52	1,500.91
Total (Net)	**2,35,607.15**	**1,56,942.59**

5.1 The Company' s business model is to hold contractual cash flows, being the payment of Principal and Interest till maturity and accordingly the loans are measured at amortised cost.

5.2 Underlying for the term loans secured by tangible assets are properties and Gold Jewellery.

5.3 There are no loans measured at Fair Value Other Comprehensive income or Fair value through Profit or Loss or Designated at fair value through Profit or Loss

5.4 Loans sanctioned and undisbursed amount to INR 97.69 lakhs as on March 31, 2025 (March 31, 2024: INR 729.64 lakhs), and the same amount is disclosed under Other Financial Liabilities.

5.5 The Company has balance of securitised assets amounting to INR 38,548.56 lakhs (March 31, 2024: INR 18,386.77 lakhs). These loan assets have not been de-recognised from the loan portfolio of the Company as these do not meet the de-recognition criteria. The Company is responsible for collection and servicing of this loan portfolio on behalf of buyers/investors of Pass through Certificates (PTC). In terms of the said securitisation agreements, the Company pays to buyer/investor of Pass through Certificates (PTC) on monthly basis the prorated collection amount as per the respective agreement terms.

5.6 The Company has not granted loans and advances in the nature of loans to Promoters, Directors , Key Managerial Personnel or related parties u/s2(76) either repayable on demand or without specifying terms/period. Refer related party disclosure **(Note 37)**.

5.7 The Company does not have any loans outside India.

6 Investments

Particulars	As at March 31, 2025	As at March 31, 2024
Investments carried at cost		
(a) Equity Instruments		
Subsidiary (at cost)	1,221.25	1,221.25
Investment carried at fair value through profit & loss		
(a) Mutual Funds (Quoted / Unquoted)	-	-
Total Gross (A)	**1,221.25**	**1,221.25**
(i) Investments outside India	-	-
(ii) Investments in India	1,221.25	1,221.25
Total Gross (B)	**1,221.25**	**1,221.25**
Less: Impairment loss Allowances (C)	-	-
Total (A) - (C)	**1,221.25**	**1,221.25**

6.1 Equity Instruments

Particulars	As at March 31, 2025	As at March 31, 2024
Subsidiary (at cost)		
Unquoted 1,19,56,947 equity shares of Keertana Financial Limited of Face value of Rs. 10/- each	**1,221.25**	**1,221.25**

6.2 There are no investments measured at Fair Value through Other Comprehensive Income.

6.3 As per para 10 of Ind AS 27, the Company has opted to account the investments in subsidiary entity at cost.

6.4 Where 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

7 Other Financial Assets

Particulars	As at March 31, 2025	As at March 31, 2024
Security Deposit Leases	333.97	198.61
Insurance Claims receivables	-	30.83
Other receivables	845.90	584.90
Total	**1,179.87**	**814.35**

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8 Current Tax Assets (Net)

Particulars	As at March 31, 2025	As at March 31, 2024
Advance Taxes & TDS (Net of Provision)	478.11	-
Total	**478.11**	**-**

9 Deferred tax assets (Net)

Particulars	As at March 31, 2025	As at March 31, 2024
Tax effect of items constituting deferred tax liabilities:		
Difference in written down value of property, plant and equipment as per Companies Act and Income Tax Act	0.97	9.09
Difference in written down value of Right of Use assets as per Companies Act and Income Tax Act	1,005.99	453.48
Deferred Tax liabilities (total) (A)	**1,006.96**	**462.57**
Tax effect of items constituting deferred tax assets:		
On application of Expected Credit Loss method for loan loss provisions and related adjustments as per Ind AS 109	730.14	377.75
Amortisation of net income under Effective Interest Rate Method not adjusted under Income Tax Act, 1961	296.96	368.37
Impact of expenditure charged to the Statement of Profit and Loss in the current year but claimed as expense for tax purpose on payment basis	37.64	19.50
Impact of leases under Ind AS 116	1,116.07	501.60
On Fair Value Changes of financial assets not adjusted under Income Tax Act, 1961	-81.20	18.66
Deferred Tax liabilities (total) (A)	**2,099.60**	**1,285.88**
Total Deferred tax Asset/(liabilities) (Net)	**1,092.64**	**823.30**

9.1 Movement in deferred tax Liabilities

Particulars	As at 31.03.2024	Recognised in the statement of profit or loss	Recognised in OCI	As at 31.03.2025
Tax effect of items constituting deferred tax liabilities:				
Difference in written down value of property, plant and equipment as per Companies Act and Income Tax Act	9.09	-8.12	-	0.97
Difference in written down value of Right of Use assets as per Companies Act and Income Tax Act	453.48	552.51	-	1,005.99

Particulars	As at 31.03.2023	Recognised in the statement of profit or loss	Recognised in OCI	As at 31.03.2024
Tax effect of items constituting deferred tax liabilities:				
Difference in written down value of property, plant and equipment as per Companies Act and Income Tax Act	12.18	-3.08	-	9.09
Difference in written down value of Right of Use assets as per Companies Act and Income Tax Act	388.56	64.92	-	453.48

(Currency : INR in Lakhs)

9.2 Movement in deferred tax Assets

Particulars	As at 31.03.2024	Recognised in the statement of profit or loss	Recognised in OCI	As at 31.03.2025
On application of Expected Credit Loss method for loan loss provisions and related adjustments as per Ind AS 109	377.75	352.39	-	730.14
Amortisation of net income under Effective Interest Rate Method not adjusted under Income Tax Act, 1961	368.37	-71.41	-	296.96
Impact of expenditure charged to the Statement of Profit and Loss in the current year but claimed as expense for tax purpose on payment basis	19.50	16.89	1.25	37.64
On Fair Value Changes of financial liabilities not adjusted under Income Tax Act, 1961	501.60	614.47	-	1,116.07
On Fair Value Changes of financial assets not adjusted under Income Tax Act, 1961	18.66	-99.86	-	-81.20

Particulars	As at 31.03.2023	Recognised in the statement of profit or loss	Recognised in OCI	As at 31.03.2024
On application of Expected Credit Loss method for loan loss provisions and related adjustments as per Ind AS 109	73.58	304.17	-	377.75
Amortisation of net income under Effective Interest Rate Method not adjusted under Income Tax Act, 1961	86.42	281.96	-	368.37
Impact of expenditure charged to the Statement of Profit and Loss in the current year but claimed as expense for tax purpose on payment basis	16.28	3.22	-	19.50
On Fair Value Changes of financial liabilities not adjusted under Income Tax Act, 1961	414.18	87.41	-	501.60
On Fair Value Changes of financial assets not adjusted under Income Tax Act, 1961	12.53	6.13	-	18.66

11 Other non-financial assets

Particulars	As at March 31, 2025	As at March 31, 2024
Advance for Expenses	5.16	4.09
Capital Advances	182.07	84.37
Prepaid Expenses	141.20	71.29
Balance with Government Authorities	380.52	142.02
Other Consumables	-	13.34
Total	**708.95**	**315.11**

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10 Property, Plant and Equipment

Particulars	Furniture & Fixtures	Computers & printers	Servers	Office equipment	Vehicles	Total	Right to Use Assets
Gross carrying amount							
Balance as at April 1, 2024*	1,336.17	316.66	17.31	828.31	142.35	2,640.79	2,283.49
Additions	709.86	245.75	2.73	775.97	125.55	1,859.85	2,630.78
Disposals						-	
As at March 31, 2025	**2,046.03**	**562.40**	**20.03**	**1,604.27**	**267.90**	**4,500.64**	**4,914.27**
Accumulated depreciation and impairment:							
Balance as at April 1, 2024*	162.48	110.69	0.97	229.81	22.72	526.67	481.68
Depreciation for the year	154.99	142.18	2.99	215.05	25.37	540.57	435.50
Disposals	-	-	-	-	-	-	
As at March 31, 2025	**317.46**	**252.87**	**3.96**	**444.86**	**48.09**	**1,067.25**	**917.18**
Net book value							
As at April 1, 2024	1,173.69	205.97	16.33	598.50	119.63	2,114.12	1,801.81
As at March 31, 2025	1,728.57	309.53	16.07	1,159.42	219.81	3,433.39	3,997.10
Previous Year							
Gross carrying amount							
Balance as at April 1, 2023*	906.97	190.66	2.77	644.66	101.41	1,846.47	1,759.81
Additions	429.20	126.68	14.54	183.65	40.94	795.00	563.09
Disposals		0.69				0.69	39.41
As at March 31, 2024	1,336.17	316.66	17.31	828.31	142.35	2,640.79	2,283.49
Accumulated depreciation and impairment:							
As at April 1, 2023	52.55	38.33	0.43	84.64	8.73	184.67	215.93
Depreciation for the year	109.93	72.53	0.54	145.17	14.00	342.17	266.86
Disposals		0.17				0.17	1.12
As at March 31, 2024	**162.48**	**110.69**	**0.97**	**229.81**	**22.72**	**526.67**	**481.68**
Net book value							
As at April 1, 2023	**854.43**	**152.34**	**2.33**	**560.02**	**92.68**	**1,661.80**	**1,543.88**
As at Mar 31, 2024	1,173.69	205.97	16.33	598.50	119.63	2,114.12	1,801.81

*The Company has not revalued property, plant and equipment during the year ended 31st March 2025

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12 Trade payables

Particulars	As at March 31, 2025	As at March 31, 2024
Trade Payables		
A: Total outstanding dues of micro enterprises and small enterprises	-	2.62
B: Total outstanding dues of creditors other than micro enterprises and small enterprises	184.14	76.04
Total	184.14	78.67

12.1 Trade Payables Ageing Schedule

Particulars	As at March 31, 2025			
	Outstanding for following periods from due date of payment			
	Not due and Less than 1 year	1-2 years	2-3 years	Total
(i) MSME	-	-	-	-
(ii) Others	184.14	-	-	184.14
(iii) Disputed Dues - MSME	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-
	184.14	-	-	**184.14**

Particulars	As at March 31, 2024			
	Outstanding for following periods from due date of payment			
	Not due and Less than 1 year	1-2 years	2-3 years	Total
(i) MSME	2.62	-	-	2.62
(ii) Others	76.04	-	-	76.04
(iii) Disputed Dues - MSME	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-
	78.67	-	-	**78.67**

13 Debt Securities

Particulars	As at March 31, 2025	As at March 31, 2024
At amortised cost - Secured		
Redeemable non-convertible debentures	67,351.10	48,699.31
	67,351.10	**48,699.31**
Out of Above		
Debt Securities in India	67,351.10	48,699.31
Debt Securities outside India	-	-
Total	**67,351.10**	**48,699.31**

13.1 Details of debt securities

(i) INE0NES07097: 15,000 (March 31, 2024: 0), @ 11.40% Listed, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 1,00,000 each aggregating to Rs. 150 Crores. The date of allotment was 12 April, 2024(Rs. 50 Crores) and 18 April, 2024(25 Crores) and 2 May, 2024(75Crores). The amount outstanding as on March 31, 2025 is Rs.93.75 Crores (March 31, 2024: Nil).

(ii) INE0NES07105: 17,500 (March 31, 2024: 0), @ 11.40% Listed, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 1,00,000 each aggregating to Rs. 175 Crores. The date of allotment was 10 May, 2024(Rs. 175 Crores). The amount outstanding as on March 31, 2025 is Rs.109.375 Crores (March 31, 2024: Nil).

(iii) INE0NES07154: 5,000 (March 31, 2024: 0), @ 11.30% Listed, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 1,00,000 each aggregating to Rs. 50 Crores. The date of allotment was 23 January, 2024(Rs. 50 Crores). The amount outstanding as on March 31, 2025 is Rs.50.00 Crores (March 31, 2024: Nil).

(iv) INE0NES07121: 10,000 (March 31, 2024: 0), @ 11.40% Listed, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 1,00,000 each aggregating to Rs. 100 Crores. The date of allotment was 30 July, 2024(Rs. 50 Crores) and 29 August, 2024 (Rs 50 Crores) . The amount outstanding as on March 31, 2025 is Rs.100.00 Crores (March 31, 2024: Nil).

(v) INE0NES07162: 4,000 (March 31, 2024: 0), @ 11.30% Listed, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 1,00,000 each aggregating to Rs. 40 Crores. The date of allotment was 06 March, 2025(Rs. 40 Crores). The amount outstanding as on March 31, 2025 is Rs.40.00 Crores (March 31, 2024: Nil).

(vi) INE0NES07139: 7,500(March 31, 2024: 0), @ 11.40% Listed, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 1,00,000 each aggregating to Rs. 75 Crores. The date of allotment was 22 October, 2024(Rs. 75 Crores). The amount outstanding as on March 31, 2025 is Rs.75.00 Crores (March 31, 2024: Nil).

(vii) INE0NES07147: 4,000(March 31, 2024: 0), @ 11.40% Listed, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 1,00,000 each aggregating to Rs. 40 Crores. The date of allotment was 26 November, 2024(Rs. 40 Crores). The amount outstanding as on March 31, 2025 is Rs.40.00 Crores (March 31, 2024: Nil).

(viii) INE0NES07113: 3,600(March 31, 2024: 0), @ 11.40% Listed, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 1,00,000 each aggregating to Rs. 36 Crores. The date of allotment was 13 June, 2024(Rs. 36 Crores). The amount outstanding as on March 31, 2025 is Rs.36.00 Crores (March 31, 2024: Nil).

(ix) INE0NES07022: NIL (March 31, 2024: 2400), @ 11.60% Listed, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 1,00,000 each aggregating to Rs. 24 Crore. The date of allotment was 07 June, 2023. The amount outstanding as on March 31, 2025 is NIL (March 31, 2024: Rs. 13.2 Crores).

(x) INE0NES07030: NIL (March 31, 2024: 15,000), @ 11.65% Listed, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 1,00,000 each aggregating to Rs. 150 Crores . The date of allotment was 23 June, 2023 (Rs.20Crores) , 27th Jul,2023 (Rs.60Crores), and 17th August,2023(Rs.70Crores) . The amount outstanding as on March 31, 2025 is Rs.NIL (March 31, 2024: Rs. 83.175 Crores).

(xi) INE0NES07055: NIL(March 31, 2024: 3,000), @ 11.60% Unlisted, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 1,00,000 each aggregating to Rs. 30 Crores . The date of allotment was 29 August, 2023. The amount outstanding as on March 31, 2025 is NIL (March 31, 2024: Rs. 20 Crores).

(xii) INE0NES07048: NIL (March 31, 2024: 10,000), @ 11.60% Listed, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 1,00,000 each aggregating to Rs. 100 Crores . The date of allotment was 11 Sep, 2023 (Rs.50Crores) ,and 26 Sep,2023 (Rs.50Crores). The amount outstanding as on March 31, 2025 is Rs.10.90 Crores (March 31, 2024: Rs. 70.3Crores).

(xiii) INE0NES07063: NIL (March 31, 2024: 5,000), @ 11.60% Unlisted, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 1,00,000 each aggregating to Rs. 50 Crores. The date of allotment was 20 October, 2023(50 Crores). The amount outstanding as on March 31, 2025 is Rs.12.875 Crores (March 31, 2024: Rs. 42.575 Crores).

(xiv) INE0NES07014: NIL (March 31, 2024: 2,500), @ 14.90% Unlisted, Unrated, secured non-convertible debentures (NCD) of face value Rs. 1,00,000 each aggregating to Rs. 25 Crores. The date of allotment was 17 April, 2023(25 Crores). The amount outstanding as on March 31, 2025 is Rs.5 Crores (March 31, 2024: Rs. 15.00 Crores).

(xv) INE0NES07071: NIL(March 31, 2024: 16,000), @ 11.60% Listed, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 1,00,000 each aggregating to Rs. 160 Crores. The date of allotment was 29 November, 2023(Rs. 50 Crores) and 15th December 2024 (Rs.110 Crores). The amount outstanding as on March 31, 2025 is Rs.60.00 Crores (March 31, 2024: Rs. 140.00 Crores).

(xvi) INE0NES07089: NIL (March 31, 2024: 11,000), @ 11.50% Listed, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 1,00,000 each aggregating to Rs. 110 Crores. The date of allotment was 20 February, 2024(Rs. 110 Crores). The amount outstanding as on March 31, 2025 is Rs.55.00 Crores (March 31, 2024: Rs. 110.00 Crores).

13.2 Disclosure under regulation 53(e) of SEBI (Lisiting Obligation and Disclosure Requirements) Regulations, 2015:

Debenture Trustees:

1) Catalyst Trusteeship Limited | Address: 901, 9F, B, Peninsula Business Park, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400013 | Contact: +91 9322132716
2) Axis Trustee Services Limited | Address: The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar West, Mumbai – 400 028 | Contact: +91 9008834577

13.3 Disclosure under regulation 53(f) of SEBI (Lisiting Obligation and Disclosure Requirements) Regulations, 2015:

Related Party Transactions - Refer **Note 37**

13.4 Disclosure under regulation 54(2) of SEBI (Lisiting Obligation and Disclosure Requirements) Regulations, 2015:

Asset Cover:

All the above mentioned NCDs are having first and exclusive charge via deed of hypothecations signed over specific standard asset portfolio of receivables to the extent equal to an amount aggregating to the total outstanding such that the value of security shall be equal of 1.10 times). Debentures from sl. no. (ix) to (xiv) was covered with personal guarantee of the Director.

13.5 The company has not defaulted in the repayment of debt securities and interest thereon for the year ended March 31, 2025 and March 31, 2024 respectively.

(Currency : INR in Lakhs)

13.6 Details of term of repayment - Debentures

ISIN No	Issued at	Due Date of Maturity	Closing balance As at March 31, 2025	Closing balance As at March 31, 2024
INE0NES07022	At Discount	31-01-2025	-	1,320.00
INE0NES07030	At Discount	22-02-2025	-	8,317.50
INE0NES07055	At Discount	28-02-2025	-	2,000.00
INE0NES07048	At Par	11-05-2025	1,090.00	7,030.00
INE0NES07063	At Par	20-06-2025	1,287.50	4,257.50
INE0NES07014	At Par	30-09-2025	500.00	1,500.00
INE0NES07071	At Par	28-11-2025	6,000.00	14,000.00
INE0NES07089	At Par	20-02-2026	5,500.00	11,000.00
INE0NES07097	At Par	12-04-2026	9,375.00	-
INE0NES07105	At Par	10-05-2026	10,937.50	-
INE0NES07154	At Par	23-01-2027	5,000.00	-
INE0NES07121	At Par	28-01-2027	10,000.00	-
INE0NES07162	At Par	06-03-2027	4,000.00	-
INE0NES07139	At Par	22-04-2027	7,500.00	-
INE0NES07147	At Par	26-05-2027	4,000.00	-
INE0NES07113	At Par	13-06-2027	3,600.00	-
		Total	**68,790.00**	**49,425.00**
		EIR Adjustment	1,438.90	725.69
		Grand Total	**67,351.10**	**48,699.31**

14 Borrowings (Other than Debt Securities)

Particulars	As at March 31, 2025	As at March 31, 2024
At amortised cost		
Term loans		
from banks	50,370.27	29,773.32
from others	47,714.46	32,635.56
Loans against securitised assets	28,923.92	18,538.31
	1,27,008.65	**80,947.19**
Out of Above		
Secured Borrowings in India	1,23,508.65	80,947.19
Secured Borrowings outside India	-	-
Unsecured Borrowings in India	3,500.00	-
Unsecured Borrowings outside India	-	-
Total	**1,27,008.65**	**80,947.19**

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14.1 Secured term loans from banks and financial institutions include loans from various banks and financial institutions and carry rate of interest in the range of 11.30% to 13.20% p.a (March 31, 2024: 11.25% to 14.75%). The loans are having tenure of 12 to 36 months (March 31, 2024: 12 to 36 months) from the date of disbursement and are repayable in monthly or quarterly installments. These loans are secured by hypothecation (exclusive charge) of certain loans given by the Company.

14.2 The Company is not a declared willful defaulter by any bank or financial institution or other lender, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India, during the year ended March 31, 2025 and March 31, 2024.

14.3 The Company has borrowings from banks and financial institutions on the basis of security of loans and the quarterly details filed by the Company with the banks and financial institutions are in accordance with the books of accounts of the Company for the respective quarters.

14.4 The Company has not defaulted in the repayment of debt securities, borrowings(other than debt securities) and interest thereon for the year ended March 31, 2025 and March 31, 2024

14.5 The Company has utilised the borrowings for the purpose for which it was obtained.

14.6 The Company has balance of securitised assets amounting to INR 38,548.56 lakhs (March 31, 2024: INR 18,386.77 lakhs). These loan assets have not been de-recognised from the loan portfolio of the Company as these do not meet the de-recognition criteria. The Company is responsible for collection and servicing of this loan portfolio on behalf of buyers/investors of Pass through Certificates (PTC). In terms of the said securitisation agreements, the Company pays to buyer/investor of Pass through Certificates (PTC) on monthly basis the prorated collection amount as per the respective agreement terms.

14.7 Loans against securities assets are include investment in equity tranche of PTC amounting to Rs. 1,652.96 Lakhs as at March 31, 2025 (INR 103.70 Lakhs as at March 31, 2024)

14.8 **Terms of repayments**

Term Loans from	Tenure	Repayment	Interest Ranges	Due with in a year		Due with in 1 to 2 year		Due with in 2 to 3 year		Due with in 3 to 4 year		Due with in 4 to 5 year		Above 5 year		Total
				No of Installments	Amount	No of Installments	Amount	o of Installmen	Amount	No of Installment	Amount	o of Installmen	Amount	o of Installmen	Amount	
Bank	1 to 3 yr	Monthly	11%-12%	65	10,914.25	33	6,218.30	-	-	-	-	-	-	-	-	17,132.55
			12%-13%	178	21,257.10	57	6,172.07	-	-	-	-	-	-	-	-	27,429.17
			13%-14%	29	1,886.32	12	567.08	11	45.27	-	-	-	-	-	-	2,498.67
			14%-15%	-	-	-	-	-	-	-	-	-	-	-	-	-
		Quarterly	12%-13%	3	1,500.00	4	2,000.00	-	-	-	-	-	-	-	-	3,500.00
			13%-14%	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	1 to 3 yr	Monthly	12%-13%	121	8,540.87	93	6,799.57	4	269.22	-	-	-	-	-	-	15,609.66
			13%-14%	222	9,473.03	130	4,824.96	8	292.08	-	-	-	-	-	-	14,590.06
			14%-15%	47	2,459.65	11	458.33	-	-	-	-	-	-	-	-	2,917.98
		Quarterly	12%-13%	7	2,575.00	5	1,727.09	1	333.33	-	-	-	-	-	-	4,635.42
			13%-14%	15	5,256.25	5	1,375.00	-	-	-	-	-	-	-	-	6,631.25
Loans against securitised assets (PTC)	1 to 3 yr	Monthly	12%-13%	130	27,346.88	16	1,802.56	10	978.81	-	-	-	-	-	-	30,128.25
			13%-14%	5	921.78	-	-	-	-	-	-	-	-	-	-	921.78
Others (RP)	0-6 months	Bullet	11%-12%	1	3,500.00	-	-	-	-	-	-	-	-	-	-	3,500.00
Total																1,29,494.81
EIR adjustment																-2,488.16
Total																1,27,006.65

(Currency : INR in Lakhs)

As at March 31, 2024

Term Loans from	Tenure	Repayment	Interest Ranges	Due with in a year		Due with in 1 to 2 year		Due with in 2 to 3 year		Due with in 3 to 4 year		Due with in 4 to 5 year		Above 5 year		Total
				No of Installments	Amount	No of Installments	Amount	No of Installments	Amount	No of Installments	Amount	o of Installmen	Amount	o of Installmen	Amount	
Bank	1 to 3 yr	Monthly	11%-12%	57	5,916.67	17	2,055.56	-	-	-	-	-	-	-	-	7,972.22
			12%-13%	83	7,303.70	59	5,037.29	-	-	-	-	-	-	-	-	12,340.99
			13%-14%	32	2,963.49	14	1,166.83	-	-	-	-	-	-	-	-	4,130.32
			14%-15%	7	665.43	-	-	-	-	-	-	-	-	-	-	665.43
		Quarterly	12%-13%	7	2,357.14	4	1,142.86	-	-	-	-	-	-	-	-	3,500.00
			13%-14%	5	1,167.50	-	-	-	-	-	-	-	-	-	-	1,167.50
NBFC	1 to 3 yr	Monthly	12%-13%	11	666.67	12	666.67	12	666.67	-	-	-	-	-	-	2,000.00
			13%-14%	101	7,015.56	42	3,091.27	9	500.00	-	-	-	-	-	-	10,606.83
			14%-15%	150	7,014.98	26	1,301.82	-	-	-	-	-	-	-	-	8,316.82
		Quarterly	13%-14%	12	4,425.00	11	4,006.25	3	750.00	-	-	-	-	-	-	9,181.25
			14%-15%	3	1,125.00	-	-	-	-	-	-	-	-	-	-	1,125.00
	3 to 4 yr	Monthly	14%-15%	12	500.00	12	500.00	11	458.33	-	-	-	-	-	-	1,458.33
Loans against securitised assets (PTC)	1 to 3 yr	Monthly	12%-13%	64	12,926.35	6	1,513.28	-	-	-	-	-	-	-	-	14,439.63
			13%-14%	22	3,250.59	4	696.55	-	-	-	-	-	-	-	-	3,947.15
Total																**80,871.47**
EIR adjustment																**-75.72**
Total																**80,947.19**

14.9 Reconciliation of liabilities arising from financing activities

Particulars	Debt Securities	Loans against securitised assets	Borrowings (from Banks)	Borrowings (from Others)	Total
March 31, 2023	-	-	**15,658.13**	**34,987.89**	**50,646.02**
Cash flows:					
Repayments	15,475.00	5,951.59	28,813.93	61,506.78	1,11,747.30
Proceeds	64,900.00	24,338.46	43,050.00	59,025.00	1,91,313.46
Non Cash					
Amortisation of upfront fees and others(net)	827.07	93.60	230.20	25.14	1,176.21
Accrued interest(net)	101.38	245.24	109.32	154.60	610.53
March 31, 2024	**48,699.31**	**18,538.31**	**29,773.32**	**32,635.56**	**1,29,646.50**
Cash flows:					
Repayments	46,509.31	32,855.22	27,512.71	57,061.60	1,63,938.84
Proceeds	66,600.00	42,940.35	48,300.00	72,310.00	2,30,150.35
Non Cash					
Amortisation of upfront fees and others(net)	1,576.84	146.48	197.59	200.28	2,121.19
Accrued interest(net)	137.94	446.98	7.24	30.77	622.91
March 31, 2025	**67,351.10**	**28,823.92**	**50,370.27**	**47,714.46**	**1,94,359.74**

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15 Other financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Amount payable to borrowers	42.10	3.10
Lease liability	4,434.46	1,992.99
Employee Related Payables	1,239.44	82.83
Insurance premium collected and payable	52.04	0.59
Loans sanctioned but undisbursed	97.70	729.64
Unpaid matured debenture & interest accrued thereon*	0.58	-
Insurance claims received and payable to Borrowers/others	35.53	-
Total	**5,901.86**	**2,809.15**

*Unpaid matured debentures & interest accrued thereon is on account of deceased investor

16 Current tax liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for income tax (net of advance taxes and TDS)	-	256.42
Total	-	**256.42**

17 Provisions

Particulars	As at March 31, 2025	As at March 31, 2024
Provisions for Employee benefit expenses		
Provision for gratuity	64.01	21.49
Provision for Leave Encashment	80.56	55.98
Total	**144.58**	**77.47**

18 Other non-financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory dues payable	225.35	211.70
Total	**225.35**	**211.70**

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19 Equity share capital

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number	Amount	Number	Amount
Authorised Capital				
Equity shares of INR 10 each	20,00,00,000	20,000.00	20,00,00,000	20,000.00
Total	**20,00,00,000**	**20,000.00**	**20,00,00,000**	**20,000.00**
Issued, subscribed and fully paid-up shares				
Equity Shares of INR 10 each fully paid up	12,73,38,311	12,733.83	10,43,44,801	10,434.48
Total	**12,73,38,311**	**12,733.83**	**10,43,44,801**	**10,434.48**

19.1 Reconciliation of number of shares

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number	Amount	Number	Amount
At the beginning of the year	10,43,44,801	10,434.48	6,43,11,288	6,431.13
Shares issued during the Year	2,29,93,510	2,299.35	4,00,33,513	4,003.35
Shares issued during the year				
Outstanding at the end of the year	**12,73,38,311**	**12,733.83**	**10,43,44,801**	**10,434.48**

19.2 Terms/rights attached to equity shares

The Company has only one class of equity shares of par value of INR 10 per share. Each holder of equity share is entitled to one vote per share. Any dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The Company declares and pays dividends in Indian rupees.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

19.3 Details of shareholder(s) holding more than 5% of equity shares in the Company :

Name of shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of shares held	% Holding	No. of shares held	% Holding
Vijaya Sivarami Reddy Vendidandi	9,56,45,505	75.11%	7,98,63,230	76.54%
Padmaja Gangireddy	2,79,81,994	21.97%	2,13,39,500	20.45%
Hina Ansari	4,00,183	0.31%	4,00,183	0.38%

19.4 Details of shares held by promoters at the end of the year

As at March 31, 2025

Promoter name	No of Shares at the beginning of the year	Change during the year	No of Shares at the year end	% of total shares
Vijaya Sivarami Reddy Vendidandi	7,98,63,230	1,57,82,275	9,56,45,505	75.11%
Padmaja Gangireddy	2,13,39,500	66,42,494	2,79,81,994	21.97%
Revan Saahith Reddy Vendidandi	23,73,085	5,11,687	28,84,772	2.27%
Hina Ansari	4,00,183	-	4,00,183	0.31%
TOTAL	**10,39,75,998**	**2,29,36,456**	**12,69,12,454**	**99.67%**

As at March 31, 2024

Promoter name	No of Shares at the beginning of the year	Change during the year	No of Shares at the year end	% of total shares
Vijaya Sivarami Reddy Vendidandi	4,87,69,743	3,10,93,487	7,98,63,230	62.72%
Padmaja Gangireddy	1,24,44,823	88,94,677	2,13,39,500	16.76%
Revan Saahith Reddy Vendidandi	23,73,085	-	23,73,085	1.86%
Hina Ansari	4,00,183	-	4,00,183	0.31%
TOTAL	**6,39,87,834**	**3,99,88,164**	**10,39,75,998**	**81.65%**

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19.5 The Company (except disclosed above) has not allotted any shares for consideration other than cash, bonus shares and shares bought back for the five years immediately preceding the reporting date.

Particulars	Fully paid up pursuant to contract(s) without payment being received in cash	Fully paid up by way of bonus shares	Shares bought back
FY 2024-25	Nil	Nil	Nil
FY 2023-24	Nil	Nil	Nil
FY 2022-23	Nil	Nil	Nil
FY 2021-22	Nil	Nil	Nil

20 Other Equity

Particulars	As at March 31, 2025	As at March 31, 2024
Securities premium account	32,222.70	19,460.58
Statutory Reserve	3,085.19	1,768.08
Retained earnings	11,533.32	7,070.75
	46,841.22	**28,299.40**

A. Nature and purpose of reserve

Securities Premium Reserve:
Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

Statutory reserve:
Statutory Reserve represents the Reserve Fund created under Section 45 IC of the Reserve Bank of India Act, 1934. Accordingly an amount representing 20% of Profit for the period is transferred to the fund for the year.

Retained earnings:
Retained earnings represents surplus / accumulated earnings of the Company and are available for distribution to shareholders.

B. Movement in Other equity

Particulars	As at March 31, 2025	As at March 31, 2024
I. Securities premium reserve		
Opening balance	19,460.58	8,730.22
Add : Premium received on issue of securities	12,762.12	10,743.39
Less : Share issue expenses	-	13.03
	32,222.70	**19,460.58**
Impact of first time adoption of Ind AS	-	-
	32,222.70	**19,460.58**
II. Special Reserve under section 45-IC of the Reserve Bank of India Act, 1934		
Opening balance	1,768.08	336.08
Add : Transfer from retained earnings	1,317.12	1,431.99
	3,085.19	**1,768.08**
III. Retained earning		
Opening balance	7,070.75	1,342.77
Add : Profit for the year	6,585.58	7,156.73
Add : Other comprehensive income	-6.21	1.24
Less: Prior Period Adjustment	-799.68	-
Appropriations:		
Transfer to Special Reserve u/s 45-IC of the Reserve Bank of India Act, 1934	-1,317.12	-1,431.99
Transfer to General reserve	-	-
	11,533.32	**7,070.75**
Impact of first time adoption of Ind AS		
Total	**46,841.22**	**28,299.40**

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21 Interest income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
On financial assets measured at amortised cost		
Interest on term loans	44,887.16	24,288.48
Interest Income on fixed deposits	245.16	268.91
Total	**45,132.32**	**24,557.38**

22 Fees and commission income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Fees income	1,871.90	2,083.53
Commission income	30.46	37.15
Total	**1,902.36**	**2,120.68**

23 Net gain on fair value changes

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Net gain/(loss) on financial instruments at fair value through profit or loss		
Realised gain/(loss) on investments at FVTPL	909.94	214.50
Unrealised gain/(loss) on investments at FVTPL	-	-
Total	**909.94**	**214.50**

24 Other income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest on lease deposits	11.34	6.96
Profit of derecognition of ROU	-	4.01
Marketing Support Income	467.00	779.11
Recovery of Written of Loans	37.43	-
Sundry Balances Written off	7.45	-
Total	**523.21**	**790.08**

25 Finance costs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
On financial liabilities measured at amortised cost		
Interest on borrowings - Debt Securities	8,314.86	3,079.03
Interest on borrowings - Others	15,345.52	9,176.28
Interest on lease liabilities	478.74	244.61
Interest on advance tax	-	23.98
Total	**24,139.13**	**12,523.91**

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26 Impairment on financial instruments

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
On financial instruments measured at amortised cost		
Impairment Loss Provision (Expected Credit Loss)	1,837.38	1,142.19
Auction Loss	0.30	23.07
Loans written off	3,871.78	-
Total	**5,709.45**	**1,165.25**

27 Employee benefits expenses

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salaries and wages	7,470.40	3,413.12
Directors' sitting fees	26.16	26.16
Staff welfare expenses	101.22	19.20
Gratuity Expenses	35.99	15.74
Interest Expense on EBO as per Acturial Report	1.56	0.52
Compensated Absences	76.59	55.70
Total	**7,711.93**	**3,530.45**

28 Depreciation, amortization and impairment

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation on property, plant and equipment	540.57	342.00
Depreciation of Right of use assets	435.50	265.75
Total	**976.07**	**607.75**

29 Other expenses

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Advertisement, publicity and sales promotion expenses	83.51	23.15
Auditor's fees and expenses (Refer Note 28.1)	30.46	22.07
Bank Charges	95.43	44.96
Communication cost	73.31	54.63
DP Custodian Fees	6.77	6.43
Enerygy Costs	65.29	45.97
Expenditure on Corporate Social Responsibility (Refer Note 31)	73.95	14.50
Expenses for Credit Information Companies (under RBI)	19.76	20.42
Insurance	83.97	27.34
Interest and Penalties	0.12	18.26
Legal and Professional charges	95.08	70.15
Loss due to Frauds & Thefts	61.53	-
Miscellaneous expenses	17.36	16.72
Office maintenance	179.87	112.27
Printing and stationary	92.54	81.26
Rates and taxes	6.84	65.52
Rent	331.91	191.70
Rent on Machinery	9.96	-
Repairs and maintenance	12.75	8.41
Security Charges	4.71	4.35
Software maintenance	379.43	71.30
Staff Recruitment Charges	21.26	20.79
Travelling and conveyance	11.95	9.81
Total	**1,757.75**	**930.02**

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29.1 Payment to the auditors:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
a) Statutory Auditor		
- Audit fees (inlcuding limited review)	18.41	18.54
- Certification services	-	0.30
- Other of pocket expenses	1.95	0.73
b) Income Tax Auditor		
- Tax audit fees	2.73	2.50
c) Other Auditor (Borrowing Related Audits)	7.38	-
Total	**30.46**	**22.07**

30 Tax expense

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
In respect of the current year	1,858.51	2,388.02
Deferred tax charge/(credit)	-270.58	-621.48
Total income tax expense recognised (excluding tax recognised in other comprehensive income)	**1,587.93**	**1,766.54**

30.1 The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate and the reported tax expense in statement of profit and loss, is as follows:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit before tax	8,173.51	6,925.27
Applicable tax rate	25.17%	25.17%
Expected tax expense [A]	1,858.51	2,388.02
Deductions under Chapter VIA of the Income-tax Act, 1961	-	16.71
Others	1,421.05	1,820.08
Deductions under Section 36(1)(viii) of the Income-tax Act, 1961	437.47	551.23
Total	**1,858.51**	**2,388.02**

30.2 Income tax expense recognised in other comprehensive income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Income tax relating to re-measurement loss on defined benefit plans	-	-
Income tax relating to re-measurement gains/ (losses) on hedge instruments	-	-
Total	-	-

31 Earnings per share (EPS)

The following reflects the profit / (loss) and share data used in basic and diluted EPS computations

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Basic and diluted		
Weighted average number of equity shares for computation of Basic EPS	1,171.37	805.47
Net profit for calculation of basic EPS	6,579.37	7,159.97
Basic earning per share	**5.62**	**8.89**
Dilutive earning per share	**5.62**	**8.89**

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Notes to Standalone financial statements for the year ended March 31, 2025

(Currency : INR in Lakhs)

32 Expenditure incurred on Corporate Social Responsibility (CSR)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Amount required to be spent by the company during the year	73.95	14.50
Amount of expenditure incurred	73.95	14.50
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall	NA	NA
Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	NIL	NIL
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	NA	NA

***The nature of CSR activities undertaken by the Company:

a) To initiate is a commendable endeavor that can significantly impact animal welfare and community well-being through establishment of new animal shelter

b) To improve the lives of the community, especially the socially and economically underprivileged communities, by making a long term, measurable and positive impact through projects in the areas of Education, Health and Skill Development.

33 Contingent liabilities and commitments

a. Contingent Liabilities not provided for in respect of:

Particulars	As at March 31, 2025	As at March 31, 2024
i) Claims against the Company not acknowledged as debt;	-	-
ii) Other money for which the Company is contingently liable:-	-	-
Total	-	-

b. Capital commitments:

Particulars	As at March 31, 2025	As at March 31, 2024
Estimated amount of contracts remaining to be executed on capital account, net of advances and not provided for	159.13	35.44
Commitments related to loans sanctioned but undrawn	-	-
Total	**159.13**	**35.44**

34 Employee benefit obligations

i) Defined contribution plan

The Company makes contributions to Provident Fund which are defined contribution plan for qualifying employees. The Company recognized INR 60.73 Lakhs (March 31, 2024: INR 46.59 Lakhs) for Provident Fund contributions in the Statement of Profit and Loss

ii) Defined benefit plan

The Company has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service gets a gratuity on leaving the service of the company at 15 days salary (last drawn salary) for each completed year of service.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and amounts recognised in the balance sheet for the plan:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Defined Benefit Cost included in P & L	37.56	16.26
Other Comprehensive (Income) / Loss	4.96	-1.65
Total Defined Benefit Cost recognized in P&L and OCI	42.52	14.61
Defined Benefit Obligation the at end	64.01	21.49
Fair Value of Plan Assets at the end	-	-
Net Defined Benefit Liability/ (Asset)	64.01	21.49

Disclosure Information

A. Change in Defined Benefit Obligation

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Defined Benefit Obligation at the beginning	21.49	6.88
Current Service Cost	35.99	15.74
Past Service Cost	-	-
(Gain) / Loss on settlements	-	-
Interest Expense	1.56	0.52
Benefit Payments from Plan Assets	-	-
Benefit Payments from Employer	-	-
Settlement Payments from Plan Assets	-	-
Settlement Payments from Employer	-	-
Other (Employee Contribution, Taxes, Expenses)	-	-
Increase / (Decrease) due to effect of any business combination/ divesture /transfer)	-	-
Increase / (Decrease) due to Plan combination	-	-
Remeasurements - Due to Demographic Assumptions	-2.19	-0.66
Remeasurements - Due to Financial Assumptions	0.82	0.40
Remeasurements - Due to Experience Adjustments	6.34	-1.39
Defined Benefit Obligation at the end	64.01	21.49

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B. Change in Fair Value of Plan Assets

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Fair Value of Plan Assets at the beginning	-	-
Interest Income	-	-
Employer Contributions	-	-
Employer Direct Benefit Payments	-	-
Employer Direct Settlement Payments	-	-
Benefit Payments from Plan Assets	-	-
Benefit Payments from Employer	-	-
Settlement Payments from Plan Assets	-	-
Settlement Payments from Employer	-	-
Other (Employee Contribution, Taxes, Expenses)	-	-
Increase / (Decrease) due to effect of any business combination / divestiture /transfer)	-	-
Increase / (Decrease) due to Plan combination	-	-
Remeasurements - Return on Assets	-	-
(Excluding Interest Income)	-	-
Fair Value of Plan Assets at the end	-	-

C. Changes in Reimbursement Rights

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Reimbursement Rights at the beginning	-	-
Reimbursement Service Cost	-	-
Gain/ (loss) on Settlements	-	-
Interest Income	-	-
Employer Contributions to Reimbursement Rights	-	-
Reimbursements to Employer	-	-
Increase / (Decrease) due to effect of any business combination / divesture /transfer)	-	-
Increase / (Decrease) due to Plan combination	-	-
Benefits paid by the Company in prior valuation period and settled by Fund Manager in current 3 Quarter	-	-
Net Transfer In / (Out) (Including the effect of any business combination / divesture)	-	-
Remeasurements - Return on Reimbursement Rights (Excluding Interest Income)	-	-
Reimbursement Rights at the end	-	-

D. Change in Asset Ceiling / Onerous Liability

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Asset Ceiling/ Onerous Liability at the beginning	-	-
Interest Income	-	-
Gain / (Loss) on Settlements	-	-
Remeasurement - Due to Asset Ceiling / Onerous Liability (Excluding Interest Income)	-	-
Asset Ceiling / Onerous Liability at the end	-	-

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E. Components of Defined Benefit Cost

Particulars	**Year ended March 31, 2025**	**Year ended March 31, 2024**
Current Service	35.99	15.74
Cost Past Service Cost	-	-
(Gain) / Loss on Settlements	-	-
Reimbursement Service Cost	-	-
Total Service Cost	**35.99**	**15.74**
Interest Expense on DBO	1.56	0.52
Interest (Income) on Plan Assets	-	-
Interest (Income) on Reimbursement Rights	-	-
Interest Expense on (Asset Ceiling) / Onerous Liability	-	-
Total Net Interest Cost	**1.56**	**0.52**
Reimbursement of Other Long Term Benefits	-	-
Defined Benefit Cost included in P & L	**37.56**	**16.26**
Remeasurements - Due to Demographic Assumptions	-2.19	-0.66
Remeasurements - Due to Financial Assumptions	0.82	0.40
Remeasurements - Due to Experience Adjustments	6.34	-1.39
(Return) on Plan Assets (Excluding Interest Income)	-	-
(Return) on Reimbursement Rights	-	-
Changes in Asset Ceiling / Onerous Liability	-	-
Total Remeasurements in OCI	**4.96**	**-1.65**
Total Defined Benefit Cost recognized in P&L and OCI	**42.52**	**14.61**

F. Bifurcation of Present Value of Obligations at the end of the valuation period as per Schedule III of the Companies Act 2013

Particulars	**Year ended March 31, 2025**	**Year ended March 31, 2024**
Current Liabilities	0.52	0.15
Non- current Liabilities	63.49	21.34

G. Amounts recognized in the Statement of Financial Position

Particulars	**Year ended March 31, 2025**	**Year ended March 31, 2024**
Defined Benefit Obligation	64.01	21.49
Fair Value of Plan Assets	-	-
Funded Status	64.01	21.49
Effect of Asset Ceiling/ Onerous Liability	-	-
Net Defined Benefit Liability/ (Asset)	64.01	21.49
Of which, Short term Liability	0.52	0.15

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H. Net Defined Benefit Liability f(Asset) reconciliation

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Net Defined Benefit Liability / (Asset) at the beginning	21.49	6.88
Defined Benefit Cost included in P & L	37.56	16.26
Total Remeasurements included in OCI	4.96	-1.65
Net Transfer In / (Out) (Including the effect of any business combination / divesture)	-	-
Amount recognized due to Plan Combinations	-	-
Employer Contributions	-	-
Employer Direct Benefit Payments	-	-
Employer Direct Settlement Payments	-	-
Credit to Reimbursements	-	-
Net Defined Benefit Liability / (Asset) at the end	64.01	21.49

I. Experience Adjustments on Present Value of DBO and Plan Assets

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(Gain) / Loss on Plan Liabilities	6.34	-1.39
% of Opening Plan Liabilities	29.50%	-20.21%
Gain / (Loss) on Plan Assets		
% of Opening Plan Assets		

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

The financial and demographic assumptions on annual basis used for valuation as at the Valuation Date are shown below. The assumptions as at the Valuation Date are used to determine the Present Value of Defined Benefit Obligation at that date.

Summary of **Financial** Assumptions

Particulars	Valuation Date	
	Year ended March 31, 2025	Year ended March 31, 2024
Discount Rate	7.05%	7.26%
Salary Escalation	5.00%	5.00%

Summary of Demographic Assumptions

Particulars	Valuation Date	
	Year ended March 31, 2025	Year ended March 31, 2024
Mortality Rate (as % of IALM (2012-14) Ult. Mortality Table)	100.00%	100.00%
Disability Rate (as % of above mortality rate)	0.00%	0.00%
Withdrawal Rate	19.45%	17.62%
Normal Retirement Age	62 Years	62 Years
Average Future Service	33.56	33.02

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Additional Disclosure Items

Expected Cash flowforfollowing years

Maturity Profile of Defined Benefit Obligations	Year ended March 31, 2025	Year ended March 31, 2024
Year 1	0.52	0.15
Year 2	4.06	0.15
Year 3	8.08	1.30
Year 4	15.40	3.66
Year 5	10.89	4.30
Year 6	9.39	3.78
Year 7	8.17	3.32
Year 8	6.96	2.96
Year 9	6.00	2.55
Year 10	5.17	2.24
Pay-outs above 10 years	31.34	15.57

The weighted average duration of the defined benefit obligation is 7.00 (PY - 8.00)

Discontinuance Liability

Amount payable upon discontinuance of all employment is INR 1,00,385 (PY - INR 36,649)

Sensitivity analysis

Discount Rate, Salary Escalation Rate and Withdrawal Rate are significant actuarial assumptions. The change in the Present Value of Defined Benefit Obligation for a change of 100 Basis Points from the assumed assumption is given below:

Summary of Financial & Demographic Assumptions

Scenario	DBO	Percentage Change
Under Base Scenario	64.01	0%
Salary Escalation - Up by 1%	68.47	6.97%
Salary Escalation - Down by 1%	59.91	-6.40%
Withdrawal Rates - Up by 1%	62.82	-1.86%
Withdrawal Rates - Down by 1%	65.21	1.87%
Discount Rates - Up by 1%	60.28	-5.84%
Discount Rates - Down by 1%	68.14	6.45%
Mortality Rates - Up by 10%	64.03	0.02%
Mortality Rates - Down by 10%	64.00	-0.02%

Disclosure for Compensated absences

(i) Amount recognised in the balance sheet

Particulars	As at March 31, 2025	As at March 31, 2024
Compensated Absences	80.56	18.04
Total	**80.56**	**18.04**

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. Unutilised leave balance that accrues to employees as at the year end is charged to the Statement of Profit and Loss on an undiscounted basis.

(Currency : INR in Lakhs)

35 Leases
Company as a lessee

The Company has entered into long term lease arrangement for its branches.The Company determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.The Company is restricted from assigning or subleasing the leased asset under the terms of lease.
Apart from above,the Company has short-term leases with contractual tenure of less than 12 months. The Company has recognised the lease payments associated with these leases as an expense on accrual basis.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Particulars	**Year ended March 31, 2025**	**Year ended March 31, 2024**
Balance at the beginning	1,801.81	1,759.81
Additions	2,630.78	563.09
Deletions	-	39.41
Depreciation	435.50	481.68
Balance at the end	**3,997.10**	**1,801.81**

Set out below are the carrying amounts of lease liabilities (included under Other financial liability) and the movements during the year:

Particulars	**Year ended March 31, 2025**	**Year ended March 31, 2024**
Balance at the beginning	1,992.99	1,639.05
Additions	2,523.88	478.25
Finance cost accrued during the period	478.74	244.61
Payment of lease liabilities	-561.15	-368.92
Balance at the end	**4,434.46**	**1,992.99**

The effective interest rate for lease liabilities is 13.97% for the year ended March 31, 2025

Maturity analysis of undiscounted lease liability
The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	**As at March 31, 2025**	**As at March 31, 2024**
Less than 3 months	212.31	136.67
3 to 12 months	650.74	376.84
1 to 3 years	1,617.95	928.70
More than 3 years	1,953.46	2,071.20
Total undiscounted lease liabilities	**4,434.46**	**3,513.41**

Amounts recognized in the Statement of Profit and Loss	**Year ended March 31, 2025**	**Year ended March 31, 2024**
Interest expense on lease liability	478.74	244.61
Expense relating to short-term leases	331.91	191.70
	810.66	**436.31**

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A. Lease payments not included in measurement of lease liability

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Short - term Leases	331.91	191.70
Leases of Low value assests	-	-
Variable lease payments	-	-
	331.91	**191.70**

B. Total cash outflow for leases for the year ended March 31, 2025 was INR 561.14 lakhs (March 31, 2024: INR 368.92 Lakhs).

C. The Company has total commitment for short-term leases as at March 31, 2025 Nil (March 31, 2024: Nil)

36 Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Promoters of the Company.The Company is engaged primarily in the business of financing. The Company operates in a single geographical segment i.e.domesctic. Accordingly the Company does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

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37 Related Party transactions

A	**Key Managerial Personal**	Padmaja Gangireddy - Managing Director Raghu Venkata Harish- Non-Executive Director Vara Prasad Chaganti- Non-Executive Director Mahesh Payannavar-Non-Executive Director Vijaya Sivarami Reddy Vendidandi-Non-Executive Director (w.e.f. 02.11.2022) Prakash Bhawnani - Chief Financial Officer (Resigned w.e.f. 25th Sept. 2024) Komal Ratlani - Company Secretary (Resigned w.e.f. 10th Oct. 2024) Rajendra Kavikondala - Company Secretary (w.e.f. 30th Sep. 2024)
B	**Subsidiary**	Keertana Financial Limited (w.e.f. 04.05.2023)
C	**Entities in which KMP (directors) and their relatives (close members) have significant influence**	Spandana Rural & Urban Development Organization (SRUDO) Spandana Mutual Benefit Trust (SMBT) Abhiram Marketing Services Limited (AMSL) Fins Technologies Limited(FINs) Keertana Financial Limited (KFL) (till 03.05.2023)
D	**Relatives (close members) of KMP**	Revan Saahith Reddy Vendidandi, son of Padmaja Gangireddy

Transactions with related parties for year ended March 31, 2025

Particulars	**Key Managerial Personnel (Directors)**	**Key Managerial Personnel (other than directors)**	**Entities over which Key Management Personnel (Directors) and their relatives (close members) have significant influence**	**Subsidiary**
Rent paid (Property)	66.86	-	53.78	-
Rent paid (Machinery)	-	-	-	10.04
Interest Expense on Loan taken	72.27	-	41.75	7.89
Financial Assets Acquisition	-	-	-	-
Purchase of Property, plant and equipment	-	-	101.49	-
Service Charges paid	-	-	374.96	-
Commission Income	-	-	30.46	-
Investment in Equity Share Capital	-	-	-	-
Remuneration	169.48	62.38	36.00	-
Sitting Fees	25.62	-	-	-
Borrowings (other than Debt Securities)	12,000.00	-	13,660.00	2,400.00
Repayment of Borrowings (other than Debt Securities)	8,500.00	-	13,660.00	2,400.00

Transactions with related parties for year ended March 31, 2024

Particulars	**Key Managerial Personnel (Directors)**	**Key Managerial Personnel (other than directors)**	**Entities over which Key Management Personnel (Directors) and their relatives (close members) have significant influence**	**Subsidiary**
Rent paid	48.05	-	23.25	-
Interest Expense on Loan taken	61.77	-	114.38	-
Financial Assets Acquisition	-	-	2,271.21	-
Purchase of Property, plant and equipment	-	-	107.85	-
Service Charges paid	-	-	60.92	-
Commission Income	-	-	37.15	-
Investment in Equity Share Capital	-	-	-	1,221.25
Remuneration	66.58	33.49	-	-
Sitting Fees	26.16	-	-	-
Borrowings (other than Debt Securities)	6,870.00	-	32,515.17	-
Repayment of Borrowings (other than Debt Securities)	6,870.00	-	35,463.17	-

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Terms and conditions of transactions with related parties

All Related Party Transactions entered during the year were in ordinary course of the business and on arm's length basis. Outstanding balances at the period-end are unsecured and settlement occurs in cash.

Outstanding balances with related parties for year ended March 31, 2025

Particulars	Key Managerial Personnel (Directors)	Key Managerial Personnel (other than directors)	Entities over which Key Management Personnel (Directors) and their relatives (close members) have significant influence	Relatives (close members) Key Managerial Personnel (Directors)
Remuneration	7.88	2.04	2.84	-
Sitting Fees payable	5.40	-	-	-
Service Charges paid	-	-	29.53	
Borrowings (other than Debt Securities)	-	-	0.04	-

Outstanding balances with related parties for year ended March 31, 2024

Particulars	Key Managerial Personnel (Directors)	Key Managerial Personnel (other than directors)	Entities over which Key Management Personnel (Directors) and their relatives (close members) have significant influence	Relatives (close members) Key Managerial Personnel (Directors)
Commission receivable	-	13,047.00	-	-
Sitting Fees payable	5.40	-	-	-

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38 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	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	9,480.33	-	9,480.33	6,142.03	-	6,142.03
Bank Balance other than cash and cash equivalents	3,191.36	0.57	3,191.93	1,639.24	-	1,639.24
Loans	2,15,839.46	19,767.69	2,35,607.15	1,21,773.63	35,168.96	1,56,942.59
Investments	-	1,221.25	1,221.25	-	1,221.25	1,221.25
Other Financial assets	845.90	333.97	1,179.87	615.74	198.61	814.35
Sub total	**2,29,357.05**	**21,323.48**	**2,50,680.53**	**1,30,170.64**	**36,588.82**	**1,66,759.46**
Non-financial assets						
Current Tax assets (Net)	478.11	-	478.11	-	-	-
Deferred Tax assets (Net)	-	1,092.64	1,092.64	-	823.30	823.30
Property, plant and equipment	-	3,433.39	3,433.39	-	2,114.12	2,114.12
Right to Use Assets	-	3,997.10	3,997.10	-	1,801.81	1,801.81
Other non-financial assets	708.95	-	708.95	315.11	-	315.11
Sub total	**1,187.06**	**8,523.13**	**9,710.18**	**315.11**	**4,739.23**	**5,054.33**
Total assets	**2,30,544.11**	**29,846.60**	**2,60,390.71**	**1,30,485.75**	**41,328.05**	**1,71,813.80**
LIABILITIES AND EQUITY						
LIABILITIES						
Financial liabilities				**2.62**	-	**2.62**
Payables				76.04	-	76.04
(I) Trade payables				32,994.31	15,705.00	48,699.31
(i) total outstanding dues of creditors of micro enterprises and small enterprises	-	-	-	58,651.4	22,295.8	80,947.2
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	184.14		184.14	816.16	1,992.99	2,809.15
Debt Securities	31,321.44	36,029.66	67,351.10	92,540.56	39,993.76	1,32,534.32
Borrowings (Other than Debt Securities)	90,061.57	36,947.08	1,27,008.65			
Other Financial liabilities	1,467.40	4,434.46	5,901.86	256.42	-	256.42
Sub total	**1,23,034.55**	**77,411.19**	**2,00,445.74**	**55.98**	**21.49**	**77.47**
				-	-	-
Non-Financial liabilities				**211.70**	-	**211.70**
Current tax liabilities (Net)	-	-	-	524.10	21.49	545.60
Provisions	80.56	64.01	144.58	93,064.66	40,015.25	1,33,079.91
Deferred tax liabilities (Net)			-			-
Other non-financial liabilities	225.35		225.35	74,51,423.45		74,51,423.45
Sub total	**305.91**	**64.01**	**369.92**	**75,45,012.22**	**40,036.74**	**75,85,048.96**
Total liabilities	**1,23,340.46**	**77,475.20**	**2,00,815.66**	**75,45,068.20**	**40,058.24**	**75,85,126.43**

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39 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

Fair value hierarchy

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

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

Level 2 - Valuation technique using observable inputs: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.

Level 3 - Valuation technique with significant unobservable inputs: Those that include one or more unobservable input that is significant to the measurement as whole.

Financial instruments by category

Particulars	Measurement category	Fair value hierarchy	As at March 31, 2025	As at March 31, 2024
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	Amortised Cost	Level 1	9,480.33	6,142.03
Bank Balances other than cash and cash equivalents	Amortised Cost	Level 1	3,191.93	1,639.24
Loans	Amortised Cost	Level 3	2,35,607.15	1,56,942.59
Investments in				
Equity Investment in Subsidiary	Amortised Cost	Level 3	1,221.25	1,221.25
Mutual Funds	Fair Value	Level 1	-	-
Other financial assets	Amortised Cost	Level 3	1,179.87	814.35
Total Financial assets			**2,50,680.53**	**1,66,759.46**
Financial liabilities				
Measured at amortised cost				
Trade payables	Amortised Cost	Level 3	184.14	78.67
Debt Securities	Amortised Cost	Level 3	67,351.10	48,699.31
Borrowings (other than Debt Securities)	Amortised Cost	Level 3	1,27,008.65	80,947.19
Other financial liabilities	Amortised Cost	Level 3	5,901.86	2,809.15
Total Financial liabilities			**2,00,445.74**	**1,32,534.32**

Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are initially measured at fair value and subsequently carried at amortised cost in the financial statements. This table does not include the fair values of investments in subsidiaries measured at cost.

Particulars	As at March 31, 2025		As at March 31, 2024	
	Carrying value	**Fair Value**	**Carrying value**	**Fair Value**
Financial assets				
Security Deposits for Right of use	333.97	264.27	272.75	198.61
Loans	2,35,607.15	2,35,607.15	1,56,944.19	1,56,942.59
Total	**2,35,941.12**	**2,35,871.42**	**1,57,216.94**	**1,57,141.20**
Financial liabilities				
Debt Securities	67,351.10	67,351.10	49,425.00	48,699.31
Borrowings (Other than Debt Securities)	1,27,008.65	1,27,008.65	81,022.91	80,947.19
Total	**1,27,008.65**	**1,27,008.65**	**1,30,447.91**	**1,29,646.50**

There have been no transfers between Level 1, Level 2 and Level 3 for the year ended March 31, 2025

The management assessed that fair values of cash and cash equivalents, bank balances other than cash and cash equivalents, other financial assets, trade payables, other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Valuation techniques

Security Deposit

The fair values of Security deposits for premises are based on discounted cash flows using a simple average deposit rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

Loans

Fair value of Loans estimated using a discounted cash flow model on contractual cash flows using actual/estimated yields.

Lease liabilities

The fair values of lease liability are based on discounted lease payments using a Company's average incremental borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

Borrowings

The fair values of financial liabilities held-to-maturity (financial liabilities other than trade payables and debt securities) are estimated using effective interest rate model based on contractual cash flows using actual yields. Since the cost of borrowing on the reporting date is not expected to be significantly different from the actual yield considered under effective interest rate model, the carrying value of financial liabilities at amortised cost is considered a reasonable approximation of their fair value. The fair value of floating rate borrowing is deemed to equal its carrying value.

Investment in Mutual fund

The fair values of the investment in mutual fund schemes are based on net asset value at the reporting date. The Company does not hold any units as on reporting date.

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40 Disclosure with regard to dues to Micro Enterprises and Small Enterprises 22.10.106/2019-20 dated March 13,2020

Particulars	**As at March 31, 2025**	**As at March 31, 2024**
(i) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;		
- Principal due	NIL	2.62
- Interest due	NIL	NIL
(ii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	NIL	NIL
(iii) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	NIL	NIL
	NIL	NIL
iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	NIL	NIL
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	NIL	NIL

41 Breach of Covenant

During the financial year ended March 31, 2025, no bank or financial institution or debenture trustee has issued any notice of breach of covenant in respect of loans availed or debt securities issued by the Company.

42 Risk management

Risk is an integral part of the Company's business and sound risk management is critical to the success. As a financial institution, the Company is exposed to risks that are particular to its lending and the environment within which it operates and primarily includes credit, liquidity and market and operational risks. Company's goal in risk management is to ensure that it understands measures and monitors the various risks that arise and the organization adheres strictly to the policies and procedures which are established to address these risks. The Company has a risk management policy which covers risks associated with the financial assets and liabilities.The Board of Directors of the Company are responsible for the overall risk management approach and for approving the risk management strategies and principles. Further, company has Asset-Liability Management Committee (ALCO) to monitor ALM and liquidity risk.

42.1 Introduction and Risk Profile

Risk management and mitigation

The Company's risks are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment, as necessary.

The Company's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

It is the Company's policy to ensure that a robust risk awareness is embedded in its organisational risk culture. Employees are expected to take ownership and be accountable for the risks the Company is exposed to that they decide to take on. The Company's continuous training and development emphasises that employees are made aware of the Company's risk appetite and they are supported in their roles and responsibilities to monitor and keep their exposure to risk within the Company's risk appetite limits.
The Company is generally exposed to credit risk, liquidity risk, market risk, and operational risk.

42.2 Credit Risk

Credit risk is the risk that a customer or counterparty will default on its contractual obligations resulting in financial loss to the Company. Company is into lending operations and is principally exposed to credit risk. Credit risk mainly arises from loans and advances to customers and investments in debt securities that are an asset position. The credit risk is governed by various product policies. The product policies outlines the type of products that can be offered, customer categories, the targeted customer profile and the credit approval process and limits. The Company measures, monitors and manages credit risk at an individual borrower level. Depending on the products, the Company has a structured and standardised credit approval process, which includes a well-established procedure of comprehensive credit appraisal.
The Company also follow a systematic methodology in the opening of new branches, which takes into account factors such as demand for credit in the area; income and market potential; and socio-economic and law and order risks in the proposed area.

1. Policies and procedure for credit risk for different products

The Company addresses credit risk by following

a) Gold Loan

a) Credit risk on Gold loan is generally reduced as collateral is Gold ornaments which can be easily liquidated and there is only a distant possibility of losses due to adequate margin of 25% or more retained while disbursing the loan.

b) Maximum Loan to Value ratio for Gold loans remains at 75%, as prescribed by Reserve Bank of India. Within this Loan to Value, the Sanctioning powers for Gold Loans is delegated to various authorities at branches/controlling offices. Sanctioning powers is used only for granting loans for legally permitted purposes.

c) Extra care is taken if the gold jewellery brought for pledge by any customer at any one time or cumulatively is more than 20 gm with additional measures in place to ascertain the ownership of the gold being pledged. Apart from the branch staff, independent call by back office is made with preset questions asked to the customer for ascertaining the interest in loan, the ownership of the gold jewellery.

d) In case of default, pledged Gold can be auctioned. Auctions are conducted as per the Auction Policy of the Company and the guidelines issued by Reserve Bank of India. Auction is generally conducted before loan amount plus interest exceeds beyond the internal set threshold, which is generally close to realizable value of gold. After reasonable time is given to the customers for release after loan becomes overdue and exhausting all efforts for persuasive recovery, auction is resorted to as the last measure in unavoidable cases. Loss on account of auctions are recovered from the customer. Any excess received on auctions are refunded to the customer.

(b) Housing Loan/Loan against property

Company has a separate Credit Risk policy which outlines all the product characteristis and assessment of borrower, including the technical and legal aspects of the property. Loan against property or Housing loan involves not only the income assessment but also the property assessment. The detailed on the income assessment and property assessment is guided as per the credit policy applicable.

(c) MICRO ENTERPRISE LOANS (MEL)

Micro Enterprise loans are unsecured loans wherein the credit delivery mechanism remains as per Joint Liability Group (JLG). Thus, despite being the unsecured characteristics, the loans have social collateral in place, i.e. the group guarantee. Credit risk under such arrangement is though higher that a secured loan but remains lower than the unsecured consumption loan. The loans are preliminary extended to women borrowers in the group for income generation purpose. In order to address credit risk under such product, Compay has stringent credit assessment policies for client selection. Measures such as verifying client details, online documentation and the usage of credit bureau data to get information on past credit behaviour also supplement the efforts for containing credit risk. Company also follows key non negotiable underwriting norms incluidng having a own house mandatory without which the loan would get rejected. Company also follows a systematic methodology in the opening of new branches, which takes into account factors such as the demand for credit in the area; income and market potential; and socio-economic and law and order risks in the proposed area.

(d) BUSINESS LOANS ('M'SME LOANS)

Micro SME loans are of unsecured nature and extended for business purpose. The well defined policy on credit appraisal is in place to ensure that the loan is sanctioned as per the eligibility norms.

(e) PERSONAL LOANS

Personal loan portfolio of the company is limited to the existing customers, i.e. having one or more other secured loans. The credit risk thus gets limited.

Impairment assessment

The references below show where the Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the summary of significant accounting policies.

Definition of default and cure

The Company considers a financial instrument as defaulted and therefore Stage 3 (credit-impaired) for Expected Credit Loss (ECL) calculations in all cases when the borrower becomes more than 3 months past due on its contractual payments.

The staging criteria used by the Company is as below:

Loans months past due	Stage
Upto 30 days	Stage 1
Between 31 to 90 days	Stage 2
above 91 days	Stage 3

Exposure at default (EAD)

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the ability to increase its exposure while approaching default and potential early repayments too.

To calculate the EAD for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12 months ECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments.

Probability of default (PD)

The Probability of Default is an estimate of the likelihood of default over a given time horizon. To calculate the ECL for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12month ECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments. The Company uses historical information wherever available to determine PD

Loss given Default (LGD)
LGD is the estimated loss that the Company might bear if the borrower defaults. The Company determines its recovery (net present value) by analysing the recovery trends, borrower rating, collateral value and expected proceeds from sale of asset.

LGD Rates have been computed internally based on the discounted recoveries in defaulted accounts that are closed/ written off/ repossessed and upgraded during the year.

When estimating ECLs on a collective basis for a group of similar assets, the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

Expected credit loss

Expected credit loss is a calculation of the present value of the amount expected not to be recovered on a financial asset, for financial reporting purposes. Credit risk is the potential that the obligor and counterparty will fail to meet its financial obligations to the lender. This requires an effective assessment and management of the credit risk at both individual and portfolio level.

The references below show where the Company's impairment assessment and measurement approach is set out in these notes. It should be read in conjunction with the Summary of significant accounting policies.

(i) Definition of default
The Company considers a financial instrument as defaulted and considered it as Stage 3 (credit-impaired) for ECL calculations in all cases, when the borrower becomes more than 90 days past due on its contractual payments or classified as NPA as per RBI directions. The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed year, if the facility has not been previously derecognised and is still in the portfolio.

(ii) Exposure at default
The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the client's ability to increase its exposure while approaching default and potential early repayments too.

(iii) Loss given default
Loss given default represents an estimate of the loss expected to be incurred when the event of default occurs. For calculation company use prescribed rate by the RBI under FIRB

(iv) Significant increase in credit risk
The Company continuously monitors all assets subject to ECL. In order to determine whether an instrument or a portfolio of instruments is subject to 12 month ECL or lifetime ECL, the Company assesses whether there has been a significant increase in credit risk since initial recognition taking in to account both qualitative and quantitative information. The Company mandatorily considers an exposure to have significantly increased in credit risk when contractual payments are more than 30 days past due.
When estimating ECL on a collective basis for a group of similar assets, the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

(v) Delinquency buckets have been considered as the basis for the staging of all loans with:
- Stage 3 is those accounts which are classified as NPA
- Stage 2 is those accounts wherein there is significant increase in credit risk
- Stage 1 is those accounts wherein DPD is 0-30 days and not considered in Stage 2 and Stage 3

(Currency : INR in Lakhs)

The Company has classified all individual loans as amortised cost and has assessed it at the collective pool level.

MEL, MSME, and LAP Loans

Due to limited historical data, the company relies on peer benchmarking. This involves looking at delinquency rates of other lenders offering similar loan products (MEL, MSME, and LAP loans) and operating in the same region. By analysing these benchmarks, the company estimate the PD for its own loan portfolio.

Since historical data on defaulted loans is insufficient, the company uses LGD rates prescribed by the RBI under FIRB (Foundation Internal Rating Based) approach. These rates serve as a substitute for actual recovery data. The company considers a 55% LGD for secured loans and 65% for unsecured loans, as specified by the FIRB guidelines.

Gold Loans

The company leverages both receivable aging data and a management overlay to estimate potential credit losses for gold loans. The flow rate matrix approach analyses how loans transition through delinquency stages, while the management overlay considers factors like loan-to-value ratio, historical recovery data, and industry benchmarks to account for limited default recovery data. This comprehensive approach helps the company make informed provisions for potential losses associated with their gold loan portfolio.

Expected Credit Loss for the Financial Assets other than Loans

As at March 31, 2025

Particulars	**Gross Carrying Amount at Default**	**Expected Credit Loss**	**Carrying amount Net of Impairment Provision**
Cash and cash equivalents	9,480.33	-	9,480.33
Bank balance other than cash and cash equivalents	3,191.93	-	3,191.93
Other financial assets	1,179.87	-	1,179.87
	13,852.14	-	13,852.14

As at March 31, 2024

Particulars	**Gross Carrying Amount at Default**	**Expected Credit Loss**	**Carrying amount Net of Impairment Provision**
Cash and cash equivalents	6,142.03	-	6,142.03
Bank balance other than cash and cash equivalents	1,639.24	-	1,639.24
Other financial assets	814.35	-	814.35
	8,595.62	-	8,595.62

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The company has not provided ECL on cash and cash equivalents, bank balance other than cash and cash equivalents as these instruments are short term in nature and there is no history of defaults in the past. Also there has not been any changes in the credit rating of these custodians.

Credit Quality of Loans

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances.

	FY 2024-25			
Particulars	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
0 DPD	2,15,514.46	-	-	2,15,514.46
(1-30) DPD	9,532.48	-	-	9,532.48
(31-60) DPD	-	10,956.72	-	10,956.72
(61-90) DPD	-	2,234.85	-	2,234.85
(91-120) DPD	-	-	1,730.03	1,730.03
(>120) DPD	-	-	121.46	121.46

	FY 2023-24			
Particulars	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
0 DPD	1,49,532.90	-	-	1,49,532.90
(1-30) DPD	10,134.10	-	-	10,134.10
(31-60) DPD	-	117.87	-	117.87
(61-90) DPD	-	49.26	-	49.26
(91-120) DPD	-	-	48.67	48.67
(>120) DPD	-	-	24.35	24.35

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

	FY 2024-25			
Particulars	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Gross carrying amount opening balance	1,58,203.35	167.13	73.02	1,58,443.50
Add: EIR impact of Service charges received	1,463.66			1,463.66
New assets originated or purchased	5,94,487.52	-	-	5,94,487.52
Assets derecognised or repaid (excluding write offs)	-5,12,676.16	-	-	-5,12,676.16
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-17,092.24	17,092.24	-	-
Transfers to Stage 3	-1,853.76	-3,881.05	5,734.81	-
Amounts written off	-45.42	-	-3,871.78	-3,917.20
Gross carrying amount closing balance	2,22,486.94	13,378.33	1,936.05	2,37,801.32
Less: EIR impact of Service charges received	-1,144.34	-	-	-1,144.34
Gross carrying amount closing balance net of EIR impact of service charge received	2,23,631.28	13,378.33	1,936.05	2,38,945.66

	FY 2023-24			
Particulars	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Gross carrying amount opening balance	62,218.59	54.96	4.63	62,278.18
Add: EIR impact of Service charges received	343.77			343.77
New assets originated or purchased	3,22,847.08	-	-	3,22,847.08
Assets derecognised or repaid (excluding write offs)	-2,25,561.87	-	-	-2,25,561.87
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-112.17	112.17	-	-
Transfers to Stage 3	-68.39	-	68.39	-
Amounts written off	-	-	-	-
Gross carrying amount closing balance	1,59,667.01	167.13	73.02	1,59,907.16
Less: EIR impact of Service charges received	1,463.66	-	-	1,463.66
Gross carrying amount closing balance net of EIR	1,58,203.35	167.13	73.02	1,58,443.50

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Reconciliation of ECL balance is given below:

Particulars	FY 2024-25			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
ECL allowance - opening balance	1,376.55	51.33	73.02	1,500.91
New assets originated or purchased	7,224.61			7,224.61
Assets derecognised or repaid (excluding write offs)	-1,385.46	-51.33	-73.02	-1,509.81
Transfers to Stage 1	-5,209.11	5,209.11		-
Transfers to Stage 2	-942.11	-3,890.34	4,827.03	-5.41
Transfers to Stage 3	-	-	-	-
Impact on year end ECL of exposures transferred between stages during the year	1,064.49	1,318.77	4,827.03	7,210.29
Amounts written off	-	-	3,871.78	3,871.78
ECL allowance - closing balance	1,064.49	1,318.77	955.26	3,338.52

Particulars	FY 2023-24			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
ECL allowance - opening balance	384.85	1.83	2.72	389.39
New assets originated or purchased	1,500.91			1,500.91
Assets derecognised or repaid (excluding write offs)	-384.85	-1.83	-2.72	-389.39
Transfers to Stage 1	-51.33	51.33	-	-
Transfers to Stage 2	-73.02		73.02	-
Transfers to Stage 3	-	-	-	-
Impact on year end ECL of exposures transferred between stages during the year	1,376.55	51.33	73.02	1,500.91
Amounts written off	-	-	-	-
ECL allowance - closing balance	1,376.55	51.33	73.02	1,500.91

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42.3 Liquidity Risk

Liquidity risk refers to the risk that the Company may not meet its financial obligations. Liquidity risk arises due to the unavailability of adequate funds at an appropriate cost or tenure. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company consistently generates sufficient cash flows from operating and financial activities to meet its financial obligations as and when they fall due. Our resource mobilisation team sources funds from multiple sources, including from banks, financial institutions and capital markets to maintain a healthy mix of sources. The resource mobilisation team is responsible for diversifying fund raising sources, managing interest rate risks and maintaining a strong relationship with banks, financial institutions, mutual funds, insurance companies, other domestic and foreign financial institutions and rating agencies to ensure the liquidity risk is well addressed.The maturity schedule for all financial liabilities and assets are regularly reviewed and monitored.

The following table shows the maturity analysis of financial liabilities of the Company based on contractually agreed undiscounted cash flows as at the Balance Sheet date:

Particulars	upto 1 month	over one month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months upto 1 year	Over 1 upto 3 years	Over 3 years upto 5 years	Total
As at March 31, 2025								
Trade payables	184.14	-	-	-	-	-	-	184.14
Debt Securities	2,591.99	7,426.99	519.49	7,760.98	13,021.97	36,029.66		67,351.10
Borrowings (other than debt securities)	3,146.03	3,213.00	3,162.45	9,877.66	16,064.37	91,545.14		1,27,008.65
Lease labilities	70.55	70.83	70.94	213.92	436.82	1,617.95	1,953.46	4,434.46
Other financial liabilities	1,261.16	84.47	-	80.62	-	-	-	1,426.25
Total	**7,253.87**	**10,795.29**	**3,752.88**	**17,933.19**	**29,523.16**	**1,29,192.75**	**1,953.46**	**2,00,404.59**
As at March 31, 2024								
Trade payables	78.67	-	-	-	-	-	-	78.67
Debt Securities	1,651.66	6,545.83	1,568.33	8,940.00	15,447.69	14,725.04		48,878.56
Borrowings (other than debt securities)	5,049.46	5,142.65	6,278.93	16,292.51	26,639.31	20,711.83	41.66	80,156.35
Lease labilities	45.94	45.63	45.09	132.35	244.49	928.70	2,071.20	3,513.41
Other financial liabilities	65.27	-	-	-	1,159.07	-	-	1,244.34
Total	**6,911.00**	**11,734.11**	**7,892.35**	**25,364.86**	**43,490.56**	**36,365.57**	**2,112.86**	**1,33,871.32**

42.4 Market Risk

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The objective of market risk management is to avoid excessive exposure of our earnings and equity to loss and reduce our exposure to the volatility inherent in financial instruments. There are broadly two types of market risks: (a) Interest rate risk, and (b) Price risk.

a **Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is subject to interest rate risk, primarily since it lends to customers at fixed rates and for short maturity periods.

The Company borrows at both fixed and floating interest rates for different periods. Floating rates gives rise to interest rate risk. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk, the Company seek to optimize borrowing profile between short-term and long-term loans. The Company adopts funding strategies to ensure diversified resource-raising options to minimize cost and maximize stability of funds. Assets and liabilities are categorized into various time buckets based on their maturities. The Interest Rate Risk is mitigated by availing funds at very competitive rates through diversified borrowings and for different tenors.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before taxes affected through the impact on floating rate borrowings are as follows:

Impact on Profit before taxes	As at March 31, 2025	As at March 31, 2024
On Floating Rate Borrowings:		
1% increase in interest rates	1,511.13	869.55
1% decrease in interest rates	(1,511.13)	(869.55)

b **Price risk**

The company offers Gold loan as the product and is exposed to Price Risk on account of sudden change in price of Gold. Sudden fall in the gold price or fall in the value of the pledged gold ornaments can result in some of the customers to default if the loan amount and interest exceeds the market value of gold. This risk is in part gets mitigated by a minimum 25% margin retained on the value of gold jewellery at the time of sanction of loan. Further, we appraise the gold jewellery collateral solely based on the weight of its gold content, excluding weight and value of the stone studded in the jewellery. In addition, the sentimental value of the gold jewellery to the customers may induce repayment and redemption of the collateral even if the value of gold ornaments falls below the value of the repayment amount. An occasional decrease in gold prices will not increase price risk significantly on account of our adequate collateral security margins, short tenure of the gold loans and quality valuation done at the time of sanction. However, a sustained decrease in the market price of gold can additionally cause a decrease in the size of our loan portfolio and our interest income.

42.5 Operational and business risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

43 Capital Management

The primary objectives of the Company's capital management are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities.

44 Other regulatory disclosures

44.1 No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

44.2 The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

44.3 The Company has no transactions with the companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

44.4 The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

44.5 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

44.6 There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded previously in the books of account.

44.7 All charges or satisfaction are registered with ROC within the statutory period for the financial year ended March 31, 2025. No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

44.8 The Company has not revalued its Property, Plant and Equipment (including Right-of Use Assets) based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

44.9 The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

44.10 There is no amount due and outstanding to be credited to Investor Education And Protection Fund.

44.11 The company has opted for new regime of taxation u/s 115BAA.

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45 Schedule to the Standalone Balance Sheet of a Non-deposit taking Non Banking Financial Company

As required in term of Paragraph 31 of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023

	Liabilities Side:		
1	**Loans and Advances availed by the non-banking financial company inclusive of interest accrued theron but not paid:**	**Amount Outstanding**	**Amount Overdue**
	a) Debenture:	-	-
	Secured	67,351.10	
	Unsecured	-	-
	(Other than falling within the meaning of public deposits)		
	b) Deferred Credits	-	-
	c) Term Loans	1,27,008.65	-
	d) Inter- Corporate loans and borrowing	-	-
	e) Commercial Paper	-	-
	f) Other Loans (Specify Nature)	-	-
2	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :**	**Amount Outstanding**	**Amount Overdue**
	a) In the form of unsecured Debentures	-	-
	b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
	c) Other public deposits	-	-

	Assets Side:	
3	**Breakup of Loans and Advances including bills receivables (other than those included in (4) below) :**	**Amount Outstanding**
	a) Secured	1,75,835.76
	b) Unsecured	69,771.39

4	**Breakup of Leased Assets and stock on hire and other assets counting towards AFC activities**	**Amount Outstanding**
	i) Lease assets including lease rentals under sundry debtors:	
	a) Financial Lease	-
	b) Operating Lease	-
	ii) Stock on hire including hire charges under sundry debtors:	
	a) Assets on hire	-
	b) Repossessed Assets	-
	iii) Other loans counting towards AFC activities	
	a) loans where assets have been repossessed	-
	b) Loans other than (a) above	-

5	**Breakup of Investments:**	**Amount Outstanding**
	Current Investments	
	1. Quoted:	
	i) Shares:	-
	a) Equity	
	b) Preference	-
	ii) Debentures and Bonds	-
	iii) Units of Mutual Funds	-
	iv) Government Securities	-
	v) Others (Please specify)	-
	2. Unquoted:	
	i) Shares:	-
	a) Equity	
	b) Preference	-
	ii) Debentures and Bonds	-
	iii) Units of Mutual Funds	-
	iv) Government Securities	-
	v) Others (Please specify)	-
	Long Term Investments:	
	1. Quoted:	
	i) 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	1,221.25
	b) Preference	-
	ii) Debentures and Bonds	-
	iii) Units of Mutual Funds	-
	iv) Government Securities	-
	v) Others (Venture Capital Fund)	-

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

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties			
a) Subsidiaries	-	-	-
b) Companies in the same group	-	-	-
c) Other related Parties	-	-	-
2. Other than related parties	1,75,835.78	59,771.39	2,35,607.15
Total	1,75,835.76	59,771.39	2,35,607.15

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

Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties		
a) Subsidiaries	1,221.25	1,221.25
b) Companies in the same group	-	-
c) Other related Parties	-	-
2. Other than related parties		
a) Listed Equity Shares	-	-
b) Mutual Funds	-	-
c) Debentures/ Bonds	-	-
d) Others: Special Purpose Vehicles	-	-
Total	**1,221.25**	**1,221.25**

8 Other Information

	Particulars	Amount
i)	Gross Non Performing Assets	
	a) Related Parties	-
	b) Other than related parties	1,851.50
ii)	Net Non Performing Assets	
	a) Related Parties	-
	b) Other than related parties	-
iii)	Assets acquired in satisfaction of debt	-

46 Regulatory capital

	For the year ended March 31, 2025	For the year ended March 31, 2024
CRAR	25.12%	23.63%
CRAR – Tier 1 capital (%)	23.87%	22.60%
CRAR – Tier II capital (%)	1.25%	1.03%
Amount of subordinated debt raised as Tier-II capital	-	-
Amount raised by issue of perpetual debt instruments	-	-
Leverage Ratio	3.37	4.03

47 Exposures

1 Exposure to Real Estate Sector

Category	For the year ended March 31, 2025	For the year ended March 31, 2024
i) Direct exposure		
(a) Residential Mortgages -		
Lending secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to Rs. 15 lakh may be shown separately)	18,061.31	7,992.79
(b) Commercial Real Estate -	-	-
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	-	-
(c) Investments in Mortgage Backed Securities (MBS) and other securitized exposures -		
a. Residential	-	-
b. Commercial Real Estate	-	-
ii) Indirect exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	-	-
Total Exposure to Real Estate Sector	**18,061.31**	**7,992.79**

2 Exposure to capital market

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt	1,221.25	1,221.25
Total exposure to capital market	1,221.25	1,221.25

3 Sectoral Exposure

Particulars	Current Year			Previous Year		
	Total Exposure	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	53,697.87	933.44	1.74%	59,256.65	15.00	0.02%
2. Industry - Others	9,867.02	342.15	3.47%	15,069.88	7.00	0.03%
3. Services	4,156.76	206.17	5.01%	6,164.47	2.00	0.01%
4. Personal Loans	-	-	0.00%	-	-	0.00%
5. Others, if any	1,67,170.10	370.01	0.22%	73,634.39	49.00	0.02%

KEERTANA FINSERV LIMITED
(Formerly Known as Keertana Finserv Private Limited)
Notes to Standalone financial statements for the year ended March 31, 2025
(Currency : INR in Lakhs)

4 **There are no intra-group exposures during the year ended March 31, 2025 and year ended March 31, 2024.**

48 Concentration of Advances, Exposures and NPAs

1 Concentration of Advances

Particulars	Amount
Total Advances to twenty largest borrowers	1,985.92
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	0.84%

2 Concentration of Exposures

Particulars	Amount
Total Exposure to twenty largest borrowers/customers	1,985.92
Percentage of Exposures to twenty largest borrowers/customers to Total Exposure of the NBFC on borrowers/customers	0.84%

3 Concentration of NPAs

Particulars	Amount
Total Exposure to top four NPA accounts	32

4 Sector-wise NPAs

Sector	Percentage of NPAs to Total Advances in that sector
1. Agriculture and Allied Activities	1.74%
2. Industry - Others	3.47%
3. Services	5.01%
4. Personal Loans	-
5. Others, if any	0.00

49 Movement of NPAs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(i) Net NPAs to Net Advances (%)	0.38%	0.00%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	73.02	4.63
(b) Additions during the year	1,851.50	68.39
(c) Reductions during the year	73.02	-
(d) Closing balance	1,851.50	73.02
(iii) Movement of NPAs (Net)		
(a) Opening balance	-	1.91
(b) Additions during the year	905.11	-
(c) Reductions during the year	-	1.91
(d) Closing balance	905.11	-
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	73.02	2.72
(b) Provisions made during the year	946.39	70.30
(c) Write-off/write-back of excess provisions	73.02	-
(d) Closing balance	946.39	73.02

50 Details of Gold Loan related Auctions Conducted

Particulars	FY 2024-25	FY 2023-24
No. of Auctions Conducted	4	11
No. of Loan accounts involved	318	5260
Outstanding Value of Loans	303	5,041
Value Fetched in Auction	305	5,018
Participation of any sister concern in the auctions	NO	NO

KEERTANA FINSERV LIMITED
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(Currency : INR in Lakhs)

51 Disclosure of complaints

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

	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	Complaints received by the NBFC from its customers		
1	Number of complaints pending at beginning of the year	0	125
2	Number of complaints received during the year	565	125
3	Number of complaints disposed during the year	564	125
3.1	Of which, number of complaints rejected by the NBFC	1	-
4	Number of complaints pending at the end of the year		-
	Maintainable complaints received by the NBFC from Office of Ombudsman		
5	Number of maintainable complaints received by the NBFC from Office of Ombudsman		-
5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman		-
5.2	Of 5, number of complaints resolved through conciliation/mediation/ advisories issued by Office of Ombudsman		-
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBF		-
6	Number of Awards unimplemented within the stipulated time (other than those appealed)		-

Top five grounds of complaints received by the NBFCs from customers

	Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
	1	2	3	4	5	6
	Current Year					
1	Related to Loans and Advances	-	560	426%	1	1
2	Related to Staff Behaviour	-	5	-74%	-	-
	Total	-	565			
	Previous Year					
1	Related to Loans and Advances	-	106	100%	-	-
2	Related to Staff Behaviour	-	19	100%	-	-
	Total	-	125		-	-

52 Licenses obtained from other financial sector regulators

i. The Company is registered with the following regulators:
a) Ministry of Corporate Affairs (MCA)
b) Securities Exchange Board of India (SEBI)
c) Ministry of Finance (FIU-Ind)
d) Central Registry of Securitization Asset Reconstruction and Security Interest of India (CERSAI)

ii. The company has also applied for registration as Corporate Agent to the Insurance Regulatory and Development Authority of India (IRDAI).

53 There has been no drawdown from reserve during the year ended March 31, 2025 and March 31, 2024.

54 Disclosure of Penalties and Strictures imposed by Regulators - NIL (PY - INR 17.39 Lakhs for contravention of the provisions of Regulation 60(2), 52 (1), 52 (4), 52 (7)/(7A) & 54 (2) of the SEBI Act 1992)

55 Ratings assigned by Credit Rating Agencies and migration during the year

Nature of instrument	Rating agency	March 31, 2025	March 31, 2024
Non-convertible debentures	ICRA	ICRA[BBB] (Stable)	ICRA[BBB] (Stable)
Non-convertible debentures	CRISIL	CRISIL BBB/Stable	CRISIL BBB/Stable
Non-convertible debentures	India Ratings	IND BBB+/Stable	-
Term Loans	ICRA	[ICRA]BBB(Stable)/ [ICRA]A3+	[ICRA]BBB(Stable)/ [ICRA]A3+
Term Loans	CRISIL	CRISIL BBB/Stable	CRISIL BBB/Stable
Term Loans	India Ratings	IND BBB+/Stable	-

56 Related Party Transactions - Refer note 36 for related party transactions and related disclosures

57 Information on instances of fraud
The frauds detected and reported for the year amounted to INR 61.52 Lakhs (PY - NIL)

58 Derivatives - Forward Rate Agreement / Interest Rate Swap - Not Applicable

59 Exposures
a) Details of financing of parent company products - Not Applicable
b) Details of Single Borrower Limited (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC - NIL

60 Unsecured Advances

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(i) The exposure to unsecured advances	59,771.39	78,919.99

61 Details of transaction with non-executive directors:

Independent Non-Executive Directors have no pecuniary relationship with the company, except for receiving sitting fees for the meetings attended. For transactions with other Non- Executive and Executive Directors please refer note 36 for related party transactions and related disclosures.

62 Divergence in Asset Classification and Provisioning
There are no divergence in Asset Classification and Provisioning requirements as such the disclosure requirement of the same is not applicable for the company.

63 Breach of covenant
There are no instances of breach of covenant of loans availed for debt securities issued during the current year as well as previous year.

64 Advances Against Intangible Securities
The Company has not given any loans against intangible securities.

65 Overseas Assets
There are no overseas asset owned by the Company.

66 Off-Balance Sheet SPVs Sponsored
The Company has not sponsored any SPVs. Accordingly this disclosure is not applicable.

67 Net profit / loss for the year, prior period, changes in accounting policies

During the current financial year, no changes in accounting policies affected the net profit.
However, certain prior period errors were identified and corrected in accordance with Ind AS 8. These corrections have been accounted for prospectively, with adjustments made to the retained earnings' opening balances as of April 1, 2024. The errors did not impact the net profit for the current year.
Nature of Prior Period Errors:
1.An overstatement of accrued interest due to an MIS computation oversight resulted in the overstatement of income amounting to Rs. 750 lakhs in the financials for the financial year 2023-24.
2.An amount of Rs. 49.63 lakhs was payable to borrowers on account of auction surplus payable during the financial years 2022-23 and 2023-24, which was previously unrecognized.
The total adjustment of Rs. 799.63 lakhs has been recognized by factoring the same in the opening balances of retained earnings as at April 1, 2024. There was no impact on the net profit for the current year. Enhanced internal controls and checks have since been implemented to prevent such oversights in the future. These changes have been reviewed and acknowledged by the statutory auditors. In accordance with Ind AS 8, the same has been recorded prospectively. For further details, refer to Note No. 20.

(Currency : INR in Lakhs)

68 Revenue Recognition

Revenue recognition has not been postponed due to the pending resolution of significant uncertainties in respect of any revenue stream of the Company.

69 Consolidated Financial Statements (CFS)

The Company has 1 wholly owned subsidiary as on March 31, 2025 and has consolidated financial statement of its all the underlying subsidiaries in accordance with the requirement of Ind AS 110 - Consolidated Financial Statements.

70 Loans to Directors, Senior Officers and relatives of Directors

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
1) Directors and their relatives	-	-
2) Entities associated with directors and their relatives	-	-
3) Senior Officers and ther relatives	-	-

71 Remuneration of Directors

Refer note 36 for related party transactions and related disclosures.

72 Management

The annual report has a detailed chapter on Management Discussion and Analysis.

73 Off-Balance Sheet exposure

Particulars	As at March 31, 2025	As at March 31, 2024
Estimated amount of contracts remaining to be executed on capital account, net of advances and not provided for	159.13	35.44
Commitments related to loans sanctioned but undrawn	-	-
Total	159.13	35.44

(Currency : INR in Lakhs)

74 Asset Classification as per RBI Norms

For the year ended March 31, 2025

Particulars	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 (including income deferred)	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	2,25,046.94	1,073.39	2,23,973.54	900.19	173.21
	Stage 2	13,191.57	1,318.74	11,872.83	52.77	1,265.97
Sub total		**2,38,238.50**	**2,392.13**	**2,35,846.37**	**952.95**	**1,439.18**
Non-Performing Assets (NPA)						
Substandard	Stage 3	1,851.50	946.39	905.11	185.15	761.24
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		**1,851.50**	**946.39**	**905.11**	**185.15**	**761.24**
Loss Assets	Stage 3	-	-	-	-	-
Subtotal for NPA		**1,851.50**	**946.39**	**905.11**	**185.15**	**761.24**
Other items such as guarantees, loan commitments, etc. which are	Stage 1	-	-	-	-	-
in the scope of Ind AS 109 but not covered under current Income	Stage 2	-	-	-	-	-
Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 3	-	-	-	-	-
Sub total		**1,851.50**	**946.39**	**905.11**	**185.15**	**761.24**
Total (On book assets)	**Stage 1**	2,25,046.94	1,073.39	2,23,973.54	900.19	173.21
	Stage 2	13,191.57	1,318.74	11,872.83	52.77	1,265.97
	Stage 3	1,851.50	946.39	905.11	185.15	761.24
	Total	**2,40,090.00**	**3,338.52**	**2,36,751.48**	**1,138.10**	**2,200.41**

For the year ended March 31, 2024

Particulars	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 (including income deferred)	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	1,59,667.01	1,406.58	1,58,260.42	638.67	767.91
	Stage 2	167.13	21.30	145.83	0.67	20.63
Sub total		**1,59,834.14**	**1,427.88**	**1,58,406.25**	**639.34**	**788.55**
Non-Performing Assets (NPA)						
Substandard	Stage 3	69.31	69.31	-	6.93	62.38
Doubtful - up to 1 year	Stage 3	3.71	3.71	-	3.71	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		**73.02**	**73.02**	**-**	**10.64**	**62.38**
Loss Assets	Stage 3	-	-	-	-	-
Subtotal for NPA		**73.02**	**73.02**	**-**	**10.64**	**62.38**
Other items such as guarantees, loan commitments, etc. which are	Stage 1	-	-	-	-	-
in the scope of Ind AS 109 but not covered under current Income	Stage 2	-	-	-	-	-
Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 3	-	-	-	-	-
Sub total		**73.02**	**73.02**	**-**	**10.64**	**62.38**
Total (On book assets)	**Stage 1**	1,59,667.01	1,406.58	1,58,260.42	638.67	767.91
	Stage 2	167.13	21.30	145.83	0.67	20.63
	Stage 3	73.02	73.02	-	6.93	62.38
	Total	**1,59,907.16**	**1,500.91**	**1,58,406.25**	**646.27**	**850.93**

(Currency : INR in Lakhs)

75 Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	**For the year ended March 31, 2025**	**For the year ended March 31, 2024**
Provisions for depreciation on Investment	-	-
Provision towards NPA	946.39	73.02
Provision made towards Income tax	1,858.51	2,388.02
Other Provision and Contingencies (Gratuity & Compensated Absences)	144.58	77.47
Provision for Standard Assets	1,427.90	1,150.33

76 Disclosure On Liquidity Risk As On March 31, 2025

RBI has issued guidelines on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies vide circular RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated 04th November 2019. According to the said guidelines, NBFCs` with asset size of INR 100 Crores and above, are required to publicly disclose the below information related to liquidity risk on a quarterly basis. Accordingly, the disclosures on liquidity

1. Funding Concentration based on significant counterparty (both deposits and borrowings)

Number of Significant Counterparties	Amount (INR in crores)	% of Total Liabilities
42	1,942.64	96.74%

*Including Securitization
^Significant Counterparties is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-D's total liabilities and 10% for other non-deposit taking NBFC

2. Top 20 large deposits (amount in INR crore and percent of total deposits) – Not Applicable

3. Top 10 borrowings (amount INR in crore and percent of total borrowings)

Term Loan/NCD/Securitisation	% of total borrowings
571.18	29.40%

4. Funding Concentration based on significant instrument/product

Name of the instrument/product	Amount (INR in crores)	% of Total Liabilities
Term Loan	983.12	48.96%
NCD (Non-Convertible Debentures)	674.84	33.60%
Securitisation (PTC)	284.68	14.18%

**Significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.

5. Stock Ratios

Particulars	March 31, 2025
Commercial Papers to Total Public Funds	NA
Commercial Papers to Total Liabilities	NA
Commercial Papers to Total Assets	NA
NCDs (Original Maturity <1 yrs.) to Total Public Funds	NA
NCDs (Original Maturity <1 yrs.) to Total Liabilities	NA
NCDs (Original Maturity <1 yrs.) to Total Assets	NA
Other Short Term Liabilities to Total Public Funds	63.46%
Other Short Term Liabilities to Total Liabilities	61.42%
Other Short Term Liabilities to Total Assets	47.37%

6. Institutional set-up for liquidity risk management

The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk. The Board approves the governance structure, policies, strategy, and the risk tolerance limit for the management of liquidity risk.

The Company has an Asset Liability Management Committee (ALCO), a management level committee to handle liquidity risk management. The ALCO meetings are held at periodic intervals. At the top level, the Risk Management Committee (RMC), a sub-committee of the Board of Directors of the Company, oversees the liquidity risk management. The RMC subsequently updates the Board of Directors on the same.

KEERTANA FINSERV LIMITED
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Notes to Standalone financial statements for the year ended March 31, 2025
(Currency : INR in Lakhs)

77 Disclosures to be made in Notes to Accounts by originators

"Disclosure pursuant to the Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021" ("RBI Securitisation Directions").

A) Disclosure as per the RBI Securitisation Directions for securitisation transactions as an originator :

SL No.	Particulars	As at March 31, 2025	As at March 31, 2024
1	No of SPEs holding assets for securitisation transactions originated by the originator (only the SPVs relating to outstanding securitization exposures to be reported here)	14	8
2	Total amount of securitised assets as per books of the SPEs	38,548.56	20,244.53
3	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures • First loss • Others	NA	NA
	b) On-balance sheet exposures • First loss (Cash Collateral and Equity tranche) • Others	4,298.65	1,590.37
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures i) Exposure to own securitisations • First loss • Others ii) Exposure to third party securitisations • First loss • Others	NA	NA
	b) On-balance sheet exposures i) Exposure to own securitisations • First loss • Others ii) Exposure to third party securitisations • First loss • Others	9,925.12	1,857.75
5	Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation	56,828.45 There is no gain or loss.	24,442.03 There is no gain or loss.
6	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	-	-
7	Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided.		
	Credit Enhancement - Cash Collateral		
	(a) Amount paid	2,645.68	1,486.80
	(b) Repayment received		
	(c) Outstanding amount		
		2,645.68	1,486.80
8	Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	**	**
9	Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	Nil	Nil
10	Investor complaints (a) Directly/Indirectly received and; (b) Complaints outstanding	Nil	Nil

** There is no relevant information due to limited vintage due to which average default rates can be disclosed.

B) Details of financial assets sold to Securitisation / Reconstruction Company for Asset Reconstruction

During the year, the Company has not sold any financial assets to Securitisation / Reconstruction Company for Asset Reconstruction (March 31, 2024: Nil)

KEERTANA FINSERV LIMITED
(Formerly Known as Keertana Finserv Private Limited)
Notes to Standalone financial statements for the year ended March 31, 2025
(Currency : INR in Lakhs)

78 The Company has not sponsored any off Balance Sheet SPVs which are required to be consolidated as per accounting norms for the year ended March 31, 2025.

79 Corporate Governance

The Company recognizes that strong governance is fundamental to its ability to ensure transparency, accountability, and effective decision-making to create long-term value for all the stakeholders. The Company`s commitment to sound governance practices is embedded in every aspect of the operations, from the boardroom to the frontline. The board of directors comprises a diverse group of individuals with a wide range of financial skills and experience. The Board has maintained a balanced mix of 3 Independent Directors, 1 Woman Executive Director and 1 Non-Executive Director to ensure robust oversight and strategic guidance. The Board of Directors plays a crucial role in guiding the company's direction and evaluating the performance according to corporate governance norms.

80 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 has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and 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.

81 Previous year figures have been recasted & regrouped wherever necessary to make them comparable with current year figures.

Notes to accounts form an integral part of financial statements

As per our report of even date
For M/s. G V C A & Associates.,
(Formerly Known as G C Reddy & Associates)
Chartered Accountants
Firm's registration No. 010074S

G V C A & ASSOCIATES
FRN: 010074S
Chartered Accountants

CA Vijendra G
Partner
Membership No. 220735
Place : Secunderabad
Date: 02.05.2025
UDIN:

For Keertana Finserv Limited

Padmaja Gangireddy
Managing Director
DIN: 00004842
Place : Hyderabad
Date: 02.05.2025

Vara Prasad Chaganti
Director
DIN: 09425725
Place : Hyderabad
Date: 02.05.2025

Revan Saahith Reddy V.
Chief Financial Officer
Place : Hyderabad
Date: 02.05.2025

Rajendra Kavikondala
Company Secretary
Place : Hyderabad
Date: 02.05.2025

Keertana Finserv Limited

Independent Auditor's Report

To the Members of Keertana Finserv Private Limited
(Formerly known as Rajshree Tracom Private Limited)

Report on the Audit of the Standalone financial statements

Opinion

We have audited the standalone financial statements of Keertana Finserv Private Limited (Formerly known as Rajshree Tracom Private Limited) ("the Company"), which comprise the Standalone Balance Sheet as at 31st March 2024, the Standalone Statement of Profit and Loss (including other comprehensive Income), the Standalone Statement of Changes in equity and the Standalone Cash Flow Statement for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit, total comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Key Audit Matter	**Auditor's Response**
1. Compliance and disclosure requirement Compliance and disclosure requirements under the applicable Indian Accounting Standards (Ind AS), Reserve Bank of India	➢ Assessed the systems and processes laid down by the Company to appropriately ensure compliance and disclosures as per the applicable Ind AS, RBI guidelines and other applicable statutory, regulatory and financial reporting framework.

For Keertana Finserv Private Limited

Authorised Signatory

(RBI) guidelines and other applicable statutory, regulatory and financial reporting framework	➢ Designed and performed audit procedures to assess the completeness and correctness of the details disclosed having regard to the assumptions made by the management in relation to the applicability and extent of disclosure requirements. ➢ Relied on internal records of the Company and external confirmations
2. IT Systems and Controls The Company uses Information Technology (IT) application for financial accounts and reporting process. Any gap in the financial accounting and reporting process may result in a misstatement, hence we have identified IT systems and controls over financial reporting as a Key Audit Matter	➢ Understood the IT systems and controls over key financial accounting and reporting systems. ➢ Tested the general IT controls for design and operating effectiveness. ➢ Understood the changes made in the IT environment during the year and ascertained its effect on the financial statements controls and accounts. ➢ We also assessed, through sample tests, the information generated from these systems which were relied upon for our audit.
3. Allowance for Expected Credit Loss (ECL) on loan assets As at 31 March, 2024, loan assets aggregated INR 1,56,942.59 lakhs (net of ECL INR 15,00.90 lakhs), which are measured at amortised cost, constituting 91.34% of the Company's total assets. As part of our risk assessment, we determined that significant judgement is used in classifying these loan assets and applying appropriate measurement principles. The allowance for ECL on loan assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for the financial statements. The elements of estimating ECL which involved increased level of audit focus are the following: • Staging the loan assets i.e. classification in 'significant increase in credit risk' ('SICR') and 'default' categories • Basis used for estimating Probabilities of Default ("PD"); • Basis used for estimating Loss Given Default ("LGD"); • Adjustments to model driven ECL results, to address emerging trends. Hence, we have considered the estimation of ECL as a Key Audit Matter	Principal audit procedures performed: ➢ We have read and assessed the accounting policies and the policy on ECL approved by the Board of Directors of the Company. ➢ We have verified the methodology adopted for computation of ECL ("ECL Model") on loan assets that complies with policies approved by the Board of Directors, procedures and controls for assessing and measuring credit risk on the loan assets measured at amortised cost. ➢ Our audit procedures related to the allowance for ECL on loan assets included the following, among others: • Testing the design and effectiveness of controls over the: • Completeness and accuracy of the Exposure at Default ("EAD") and the classification thereof into stages consistent with the definitions applied in accordance with the policy approved by the Board of Directors including the appropriateness of the qualitative factors to be applied. • appropriateness of information used in the estimation of the PD and LGD for the different stages depending on the nature of the portfolio; and • computation of the ECL including methodology used to determine macro-economic overlays and adjustments to the output of the ECL Model. • Also, for the samples tested included the following, among others: - the appropriateness of the qualitative factors applied by the Management for staging of loans as SICR or default categories in view of Company's

	policy on restructuring • We tested the input data used in estimating the PD; • We evaluated reasonableness of LGD estimates. • mathematical accuracy of the computation of the ECL including methodology used to determine macro-economic overlays and adjustments to the output of the ECL Model.

Other Information

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

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

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

Responsibilities of Management and Those Charged with Governance for the Standalone financial statements

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

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of standalone financial statements

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

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

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

- Obtain an understanding of internal 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 with reference to standalone financial statements in place and the operating effectiveness of such controls.

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

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

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in

(i) planning the scope of our audit work and in evaluating the results of our work; and
(ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:

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

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

(c) The Standalone Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate report in **'Annexure A'** to this report. Our report expresses a qualified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

(g) With respect to the other matters to be included in the Auditors' report in accordance with section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Act; and

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

i. The Company does not have any pending litigations which would impact its financial position;

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

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

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

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

v. No dividend was declared or paid during the year by the Company.

vi. Based on our examination which included test checks, the company has an accounting software for maintaining its books of accounts having the feature of recording audit trail (edit log) facility and the same has operated throughout the year of all the transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

2. As required by the Companies (Auditor's Report) Order, 2020, ('the Order') issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For M. Anandam & Co.,
Chartered Accountants
(Firm's Registration No. 000125S)

S. Venkateswarlu

S. Venkateswarlu
Partner
Membership No. 022790

UDIN:

Place: Secunderabad
Date: 15-05-2024

Annexure "A" to the Independent Auditor's Report
(Referred to in paragraph 1(f) under 'Report on Other Legal Regulatory Requirements' section of our report to the Members of the Company of even date)

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

Qualified Opinion

We have audited the internal financial controls with reference to standalone financial statements of **Keertana Finserv Private Limited** (Formerly known as Rajshree Tracom Private Limited) ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, except for the possible effects of the material weakness described in the Basis for Qualified Opinion paragraph, the Company has, in all material respects, adequate internal financial controls with reference to the standalone financial statements and such internal financial controls with reference to the standalone financial statements were operating effectively as at 31 March 2024, based on the internal controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of Standalone financial statements of the Company for the year ended 31st March, 2024, and the material weakness do not affect our opinion on the Standalone Financial Statements of the Company.

Basis for Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the operating effectiveness of the Company's internal financial controls as at 31st March, 2024:

The company's internal financial controls with respect to the auction policy including KYC norms for bidders are not operating effectively

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual financial statements will not be prevented or detected on a timely basis.

Management's Responsibility for Internal Financial Controls

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

Inherent Limitations of Internal Financial Controls with reference to the standalone financial statements

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to the standalone financial statements

A company's internal financial control with reference to the standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to the standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

For M.Anandam & Co.,
Chartered accountants
(Firm Registration No.000125S)

S. Venkateswarlu

S. Venkateswarlu
Partner
Membership No. 022790

UDIN:

Place: Secunderabad
Date: 15-05-2024

Annexure "B" to the Independent Auditor's Report

With reference to Paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of the Company, we report that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

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

(B) The Company does not have any intangible assets and hence reporting under clause 3(i)(a)(B) is not applicable.

(b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) The Company does not own any immovable properties, Accordingly, clause 3(i)(c) of the Order is not applicable.

(d) The Company has not revalued any of its Property, Plant and Equipment including Right-of-Use Assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) The Company is a Non-Banking Finance Company and its business does not require maintenance of inventories and hence reporting under clause 3(ii)(a) of the Order is not applicable.

(b) The Company has not taken working capital limits in excess of Rs.5 Crore during the year, from banks or financial institutions on the basis of security of current assets. Hence reporting under clause 3(ii)(b) of the Order is not applicable.

iii. (a) The Company is a non-deposit taking non-banking financial company ("NBFC") registered with the Reserve Bank of India ("RBI") and principal business of the Company is to give loans, hence the requirement to report on clause 3(iii) (a) of the Order is not applicable to the Company.

(b) During the year, the company has not provided guarantees and security. In our opinion, having regard to the nature of the Company's business, the loans and advances in the nature of loans given and the investments made during the year are, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated. Being a

Non-Banking (Systemically Important Non-Deposit) Finance Company, it is engaged in the business of granting loans to retail customers the entity-wise details of the amount, due date for payment and extent of delay have not been reported because it is not practicable to furnish such details owing to the voluminous nature of data generated in the normal course of the Company's business. Further, except for the instances where there are delays or defaults in repayment of principal and/ or interest and in respect of which the Company has recognised necessary provisions in accordance with the principles of Indian Accounting Standards (Ind AS) and the guidelines issued by the Reserve Bank of India ("RBI") for Income Recognition and Asset Classification (which has been disclosed by the Company in Note 60 and Note 61 to the financial statements), the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, as applicable.

(d) In respect of loans granted by the Company, an amount of Rs. 73.02 lakh is overdue for more than ninety days as disclosed in Note no. 41 and 61 of the financial statements. In our opinion and according to the information and explanations given to us, reasonable steps have been taken by the Company for recovery of the principal and interest.

(e) The principal business of the Company is to give loans, hence the requirement to report on clause 3(iii) (e) of the Order is not applicable to the company.

(f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with section 185 and 186 in respect of the loans granted, investments made, wherever applicable. The Company has not given guarantees or securities.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. According to the information and explanation given to us, the maintenance of cost records has not been specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause 3(vi) of the Order is not applicable to the Company.

vii. In respect of statutory dues:

a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, and other statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, and other statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

b) There are no disputed statutory dues that have not been deposited on account of any dispute by the Company as on 31st March, 2024.

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

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

b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

c) According to the information and explanations given to us and procedures performed by us, we report that the Company has applied the term loans for the purpose for which the loans were obtained.

d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies. Accordingly, paragraph 3(ix)(f) of the Order is not applicable.

x. a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

b) During the year, the Company has not made private placement and preferential allotment of equity shares and complied with the requirements of section 42 and 62 of the Companies Act, 2013 and the amounts raised have been used for the purpose for which the funds were raised. Further, the Company has not issued convertible debentures during the year.

xi. a) In our opinion and based on our examination and enquiries with the management, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.

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

c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.

xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii)(a) to (c) of the Order is not applicable.

xiii. In our opinion, the Company has complied with the provisions of Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements, as required under Indian Accounting Standard 24 "Related Party Disclosures".

xiv. a) In our opinion and based on our examination, the company's internal audit system needs to be strengthened to commensurate with the size and nature and of its business.

b) We have considered internal audit reports for the year under audit issued to the company during the year and till date.

xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. a) The Company is a Non-Banking Finance Company and is required to obtain Registration under section 45-IA of the Reserve Bank of India Act, 1934 and such registration has been obtained.

b) The Company has a valid Certificate of Registration (CoR) from the Reserve Bank of India (RBI) for conducting Non-Banking Financial activities and no business has been conducted by the Company without a valid CoR.

c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting requirements under clause 3 (xvi)(c) of the Order is not applicable.

d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditor of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, Asset Liability Maturity (ALM) pattern, other information accompanying the financial statements and 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to Fund specified in Schedule VII to the Companies Act, 2013 in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

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

For M. Anandam & Co.,
Chartered Accountants
(Firm's Registration No. 000125S)

S. Venkateswarlu

S. Venkateswarlu
Partner
Membership No. 022790

UDIN:

Place: Secunderabad
Date: 15-05-2024

For Keertana Finserv Private Limited

Authorised Signatory

Keertana Finserv Private Limited
(Formerly Known as Rajshree Tracom Private Limited)
Standalone Balance Sheet as at March 31, 2024

(INR in Lakhs)

Particulars	Note No	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
ASSETS				
(1) Financial assets				
(a) Cash and cash equivalents	3	6,142.03	4,219.76	26.33
(b) Bank balance other than cash and cash equivalents	4	1,639.24	108.22	-
(c) Loans	5	1,56,942.59	61,888.79	197.59
(d) Investments	6	1,221.25	-	-
(e) Other financial assets	7	814.35	183.91	-
		1,66,759.46	66,400.67	274.72
(2) Non-financial assets				
(a) Current Tax Assets (Net)				
(b) Deferred Tax Assets (Net)	8	823.30	202.24	
(c) Property, Plant and Equipment	9	2,114.12	1,661.80	0.03
(d) Right of use asset	9	1,801.81	1,543.88	-
(e) Other non-financial assets	10	315.11	252.72	-
		5,054.33	3,660.65	0.03
Total assets		1,71,813.80	70,061.32	274.75
LIABILITIES AND EQUITY				
LIABILITIES				
(1) Financial liabilities				
(a) Payables				
(i)Trade payables	11			
(i) total outstanding dues of micro enterprises and small enterprises		2.62	-	-
(II) total outstanding dues of creditors other than micro enterprises and small enterprises		76.04	62.29	0.13
(b) Debt Securities	12	48,599.31	-	-
(c) Borrowings (Other than Debt Securities)	13	80,947.19	50,646.02	-
(d) Other financial liabilities	14	2,809.15	1,957.92	-
		1,32,534.32	52,666.23	0.13
(2) Non-financial liabilities				
(a) Current tax liabilities (Net)	15	256.42	455.45	0.78
(b) Provisions	16	77.47	24.93	-
(c) Deferred tax liabilities (Net)	8	-	-	0.01
(d) Other non-financial liabilities	17	211.70	74.51	-
		545.60	554.89	0.79
EQUITY				
(a) Equity share capital	18	10,434.48	6,431.13	124.76
(b) Other equity	19	28,299.40	10,409.07	149.07
		38,733.88	16,840.20	273.83
Total liabilities and equity		1,71,813.80	70,061.32	274.75

Notes to accounts form an integral part of standalone financial statements

As per our report of even date
For M. Anandam & Co.,
Chartered Accountants
Firm's registration No. 000125S

S. Venkateswarlu

S. Venkateswarlu
Partner
Membership No. 022790
Place : Secunderabad
Date: 15.05.2024
UDIN: 24022790BKAIJD8078

For Keertana Finserv Private Limited

Padmaja Gangireddy
Managing Director
DIN: 00004842
Place : Hyderabad
Date: 15.05.2024

Vara Prasad

Vara Prasad Chaganti
Director
DIN: 09425725
Place : Hyderabad
Date: 15.05.2024

Prakash Bhawnani
Chief Financial Officer
Place : Hyderabad
Date: 15.05.2024

Komal Ratlani
Company Secretary
Place : Hyderabad
Date: 15.05.2024

For Keertana Finserv Private Limited

Authorised Signatory

Keertana Finserv Private Limited
(Formerly Known as Rajshree Tracom Private Limited)
Standalone Statement of Profit and Loss for the year ended March 31, 2024

(INR in Lakhs)

	Particulars	Note No	Year ended March 31, 2024	Year ended March 31, 2023
	Revenue From operations			
(i)	Interest income	20	24,557.38	9,038.76
(ii)	Fees and commission income	21	2,120.68	142.49
(iii)	Net gain on fair value changes	22	214.50	0.39
(I)	**Total revenue from operations**		26,892.57	**9,181.64**
(II)	Other income	23	790.08	5.53
(III)	Total income (I + II)		**27,682.65**	9,187.17
	Expenses			
(i)	Finance costs	24	12,523.91	3,794.33
(ii)	Impairment on financial instruments	25	1,165.25	389.48
(iii)	Employee benefits expenses	26	3,530.45	1,897.01
(iv)	Depreciation, amortization and impairment	27	607.75	400.60
(v)	Others expenses	28	930.02	552.14
(IV)	**Total expenses**		**18,757.37**	**7,033.56**
(V)	**Profit before tax (III - IV)**		**8,925.27**	**2,153.61**
(VI)	**Tax Expense/(benefit) :**			
	(1) Current Tax	29	2,388.02	756.45
	(2) Deferred Tax	29	-621.48	-202.25
(VII)	**Profit for the period (V-VI)**		**7,158.73**	**1,599.41**
(VIII)	**Other comprehensive income**			
	(A) Items that will not be reclassified to profit or loss			
	Remeasurement of defined benefit plans (net of tax)		1.24	-
	Subtotal (A)		**1.24**	-
	(B) Items that will be reclassified to profit or loss		-	-
	Subtotal (B)		-	-
	Other comprehensive income (A+B) (VIII)		**1.24**	-
(IX)	**Total comprehensive income for the period (VII + VIII)**		**7,159.97**	**1,599.41**
(X)	**Earnings per equity share of face value of Rs. 10 each)**	30		
	Basic (Rs.)		8.89	2.89
	Diluted (Rs.)		8.89	2.89

Notes to accounts form an integral part of standalone financial statements

As per our report of even date
For M. Anandam & Co.,
Chartered Accountants
Firm's registration No. 000125S

S. Venkateswarlu

S. Venkateswarlu
Partner
Membership No. 022790
Place : Secunderabad
Date: 15.05.2024
UDIN: 24022790BKAIJD8074

For Keertana Finserv Private Limited

Padmaja Gangireddy
Managing Director
DIN: 00004842
Place : Hyderabad
Date: 15.05.2024

V. Varaprasad

Vara Prasad Chaganti
Director
DIN: 09425725
Place : Hyderabad
Date: 15.05.2024

Prakash Bhawnani
Chief Financial Officer
Place : Hyderabad
Date: 15.05.2024

Komal Ratlani

Komal Ratlani
Company Secretary
Place : Hyderabad
Date: 15.05.2024

Keertana Finserv Private Limited
(Formerly known as Raishree Tracom Private Limited)

Standalone Statement of Cash Flows for the year ended March 31, 2024

(INR in Lakhs)

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	6,935.27	2,153.51
Adjustments for:		
Interest income	-24,298.07	-9,035.10
Interest income of Fixed Deposits	-269.31	-2.66
Fees and commission income	-2,120.68	-142.49
Interest on lease deposits	-6.95	-5.40
Fixed Asset written off	-	0.03
Depreciation, amortisation and impairment	607.75	400.60
Finance Cost on borrowings	14,255.31	3,605.71
Interest on lease liabilities	244.61	167.52
Impairment on financial instrument	1,165.25	359.48
(Profit)/Loss on sale of mutual funds	-214.50	0.39
Provision for gratuity & leave enchasment	71.96	24.93
Cash used operations before working capital changes and adjustments for interest received and interest paid	**-3,629.36**	**-2,424.06**
Adjustments for changes in Working Capital :		
(Increase) in Loans	-2,53,499.44	-60,725.34
(Increase) in Other financial assets	-622.43	-233.69
(Increase)/Decrease in Other non-financial assets	-62.33	-252.72
Increase in Trade payables	19.38	62.16
Increase in Other financial liabilities	407.28	318.88
(Decrease) in Provisions	-17.77	-
Increase in other non-financial liabilities	137.19	74.51
	-2,53,542.22	-60,756.09
Interest income realised on financial assets	22,235.11	7,327.61
Cash inflow from Fees and commission income	1,61,444.33	485.84
Finance costs paid	-12,821.00	-3,691.08
Income tax paid (net of refunds)	-2,587.04	-301.79
NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES	**-88,900.09**	**-59,359.58**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	-794.32	-1,846.47
Purchase of Investment measured at FVTPL	-61,398.72	-1,380.00
Proceeds from sale of investment measured at FVTPL	61,513.23	1,380.39
Investment in Subsidiary	-1,221.25	-
Interest income realised on Fixed deposits	216.14	0.02
Investment in deposits with original maturity of more than 3 months	-1,378.26	-105.58
NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES	**-3,063.17**	**-1,951.64**
CASH FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares (including securities premium)	14,746.74	15,014.26
Share issue expenses	-13.03	-47.30
Proceeds from Borrowings (other than debt securities)	1,26,413.46	66,478.00
Repayment of borrowings (other than debt securities)	-96,272.30	-15,747.62
Proceeds from Debt Securities	64,900.00	-
Repayment of debt securities	-15,475.00	-
Payment of lease liabilities	-414.34	-253.19
NET CASH GENERATED FROM / (USED IN) FROM FINANCING ACTIVITIES	**93,885.54**	**65,444.15**
Net Increase / (Decrease) in Cash and Cash Equivalents	**1,922.20**	**4,132.93**
Cash and Cash Equivalents at the beginning of Year	4,219.76	86.83
Cash and Cash Equivalents at the end of the Year	6,142.03	4,219.76

Components of Cash and Cash Equivalent:

Cash on hand	935.15	451.70
Balance with banks (of nature of cash and cash equivalents)		
(a) Balances with banks (of the nature of cash and cash equivalents)	4,648.16	3,756.84
(b) Deposits with maturity less than 3 months	558.72	10.21
Total Cash and Cash Equivalents	**6,142.03**	**4,219.76**

The above statement of cash flows has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) - 7 'Statement of Cash flows' as specified under Section 133 of the Companies Act, 2013, ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

Notes to accounts form an integral part of standalone financial statements

As per our report of even date

For M. Anandam & Co.,
Chartered Accountants
Firm's registration No. 000125S

S. Venkateswarlu

S. Venkateswarlu
Partner
Membership No. 022790
Place : Secunderabad
Date: 15.05.2024
UDIN: 24022790BKAIJD8072

For Keertana Finserv Private Limited

Padmaja Gangireddy	Vara Prasad Chaganti
Managing Director	Director
DIN: 00004842	DIN: 09425725
Place : Hyderabad	Place : Hyderabad
Date: 15.05.2024	Date: 15.05.2024
Prakash Bhawnani	Komal Ratlani
Chief Financial Officer	Company Secretary
Place : Hyderabad	Place : Hyderabad
Date: 15.05.2024	Date: 15.05.2024

Keertana Finserv Private Limited
(Formerly Known as Rajshree Tracom Private Limited)
Standalone Statment of Changes in Equity for the year ended on March 31, 2024

A. Equity share capital

(INR in Lakhs)

Particulars	Outstanding as on April 1, 2022	Issued during the FY 22-23	Outstanding as on March 31, 2023	Issued during the Year 23-24	Outstanding as on March 31, 2024
Issued, Subscribed and paid up - fully paid (Equity shares of Rs.10 each, Fully paid-up)	124.76	6,306.37	6,431.13	4,003.35	10,434.48

B. Other equity

(INR in Lakhs)

Particulars	Reserves and Surplus				Total
	Statutory Reserve	Securities Premium	Retained Earnings	Impairment Reserve	
Balance at April 1, 2022	16.20	69.62	63.25		149.07
Profit for the year			1,599.41		1,599.41
Other comprehensive income for the year					-
Total comprehensive income for the year (net of tax)					-
Transfer to Statutory Reserves	319.63		-319.63		-
Transfer to General Reserves					-
Issue of equity shares		8,660.60			8,660.60
Amounts utilised towards share issue expenses	-	-	-	-	-
Balance at March 31, 2023	335.83	8,730.22	1,343.03	-	10,409.07
Profit for the year	-	-	7,158.73	-	7,158.73
Other comprehensive income for the year	0.25	-	0.98	-	1.24
Total comprehensive income for the year (net of tax)					-
Transfer to Statutory Reserves	1,431.99	-	-1,431.99	-	-
Transfer to General Reserves	-	-	-	-	-
Issue of equity shares	-	10,730.36	-	-	10,730.36
Amounts utilised towards share issue expenses	-	-	-	-	
Balance at March 31, 2024	1,768.08	19,460.58	7,070.75	-	28,299.40

Notes to accounts form an integral part of standalone financial statements

As per our report of even date
For M. Anandam & Co.,
Chartered Accountants
Firm's registration No. 000125S

S. Venkateswarlu

S. Venkateswarlu
Partner
Membership No. 022790
Place : Secunderabad
Date: 15.05.2024
UDIN: 24022790BKAIJD8072

For Keertana Finserv Private Limited

Padmaja Gangireddy
Managing Director
DIN: 00004842
Place : Hyderabad
Date: 15.05.2024

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Chief Financial Officer
Place : Hyderabad
Date: 15.05.2024

Komal Ratlani
Company Secretary
Place : Hyderabad
Date: 15.05.2024

Keertana Finserv Private Limited
(Formerly Known as Rajshree Tracom Private Limited)

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

NOTE 1 : CORPORATE INFORMATION

Keertana Finserv Private Limited (formerly Known as Rajshree Tracom Private Limited) ("the Company") was incorporated as a private limited Company on 14th February, 1996. The Debentures of the company are Listed on Bombay Stock Exchange Limited ("BSE"). The Company is primarily engaged in the business of financing Gold Loans, Loan Against Property and Housing Loans, Business Loans, Micro Enterprise Loans, and Consumer Loans to low-income customers in semi-urban and rural areas. The Company obtained permission from the Reserve Bank of India for carrying on the business of Non-Banking Financial Institution without accepting deposits on 09-01-2001 vide Regn No. B.05.03970. Under the scale based regulations, the Company is categorised in the Middle Layer. The Registered Office of the Company is at - Office No 919, 9th Floor, 4A, Regus Granduer, Abanindra Nath Thakur Sarani, PS Arcadia Central (Camac Street), Park Street, Kolkata 700016, West Bengal and its Corporate Office is at Plot No. 31 & 32, Ramky Selenium Towers, Tower A, Financial Dist. Nanakramguda, Hyderabad - 500 032, Telangana.

NOTE 2 : MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements for the year ended March 31, 2024 have been prepared by the Company in accordance with Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standards) Rules, 2015 prescribed u/s.133 of The Act, as amended from time to time, in this regard, any application guidance/ clarifications/ directions issued by RBI or other regulators are implemented as and when they are issued/ applicable, including notification for Implemantation of Indian Accounting Standards vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 ('RBI notification for implemantation of Ind AS') issued by RBI.

The Company has transitioned to Ind AS in the financial year 2023-24, accordingly, the financial statements for the year ended March 31, 2024 are prepared under Ind AS for the first time.

The Company's financial statements up to and for the year ended 31 March 2023 were prepared in accordance with the Generally Accepted Accounting Principles in India (IGAAP) under the historical cost convention as a going concern and on accrual basis, unless otherwise stated, and in accordance with the provisions of the Companies Act, 2013, the Accounting Standards specified under section 133 of the Companies Act, 2013 ("the Act") read with rule 7 of the Companies (Accounts) Rules 2014 (as amended), prudential norms for income recognition, assets classification and provisioning for non-performing assets as well as contingency provision for standard assets as prescribed by The Reserve Bank of India (RBI) for NBFCs , collectively referred as "Previous GAAP".

The financial statements for the year ended March 31, 2023 and the opening Balance Sheet as at April 1, 2022 have been restated in accordance with Ind AS for comparative information.

Reconciliations and explanations of the effect of the transition from Indian GAAP to Ind AS on the Company's Balance Sheet, Statement of Profit and Loss and Statement of Cash Flows is provided in Note 43 First Time Adoption.

Deemed cost on transition to Ind AS

For transition to IndAS, the company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets recognised as of April 1, 2022 (transition date)measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

2.2 Presentation of Financial Statements

The financial statement of the company are presented as per Division III of the Schedule III to the Companies Act 2013 as amended from time to time, for Non-Banking Financial Companies ('NBFCs') that are required to comply with Ind-AS. The Statement of Cash Flows has been presented as per the requirements of Ind-AS 7 Statement of Cash Flows.

An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non–current) is presented in Note 37 Maturity analysis of assets and liabilities.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and/or its counterparties

2.3 Statement of Compliance

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 and the other relevant provisions of the Act.
The Company has consistently applied accounting policies to all the periods.

2.4 Functional and presentation currency

The financial statements are presented in Indian Rupees which is also functional currency of the Company and the currency of the primary economic environment in which the Company operates.

2.5 Basis of Measurement

The financial statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments and plan assets of defined benefit plans , which are measured at fair values at the end of each reporting period as explained in the accounting policies below. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116 'Leases' and measurements that have some similarities to fair value but are not fair value, such as value in use in Ind AS 36 '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 (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 inputs are 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.

All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupees in lakhs upto two decimal places, except per share data and unless stated otherwise in compliance with Schedule III of the Act.

2.6 Summary of Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) at the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results could differ from these estimates. Any revisions to accounting estimates are recognized prospectively in the current and future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Key sources of estimation of uncertainty at the date of financial statements, which may cause a material adjustment to the carrying amount of assets and liabilities within the next financial year are included in the following notes:

a. **Business model assessment**

Classification and measurement of financial assets depends on the results of the solely payments of principal and interest (SPPI) and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated.

b. **Effective Interest Rate (EIR) method**

The Company recognizes interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loans given / taken. This estimation, by nature, requires an element of judgement regarding the expected behaviour and lifecycle of the instruments, as well as expected changes to other fee income/expense that are integral parts of the instrument.

c. **Impairment on financial assets**

The measurement of impairment losses on loan assets requires judgement, in estimating the amount and timing of future cash flows and recoverability of collateral values while determining the impairment losses and assessing a significant increase in credit risk.

The company's policy to regularly review its models in the context of actual loss experience and adjust when necessary

d. **Defined employee benefit assets and liabilities**

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

e. **Fair value measurement**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

f. **Other accounting judments, estimates and assumptions**

Key sources of estimation of uncertainty in respect of revenue recognition, employee benefits, useful lives of property, plant and equipment, Right of Use Assets, valuation of deferred tax assets, fair value measurement of financial instruments, discount rate of lease liabilities, share based payments, provisions and contingent liabilities have been discussed in the respective policies.

2.7 Revenue recognition

a. **Interest Income on loans**

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

The company earns interest primarily by giving loans. Interest income is recorded using effective interest rate (EIR) method for all financial assets measured at amortised cost.

Interest income on loans is recognised taking into account the amount outstanding and rate applicable.

EIR is the rate that exactly discounts the estimated future cash flows through the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset except for credit impaired asset.

The calculation of the effective interest rate includes transaction costs and fees (loan processing fees and other premiums or discounts) that are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.

When a financial asset becomes credit-impaired, the Company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial asset cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

b. Fees & Commission Income

Commission income from portfolio of loans is recognised on rendering of services. Fees and commissions are recognised when the Company satisfies the performance obligation, at fair value of the consideration received or receivable.

c. Interest income on fixed deposits

Interest on fixed deposits is recognised on a time proportion basis taking into account the amount outstanding and the applicable rate.

d. Other income

Interest on overdue of loans and other ancillary charges are recognised upon realisation. All other income is recognised on an accrual basis upon satisfaction of performance obligation, when there is no uncertainty in the ultimate realisation/collection and income can be measured reliably.

e. Net gain/loss on fair value changes

Any differences between the fair values of financial assets 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 cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed under "Expenses" in the statement of profit and loss as "Net loss on fair value changes".
Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL is recognised in net gain/loss on fair value changes.

2.8 Financial instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

a. Initial recognition and measurement

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

A financial asset and a financial liability are offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

b. Classification and measurement of Financial assets

Based on the business model, the contractual characteristics of the financial assets and specific elections where appropriate, the Company classifies and measures financial assets in the following categories:

- Amortised cost
- Fair value through other comprehensive income ('FVOCI')
- Fair value through profit and loss ('FVTPL')

Financial assets at amortised cost

Financial instruments that meet the following conditions are subsequently measured at amortised cost less impairment loss:
• The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
• Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement and based on the assessment of the business model as asset held to collect contractual cash flows and SPPI, such financial assets are subsequently measured at amortised cost using effective interest rate ('EIR') method. Interest income and impairment expenses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.

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

The Company records loans at amortised cost.

Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to sole payments of principal and interest on the principal amount outstanding and by selling financial assets.

Movements in the carrying amount of such financial assets are recognised in Other Comprehensive Income ('OCI'), except dividend income and interest income which is recognised in statement of profit and loss. Equity instruments at FVOCI are not subject to an impairment assessment.

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

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

b. Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, and payables, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities measured at amortised cost:

Financial liabilities (other than financial liabilities at fair value through profit and loss) are measured at amortised cost. The carrying amounts are determined based on the EIR method. Interest expense is recognised in statement of profit and loss.

Financial liabilities at fair value through Profit or Loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

c. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of directly attributable transaction costs.

d. Reclassification

Financial assets are not reclassified subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line or in the period the Company changes its business model for managing financial assets. Financial liabilities are not reclassified.

e. De-recognition of financial assets and financial liabilities

i. Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if, and only if, either:

i) The Company has transferred its contractual rights to receive cash flows from the financial asset, or

ii) It retains the rights to the cash flows but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement.

A transfer only qualifies for derecognition if either:
i) The Company has transferred substantially all the risks and rewards of the asset, or
ii) The Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

ii. Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying value of the original financial liability and the new financial liability with modified terms is recognised in statement of profit and loss.

f. Impairment of Financial Assets

The Company recognises impairment allowances for Expected Credit Loss (ECL) on all the financial assets held at amortised cost.

The Company recognises loss allowances (provisions) for expected credit losses on its financial assets (including undisbursed sanctioned amounts) that are measured at amortised costs.or at fair value through other comprehensive income account

The Company applies a three-stage approach to measuring expected credit losses (ECLs) for the following categories of financial assets that are not measured at fair value through profit or loss:

i) Debt instruments measured at amortised cost and fair value through other comprehensive income
ii) Loan commitments

The ECL provision is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss.

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

The Company performs an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Company categorises its loans into three stages as described below:

For non-impaired financial instruments

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

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

For impaired financial instruments:

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

The calculation of ECLs

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

Probability of Default (PD) -

The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognized and is still in the portfolio.

Exposure at Default -

The Exposure at Default is an estimate of the exposure at a future default date, considering expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

Loss Given Default

The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive. Company has relied on peer benchmarking given the limited historical data points availability.

Write-offs

Loans are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when it is determined that the customer does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

The company has adopted an ECL model for recognition of impairment on financial instruments.

A reconciliation between the provisioning norms as stipulated by RBI and the provisioning under ECL by the company has been provided in Note 40 in the financial statements.

g. Determination of fair value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Company measures certain categories of financial instruments (as explained in Note 38 - Fair Value Measurement) at fair value on each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

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

Level 2 financial instruments - Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

Level 3 financial instruments - Those that include one or more unobservable input that is significant to the measurement as whole.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. No such instances of transfers between levels of the fair value hierarchy were recorded during the reporting period.

h. Property, plant and equipment

Property, plant and equipment are carried at cost of acquisition less accumulated depreciation and accumulated impairment loss (if any). The total cost of the asset comprises the purchase price, taxes, duties, freight (net of rebates and discounts) and any other directly attributable costs of bringing the assets to their working condition for their intended use. Borrowing costs directly attributable to acquisition of those assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Advances paid towards the acquisition of assets outstanding at each balance sheet date are disclosed as other non-financial assets. The cost of assets not ready for their intended use at each balance sheet date is disclosed as capital work-in-progress.

Depreciation on property, plant and equipment is provided on the straight line method over the useful life of the assets as prescribed under Part 'C' of Schedule II of the Companies Act, 2013, or in case of assets where the estimated useful life was determined basis technical evaluation carried out by the Company, over the useful life so determined.

Asset Description	Useful life estimated (years)
Furniture & Fixtures	10
Office Equipment	5
Computers & Printers	3
Servers	6
Vehicles	10
Vehicles - Commercial	8

An item of property, plant and equipment, is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment, is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

i. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, 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 applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities representing obligations to make lease payments and right-of-use assets representing the right to use ('ROU') the underlying assets.

For a lease modification that is not accounted for as a separate lease, the company accounts for the remeasurement of the lease liability by:
(a) decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease. The company recognised in profit or loss any gain or loss relating to the partial or full termination of the lease.
(b) making a corresponding adjustment to the right-of-use asset for all other lease modifications.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment

The right-of-use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its average incremental borrowing rate at the commencement date.. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense as and when due.

j. Employee benefits

Defined Contribution Plan:

The Company has a defined contribution plan for post-employment benefits in the form of Provident Fund. Under the Provident Fund Plan, the Company contributes to a Government administered provident fund / recognized provident fund on behalf of the employees. The Company has no further obligation beyond making the monthly contributions.

The Company's contributions to the above Plan are charged to the Statement of Profit and Loss as and when they become due.

Defined Benefit Plan:

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The benefit is in the form of lump sum payments to vested employees on resignation, retirement, or death while in employment or on termination of employment of an amount equivalent to 15 days basic salary payable for each completed year of service as required under 'The Payment of Gratuity Act, 1972'. Vesting occurs upon completion of five years of service.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non- routine settlements; and

- Net interest expense or income

An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Actuarial gains and losses comprise experience adjustments and the effects of changes in the actuarial assumptions are recognized immediately in the Statement of Profit and Loss in the year in which they arise.

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. Unutilised leave balance that accrues to employees as at the year end is charged to the Statement of Profit and Loss on an undiscounted basis.

Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the bonus/ex-gratia are recognised in the period in which the employee renders the related service.

Other Employee Benefits:

The employees of the Company are entitled to compensated absence as per the policy of the Company, the liability in respect of which is provided, based on an actuarial valuation carried out by an independent actuary as at the year end. The actuarial valuation method used by the independent actuary for measuring the liability is the Projected Unit Credit Method.

Actuarial gains and losses comprise experience adjustments and the effects of changes in the actuarial assumptions are recognized immediately in the Statement of Profit and Loss in the year in which they arise.

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. Unutilised leave balance that accrues to employees as at the year end is charged to the Statement of Profit and Loss on an undiscounted basis.

k. Finance costs

Company accounts finance costs on the borrowing using EIR methodology considering ancialliary cost incurred and premium payable on maturity

l. Taxes

Income-tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income-tax expense is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in equity or in OCI.

(a) Current tax

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961, enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax assets and liabilities are offset only if, the Company:
• has a legally enforceable right to set off the recognised amounts; and
• intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(b) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax assets are reviewed at each reporting date and based on management's judgement, are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if the Company:
• has a legally enforceable right to set off current tax assets against current tax liabilities; and
• the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

Tax paid on acquisition of assets or on

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

m. Provision and contingencies

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

A contract is considered as onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised in the financial statements.

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

n. Earnings per share

The Company reports basic and diluted earnings per share in accordance with Indian Accounting Standard 33 – "Earnings Per Share". Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

o. Cash and cash equivalent

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

p. Statement of cash flows

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash future, any deferrals or accruals of past or future operating cash receipts or payments and item of expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

q. Statutory reserve

In accordance with section 45-IC of the RBI Act, 1934, the Company creates a reserve fund and transfers therein a sum not less than twenty per cent of its net profit every year as disclosed in the Statement of profit and loss before any dividend is declared.

r. There are no standards that are issued but not yet effective from 1st April 2024

Keertana Finserv Private Limited
(Formerly Known as Rajshree Tracom Private Limited)
Notes to Standalone financial statements for the year ended March 31, 2024
(All Amounts are in INR in Lakhs, unless otherwise specified)

3 Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Cash on hand	935.15	452.70	0.01
Balance with bank			
in current accounts	4,648.16	3,756.84	86.82
In fixed deposits with maturity less than 3 months	558.72	10.21	-
Total	6,142.03	4,219.76	86.83

4 Bank balance other than cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Fixed Deposits with maturity more than 3 months	-	-	-
Fixed Deposits *	1,639.24	108.22	-
Total	1,639.24	108.22	-

*Represent margin money deposit (excluding interest accrued and due) s placed to avail term loans and issuance of Pass Through Certificates

5 Loans

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
A. Loans (at amortised Cost)			
Term loans	1,58,443.50	62,278.74	-
Inter Corporate Loans	-	-	188.36
Total (Gross)	1,58,443.50	62,278.74	188.36
Less: Impairment Loss allowance	1,500.91	389.95	0.47
Total (Net)	1,56,942.59	61,888.79	187.89
B. Loans (at amortised Cost)			
(I) Secured by tangible assets			
(i) Gold Loan	70,369.46	39,720.15	-
(ii) Loan Against Property / Housing Loans	7,992.79	3,207.15	-
Total (Gross) - (I)	78,362.25	42,927.31	-
Less: Impairment Loss allowance	339.65	177.55	-
Total (Net) - (I)	78,022.60	42,749.76	-
(II) Unseured			
(i) Micro Enterprise Loans (MEL)	65,663.61	13,088.19	-
(ii) Business Loans ('M'SME Loans)	7,036.90	6,262.68	-
(iii) Personal Loans/Consumer Loans	7,380.74	-	-
(iv) Corporate Loans	-	-	188.36
Total (Gross) - (II)	80,081.25	19,350.87	188.36
Less: Impairment Loss allowance	1,161.25	212.40	0.47
Total (Net) - (II)	78,919.99	19,138.47	187.89
Total (Gross) - (I) + (II)	1,58,443.50	62,278.18	188.36
Less: Impairment Loss allowance	1,500.91	389.95	0.47
Total (Net) - (I) + (II)	1,56,942.59	61,888.23	187.89
C. (I) Loans in India			
(i) Public Sector	-	-	-
(ii) Others	1,58,443.50	62,278.74	188.36
(II)Loans outside India	-	-	-
Total (Gross)	1,58,443.50	62,278.74	188.36
Less: Impairment Loss allowance	1,500.91	389.95	0.47
Total (Net)	1,56,942.59	61,888.79	187.89

5.1 There are no loans measured at Fair Value Other Comprehensive income or Fair value through Profit or Loss or Designated at fair value through Profit or Loss

5.2 Loans sanctioned and undisbursed amount to Rs. 729.64 lakhs as on 31 March, 2024 (31 March, 2023: 126.66 lakhs), and the same amount is disclosed under Other Financial Liabilities (Note 14).

5.3 The Company has balance of securitised assets amounting to Rs.27624.75 lakhs (31 March, 2023: NIL). These loan assets have not been de-recognised from the loan portfolio of the Company as these do not meet the de-recognition criteria. The Company is responsible for collection and servicing of this loan portfolio on behalf of buyers/investors of Pass through Certificates (PTC). In terms of the said securitisation agreements, the Company pays to buyer/investor of Pass through Certificates (PTC) on monthly basis the prorated collection amount as per the respective agreement terms.

5.4 The Company has not granted loans and advances in the nature of loans to Promoters, Directors , Key Managerial Personnel or related parties u/s2(76) either repayable on demand or without specifying terms/period. Refer related parties disclosure (Note 36).

6 Investments

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
(i) Mutual Funds (at Fair Value through Profit or Loss)	-	-	-
(ii) Equity Instruments			
Wholly owned Subsidiary (at amortised cost)	1,221.25	-	-
Total Gross (A)	**1,221.25**	-	-
(i) Investments outside India	-	-	-
(ii) Investments in India	1,221.25	-	-
Total Gross (B)	**1,221.25**	-	-
Less: Impairment loss Allowances (C)	-	-	-
Total (A) - (C)	**1,221.25**	-	-

6.1 Equity Instruments

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Subsidiary (at amortised cost)			
Unquoted 1,19,56,947 equity shares of Keertana Financial Limited of Face value of Rs. 10/- each	1,221.25	-	-

6.2 There are no investments measured at Fair Value through Other Comprehensive Income.

6.3 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.

7 Other Financial Assets

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Security Deposit Leases	198.61	154.75	-
Insurance Claims receivables	30.83	-	
Other receivables	584.90	29.16	-
Total	**814.35**	**183.91**	-

7.1 Other receivables includes unbilled revenue of INR 215.19 Lakhs (Previous Year - NIL) relating to Marketing Support Income. Also includes receivable from related parties (refer note 36)

(All Amounts are in INR in Lakhs, unless otherwise specified)

8 Deferred tax assets (Net)

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Tax effect of items constituting deferred tax liabilities:			
Difference in written down value of property, plant and equipment as per Companies Act and Income Tax Act	9.09	12.18	0.01
Difference in written down value of Right of Use assets as per Companies Act and Income Tax Act	453.48	388.56	-
Deferred Tax liabilities (total) (A)	**462.57**	**400.74**	**0.01**
Tax effect of items constituting deferred tax assets:			
On application of Expected Credit Loss method for loan loss provisions and related adjustments as per Ind AS 109	377.75	73.58	-
Amortisation of net income under Effective Interest Rate Method not adjusted under Income Tax Act, 1961	368.37	86.42	-
Impact of expenditure charged to the Statement of Profit and Loss in the current year but claimed as expense for tax purpose on payment basis	19.50	16.28	-
Impact of leases under Ind AS 116	501.60	414.18	-
On Fair Value Changes of financial assets not adjusted under Income Tax Act, 1961	18.66	12.53	-
Deferred Tax liabilities (total) (A)	**1,285.88**	**602.98**	**-**
Total Deferred tax Asset/(liabilities) (Net)	**823.30**	**202.24**	**-0.01**

8.1 Movement in deferred tax liabilities

Particulars	As at 31.03.2023	Charged/(credited) to statement of profit or loss	Charged/(credited) to other comprehensive income	As at 31.03.2024
Tax effect of items constituting deferred tax liabilities:				
Difference in written down value of property, plant and equipment as per Companies Act and Income Tax Act	884.17	-3.08	-	881.08
Difference in written down value of Right of Use assets as per Companies Act and Income Tax Act	388.56	64.92	-	453.48

Particulars	As at 31.03.2022	Charged/(credited) to statement of profit or loss	Charged/(credited) to other comprehensive income	As at 31.03.2023
Tax effect of items constituting deferred tax liabilities:				
Difference in written down value of property, plant and equipment as per Companies Act and Income Tax Act	872.00	12.17	-	884.17
Difference in written down value of Right of Use assets as per Companies Act and Income Tax Act	-	388.56	-	388.56

(All Amounts are in INR in Lakhs, unless otherwise specified)

Particulars	As at 01.04.2022	Charged/(credited) to statement of profit or loss	Charged/(credited) to other comprehensive income	As at 01.04.2022
Tax effect of items constituting deferred tax liabilities:				
Difference in written down value of property, plant and equipment as per Companies Act and Income Tax Act	-	0.01	-	0.01

8.2 Movement in deferred tax assets

Particulars	As at 31.03.2023	Charged/(credited) to statement of profit or loss	Charged/(credited) to other comprehensive income	As at 31.03.2024
On application of Expected Credit Loss method for loan loss provisions and related adjustments as per Ind AS 109	73.58	-304.17	-	377.75
Amortisation of net income under Effective Interest Rate Method not adjusted under Income Tax Act, 1961	86.42	-281.96	-	368.37
Impact of expenditure charged to the Statement of Profit and Loss in the current year but claimed as expense for tax purpose on payment basis	16.28	-3.63	0.42	19.50
On Fair Value Changes of financial liabilities not adjusted under Income Tax Act, 1961	410.85	-90.75	-	501.60
On Fair Value Changes of financial assets not adjusted under Income Tax Act, 1961	12.53	-6.13	-	18.66

Particulars	As at 31.03.2022	Charged/(credited) to statement of profit or loss	Charged/(credited) to other comprehensive income	As at 31.03.2023
On application of Expected Credit Loss method for loan loss provisions and related adjustments as per Ind AS 109	-	-73.58	-	73.58
Amortisation of net income under Effective Interest Rate Method not adjusted under Income Tax Act, 1961	-	-86.42	-	86.42
Impact of expenditure charged to the Statement of Profit and Loss in the current year but claimed as expense for tax purpose on payment basis	-	-16.28	-	16.28
On Fair Value Changes of financial liabilities not adjusted under Income Tax Act, 1961	-	-410.85	-	410.85
On Fair Value Changes of financial assets not adjusted under Income Tax Act, 1961	-	-12.53	-	12.53

(All Amounts are in INR in Lakhs, unless otherwise specified)

10 Other non-financial assets

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Advance for Expenses	4.09	8.50	-
Capital Advances	84.37	111.28	-
Prepaid Expenses	71.29	31.30	-
Balance with Government Authorities	142.02	101.64	
Other Consumables	13.34	-	
Total	**315.11**	**252.72**	**-**

11 Trade payables

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Trade Payables			
Dues to micro enterprises and small enterprises	2.62	-	-
Dues to creditors other than micro enterprises and small enterprises	76.04	62.29	0.13
Total	**78.67**	**62.29**	**0.13**

11.1 Trade Payables Ageing Schedule

Particulars	As at March 31, 2024				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	2.62	-	-	-	2.62
(ii) Others	76.04	-	-	-	76.04
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
	78.67	-	-	-	78.67

Particulars	As at March 31, 2023				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	62.29	-	-	-	62.29
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
	62.29	-	-	-	62.29

Particulars	As at April 01, 2022				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	0.13	-	-	-	0.13
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
	0.13	-	-	-	0.13

Keertana Finserv Private Limited
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Notes to Standalone financial statements for the year ended March 31, 2024
(All Amounts are in INR in Lakhs, unless otherwise specified)

12 Debt Securities

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
At amortised cost			
Redeemable non-convertible debentures	48,699.31	-	-
	48,699.31	-	-
Out of Above			
Debt Securities in India	48,699.31	-	-
Debt Securities outside India	-	-	-
Total	**48,699.31**	-	-

12.1 **Details of debt securities**

(i) INE0NES07022: 2,400 (31 March, 2023: 0), @ 11.60% Listed, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 1,00,000 each aggregating to Rs. 24 Crore. The date of allotment was 07 June, 2023. The amount outstanding as on 31 March, 2024 is Rs.13.2 Crores (31 March, 2023: Rs. Nil).

(ii) INE0NES07030: 15,000 (31 March, 2023: 0), @ 11.65% Listed, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 1,00,000 each aggregating to Rs. 150 Crores . The date of allotment was 23 June, 2023 (Rs.20Crores) , 27th Jul,2023 (Rs.60Crores), and 17th August,2023(Rs.70Crores) . The amount outstanding as on 31 March, 2024 is Rs.83.175 Crores (31 March, 2023: Rs. Nil).

(iii) INE0NES07055: 3,000 (31 March, 2023: 0), @ 11.60% Unlisted, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 1,00,000 each aggregating to Rs. 30 Crores . The date of allotment was 29 August, 2023. The amount outstanding as on 31 March, 2024 is Rs.20 Crores (31 March, 2023: Rs. Nil).

(iv) INE0NES07048: 10,000 (31 March, 2023: 0), @ 11.60% Listed, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 1,00,000 each aggregating to Rs. 100 Crores . The date of allotment was 11 Sep, 2023 (Rs.50Crores) ,and 26 Sep,2023 (Rs.50Crores). The amount outstanding as on 31 March, 2024 is Rs.70.3 Crores (31 March, 2023: Rs. Nil).

(v) INE0NES07063: 5,000 (31 March, 2023: 0), @ 11.60% Unlisted, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 1,00,000 each aggregating to Rs. 50 Crores. The date of allotment was 20 October, 2023. The amount outstanding as on 31 March, 2024 is Rs.42.575 Crores (31 March, 2023: Rs. Nil).

(vi) INE0NES07014: 25 (31 March, 2023: 0), @ 14.90% Unlisted, Unrated, secured non-convertible debentures (NCD) of face value Rs. 1,00,00,000 each aggregating to Rs. 25 Crores. The date of allotment was 17 April, 2023. The amount outstanding as on 31 March, 2024 is Rs.15 Crores (31 March, 2023: Rs. Nil).

(vii) INE0NES07071: 16,000 (31 March, 2023: 0), @ 11.60% Listed, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 1,00,000 each aggregating to Rs. 160 Crores. The date of allotment was 28 November, 2023(Rs. 50 Crores) and 15th December 2024 (Rs.110 Crores). The amount outstanding as on 31 March, 2024 is Rs.140.00 Crores (31 March, 2023: Rs. Nil).

(viii) INE0NES07089: 11,000 (31 March, 2023: 0), @ 11.50% Listed, Rated, Secured, Senior,Taxable, Redeemable non-convertible debentures (NCD) of face value Rs. 1,00,000 each aggregating to Rs. 110 Crores. The date of allotment was 20 February, 2024(Rs. 110 Crores). The amount outstanding as on 31 March, 2024 is Rs.110.00 Crores (31 March, 2023: Rs. Nil).

(All Amounts are in INR in Lakhs, unless otherwise specified)

12.2 All the above mentioned NCDs are having first and exclusive charge via deed of hypothecations signed over specific standard asset portfolio of receivables to the extent equal to an amount aggregating to the total outstanding such that the value of security shall be equal of 1.10 times). Further, NCDs detailed above in para (i) to (vi) are secured against personal guarantee of the Director.

12.3 **Details of term of repayment**

ISIN No	Issued at	Due Date of Maturity	Closing balance		
			As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
INE0NES07022	At Discount	31-01-2025	1,320.00	-	-
INE0NES07030	At Discount	22-02-2025	8,317.50	-	-
INE0NES07055	At Discount	28-02-2025	2,000.00	-	-
INE0NES07048	At Par	11-05-2025	7,030.00	-	-
INE0NES07063	At Par	20-06-2025	4,257.50	-	-
INE0NES07014	At Par	30-09-2025	1,500.00		
INE0NES07071	At Par	28-11-2025	14,000.00	-	-
INE0NES07089	At Par	20-02-2026	11,000.00	-	-
Total			**49,425.00**	-	-
EIR Adjustment			725.69		
Grand Total			**48,699.31**		

13 **Borrowings (Other than Debt Securities)**

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
At amortised cost			
Term loans			
from banks	29,773.32	15,658.13	-
from others	32,635.56	34,987.89	-
Loans against securitised assets	18,538.31	-	-
	80,947.19	**50,646.02**	-
Out of Above			
Secured Borrowings in India	80,947.19	47,698.02	-
Secured Borrowings outside India	-	-	
Unsecured Borrowings in India	-	2,948.00	-
Unsecured Borrowings outside India	-	-	-
Total	**80,947.19**	**50,646.02**	-

13.1 Secured term loans from banks and financial institutions include loans from various banks and financial institutions and carry rate of interest in the range of 11.25% to 14.75% p.a (31 March, 2023: 11.00% to 15.00%). The loans are having tenure of 12 to 36 months (31 March, 2023: 12 to 36 months) from the date of disbursement and are repayable in monthly or quarterly installments. These loans are secured by hypothecation (exclusive charge) of certain loans given by the Company. Further, term loans from Banks and NBFCs availed in FY 2022-23 are secured against personal guarantee of the Director.

13.2 The Company is not a declared willful defaulter by any bank or financial institution or other lender.

13.3 The Company has borrowings from banks and financial institutions on the basis of security of loans and the quarterly details filed by the Company with the banks and financial institutions are in accordance with the books of accounts of the Company for the respective quarters.

(All Amounts are in INR in Lakhs, unless otherwise specified)

14 Other financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Amount payable to borrowers	3.10	8.07	-
Lease liability	1,992.99	1,639.05	-
Employee Related Payables	82.83	172.49	-
Insurance premium collected and payable	0.59	11.66	-
Loans sanctioned but undisbursed (Refer note 5.2)	729.64	126.66	-
Total	**2,809.15**	**1,957.92**	-

15 Current tax **liabilities** (net)

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Provision for income tax (net of advance taxes and TDS)	256.42	455.45	
Total	256.42	**455.45**	-

16 Provisions

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Provisions for Employee benefit expenses			
Provision for gratuity	21.49	6.88	-
Provision for Leave Encashment	55.98	18.04	-
Total	**77.47**	**24.93**	-

17 Other non-financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Statutory dues payable	211.70	74.51	-
Total	**211.70**	**74.51**	-

13.4 The Company has not defaulted in the repayment of debt securities, borrowings(other than debt securities) and interest thereon for the year ended 31 March, 2024 and 31 March, 2023

13.5 The Company has utilised the borrowings for the purpose for which it was obtained.

13.6 The Company has balance of securitised assets amounting to Rs.27624.75 lakhs (31 March, 2023: NIL). These loan assets have not been de-recognised from the loan portfolio of the Company as these do not meet the de-recognition criteria. The Company is responsible for collection and servicing of this loan portfolio on behalf of buyers/investors of Pass through Certificates (PTC). In terms of the said securitisation agreements, the Company pays to buyer/investor of Pass through Certificates (PTC) on monthly basis the prorated collection amount as per the respective agreement terms.

13.7 Loans against securities assets are include investment in equity tranche of PTC amounting to Rs. 103.7 Lakhs as at 31st March 2024 (Nil as at 31st March 2023)

13.8 **Terms of repayments**
As at March 31, 2024

Term Loans from	Tenure	Repayment	Interest Ranges	Due with In a year		Due with In 1 to 2 year		Due with In 2 to 3 year		Due with In 3 to 4 year		Total
				No of Installments	Amount	No of Installments	Amount	No of Installments	Amount	No of Installments	Amount	
Bank	1 to 3 yr	Monthly	11%-12%	57	5,916.67	17	2,055.56	-	-	-	-	7,972.22
			12%-13%	83	7,303.70	59	5,037.29	-	-	-	-	12,340.99
			13%-14%	32	2,963.49	14	1,166.83	-	-	-	-	4,130.32
			14%-15%	7	665.43	-	-	-	-	-	-	665.43
		Quarterly	12%-13%	7	2,357.14	4	1,142.86	-	-	-	-	3,500.00
			13%-14%	5	1,187.50	-	-	-	-	-	-	1,187.50
NBFC			14%-15%	150	7,014.99	26	1,301.82	-	-	-	-	8,316.82
		Quarterly	13%-14%	12	4,425.00	11	4,006.25	3	750.00	-	-	9,181.25
			14%-15%	3	1,125.00	-	-	-	-	-	-	1,125.00
	3 to 4 yr	Monthly	14%-15%	12	500.00	12	500.00	11	458.33	-	-	1,458.33
Loans against securitised assets (PTC)	1 to 3 yr	Monthly	12%-13%	64	12,926.35	6	1,513.28					14,439.63
			13%-14%	22	3,250.59	4	696.55					3,947.15
Total												80,871.47
EIR adjustment												-75.72
Total												80,947.19

(All Amounts are in INR in Lakhs, unless otherwise specified)

As at March 31, 2023

Term Loans from	Tenure	Repayment	Interest Ranges	Due with in a year		Due with in 1 to 2 year		Due with in 2 to 3 year		Due with in 3 to 4 year		Total
				No of Installments	Amount	No of Installments	Amount	No of Installments	Amount	No of Installments	Amount	
Bank	1 to 3 yr	Monthly	12%-13%	30	4,363.64	8	909.09	-	-	-	-	5,272.73
			13%-14%	22	1,869.18	7	674.46	-	-	-	-	2,543.63
		Quarterly	12%-13%	12	3,500.00	9	2,687.50	-	-	-	-	6,187.50
		Bullet	12%-13%	1	1,500.00	-	-	-	-	-	-	1,500.00
NBFC	1 to 3 yr	Monthly	12%-13%	12	509.83	4	185.13	-	-	-	-	694.95
			13%-14%	114	7,604.90	35	2,035.09	-	-	-	-	9,639.99
			14%-15%	250	10,801.02	100	4,689.03	13	860.97	-	-	16,351.02
			15%-16%	7	508.57	-	-	-	-	-	-	508.57
		Quarterly	14%-15%	3	1,125.00	-	-	-	-	-	-	1,125.00
		Bullet	10%-11%	1	2,000.00	-	-	-	-	-	-	2,000.00
	3 to 4 yr	Monthly	14%-15%	12	500.00	12	500.00	12	500.00	11	458.33	1,958.33
Total												47,781.73
EIR adjustment												2,864.29
Total												50,646.02

13.9 Reconciliation of liabilities arising from financing activities

Particulars	Debt Securities	Loans against securitised asets	Borrowings (from Banks)	Borrowings (from Others)	Total
01st April 2022					
Cash flows:					
Repayments	-	-	3,929.61	11,818.00	15,747.61
Proceeds	-	-	19,490.00	46,988.00	66,478.00
Non Cash					
Amortisation of upfront fees and others(net)	-	-	56.79	210.05	266.84
Accrued interest(net)	-	-	154.53	27.94	182.47
31st March 2023	15,658.13	15,658.13	15,658.13	34,987.89	50,646.02
Cash flows:					
Repayments	15,475.00	5,951.59	28,813.93	61,506.78	1,11,747.30
Proceeds	64,900.00	24,338.46	43,050.00	59,025.00	1,91,313.46
Non Cash					
Amortisation of upfront fees and others(net)	827.07	93.80	132.46	207.25	1,260.58
Accrued interest(net)	101.38	245.24	109.32	154.60	610.53
31st March 2024	48,699.31	18,538.31	29,773.32	32,635.56	1,29,646.50

(All Amounts are in INR in Lakhs, unless otherwise specified)

9 Property, Plant and Equipment and Right of use asset

Particulars	Furniture & Fixtures	Computers and printers	Servers	Office equipment	Vehicles	Total	Right of Use Assets
Gross carrying amount							
Deemed cost as at April 1, 2023	906.97	190.66	2.77	644.66	101.41	1,846.47	1,759.81
Additions	429.20	126.68	14.54	183.65	40.94	795.00	563.09
Disposals		0.69				0.69	39.41
As at Mar 31, 2024	**1,336.17**	**316.66**	**17.31**	**828.31**	**142.35**	**2,640.79**	**2,283.49**
Accumulated depreciation and impairment:							
As at April 1, 2023	52.55	38.33	0.43	84.64	8.73	184.67	215.93
Depreciation for the year	109.93	72.53	0.54	145.17	14.00	342.17	266.88
Disposals		0.17				0.17	1.12
As at Mar 31, 2024	**162.48**	**110.69**	**0.97**	**229.81**	**22.72**	**526.67**	**481.68**
Net book value							
As at April 1, 2023	**854.43**	**152.34**	**2.33**	**560.02**	**92.68**	**1,661.80**	**1,543.88**
As at Mar 31, 2024	**1,173.69**	**205.97**	**16.33**	**598.50**	**119.63**	**2,114.12**	**1,801.81**
Previous Year (FY 2022-23)							
Gross carrying amount							
Deemed cost as at April 1, 2022		0.03				-	
Additions	906.97	190.66	2.77	644.66	101.41	1,846.47	1,759.81
Disposals		0.03				0.03	
As at March 31, 2023	**906.97**	**190.66**	**2.77**	**644.66**	**101.41**	1,846.47	**1,759.81**
Accumulated depreciation and impairment:							
As at April 1, 2022							215.93
Depreciation for the year	52.55	38.33	0.43	84.64	8.73	184.67	-
Disposals							
As at March 31, 2023	**52.55**	**38.33**	**0.43**	**84.64**	**8.73**	**184.67**	**215.93**
Net book value							
As at April 1, 2022	-	0.03	-	-	-	**0.03**	-
As at March 31, 2023	854.43	152.34	2.33	560.02	**92.68**	1,661.80	**1,543.88**

9.1 The Company has not revalued property, plant and equipment during the year ended 31st March 2024

(All Amounts are in INR in Lakhs, unless otherwise specified)

18 Equity share capital

Particulars	As at March 31, 2024		As at March 31, 2023		As at April 01, 2022	
	Number	Amount	Number	Amount	Number	Amount
Authorised Capital						
Equity shares of INR 10 each	20,00,00,000	20,000.00	10,00,00,000	10,000.00	13,00,000	130.00
Total	**20,00,00,000**	**20,000.00**	**10,00,00,000**	**10,000.00**	**13,00,000**	**130.00**
Issued, subscribed and fully paid-up shares						
Equity Shares of INR 10 each fully paid up	10,43,44,801	10,434.48	6,43,11,288	6,431.13	12,47,630	124.76
Total	**10,43,44,801**	**10,434.48**	**6,43,11,288**	**6,431.13**	**12,47,630**	**124.76**

18.1 Reconciliation of number of shares

Particulars	As at March 31, 2024		As at March 31, 2023		As at April 01, 2022	
	Number	Amount	Number	Amount	Number	Amount
At the beginning of the year	6,43,11,288	6,431.13	12,47,630	124.76	12,47,630	124.76
Shares issued during the Year	4,00,33,513	4,003.35	6,30,63,658	6,306.37	-	-
Outstanding at the end of the year	**10,43,44,801**	**10,434.48**	**6,43,11,288**	**6,431.13**	**12,47,630**	**124.76**

18.2 Terms/rights attached to equity shares

The Company has only one class of equity shares of par value of INR 10 per share. Each holder of equity share is entitled to one vote per share. Any dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The Company declares and pays dividends in Indian rupees.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

18.3 Details of shareholder(s) holding more than 5% of equity shares in the Company :

Name of shareholder	As at March 31, 2024		As at March 31, 2023		As at April 01, 2022	
	No. of shares held	% Holding	No. of shares held	% Holding	No. of shares held	% Holding
Vijaya Sivarami Reddy Vendidandi	7,98,63,230	76.54%	4,87,69,743	75.83%	8,47,447	67.92%
Padmaja Gangireddy	2,13,39,500	20.45%	1,24,44,823	19.35%	-	0.00%
Hina Ansari					4,00,183	32.08%

18.4 Details of shares held by promoters at the end of the year

As at March 31, 2024

Promoter name	No of Shares at the beginning of the year	Change during the year	No of Shares at the year end	% of total shares	% change during the year
Vijaya Sivarami Reddy Vendidandi	4,87,69,743	3,10,93,487	7,98,63,230	76.54%	63.76%
Padmaja Gangireddy	1,24,44,823	88,94,677	2,13,39,500	20.45%	71.47%
Revan Saahith Reddy Vendidandi	23,73,085	-	23,73,085	2.27%	-
Hina Ansari	4,00,183	-	4,00,183	0.38%	-
TOTAL	**6,39,87,834**	**3,99,88,164**	**10,39,75,998**	**99.65%**	

(All Amounts are in INR in Lakhs, unless otherwise specified)

As at March 31, 2023

Promoter name	No of Shares at the beginning of the year	Change during the year	No of Shares at the year end	% of total shares	% change during the year
Vijaya Sivarami Reddy Vendidandi	8,47,447	4,79,22,296	4,87,69,743	75.83%	56.55%
Padmaja Gangireddy	-	1,24,44,823	1,24,44,823	19.35%	100.00%
Revan Saahith Reddy Vendidandi	-	23,73,085	23,73,085	3.69%	100.00%
Hina Ansari	4,00,183	-	4,00,183	0.62%	0.00%
TOTAL	**12,47,630**	**6,27,40,204**	**6,39,87,834**	**99.50%**	

As at April 01, 2022

Promoter name	No of Shares at the beginning of the year	Change during the year	No of Shares at the year end	% of total shares	% change during the year
Vijaya Sivarami Reddy Vendidandi	-	8,47,447	8,47,447	67.92%	100.00%
Hina Ansari	-	4,00,183	4,00,183	32.08%	100.00%
TOTAL	-	**12,47,630**	**12,47,630**	**100.0%**	

18.5 The Company (except disclosed above) has not allotted any shares for consideration other than cash, bonus shares and shares bought back for the five years immediately preceding the reporting date.

Particulars	Fully paid up pursuant to contract(s) without payment being received in cash	Fully paid up by way of bonus shares	Shares bought back
FY 2023-24	Nil	Nil	Nil
FY 2022-23	Nil	Nil	Nil
FY 2021-22	Nil	Nil	Nil

19 Other Equity

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Securities premium account	19,460.58	8,730.22	69.62
Statutory Reserve	1,768.08	336.08	16.20
Retained earnings	7,070.75	1,342.77	63.25
	28,299.40	**10,409.07**	**149.07**

A. Nature and purpose of reserve

Securities Premium Reserve:

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

Statutory reserve:

Statutory Reserve represents the Reserve Fund created under Section 45 IC of the Reserve Bank of India Act, 1934. Accordingly an amount representing 20% of Profit for the period is transferred to the fund for the year.

Retained earnings:

Retained earnings represents surplus / accumulated earnings of the Company and are available for distribution to shareholders.

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B. Movement in Other equity

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
I. Securities premium reserve			
Opening balance	8,730.22	69.62	69.62
Add : Premium received on issue of securities	10,743.39	8,707.90	-
Less : Share issue expenses	13.03	47.30	-
	19,460.58	8,730.22	69.62
Impact of first time adoption of Ind AS	-	-	-
	19,460.58	**8,730.22**	**69.62**
II. Special Reserve under section 45-IC of the Reserve Bank of India Act, 1934			
Opening balance	336.08	16.20	12.38
Add : Transfer from retained earnings	1,431.99	319.88	3.82
	1,768.08	**336.08**	**16.20**
III. Retained earning			
Opening balance	1,342.77	63.25	47.96
Add : Profit for the year	7,158.73	1,599.41	19.10
Add : Other comprehensive income	1.24	-	-
Appropriations:			
Transfer to Special Reserve u/s 45-IC of the Reserve Bank of India Act, 1934	-1,431.99	-319.88	-3.82
Transfer to General reserve	-	-	-
	7,070.75	**1,342.77**	**63.25**
Impact of first time adoption of Ind AS		-	
Total	**28,299.40**	**10,409.07**	**149.07**

(All Amounts are in INR in Lakhs, unless otherwise specified)

20 Interest Income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
On financial assets measured at amortised cost		
Interest on term loans	24,288.48	9,036.10
Interest Income on fixed deposits	268.91	2.66
Total	**24,557.38**	**9,038.76**

21 Fees and commission income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Fees and commission income	2,120.68	142.49
Total	**2,120.68**	**142.49**

22 Net gain on fair value changes

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Net gain/(loss) on financial instruments at fair value through profit or loss		
Realised gain/(loss) on investments at FVTPL	214.50	0.39
Unrealised gain/(loss) on investments at FVTPL	-	
Total	**214.50**	**0.39**

23 Other income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest on lease deposits	6.96	5.40
Profit of derecognition of ROU	4.01	
Marketing Support Income	779.11	0.13
Total	**790.08**	**5.53**

Keertana Finserv Private Limited
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24 Finance costs

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
On financial liabilities measured at amortised cost		
Interest on borrowings - Debt Securities	3,079.03	-
Interest on borrowings - Others	9,176.28	3,606.71
Interest on lease liabilities	244.61	187.62
Interest on advance tax	23.98	
Total	**12,523.91**	**3,794.33**

25 Impairment on financial instruments

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
On financial instruments measured at amortised cost		
Loans	1,142.19	389.48
Loss written off	23.07	
Total	**1,165.25**	**389.48**

26 Employee benefits expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries and wages	3,366.53	1,871.70
Contribution to provident and other funds	46.60	36.18
Directors' sitting fees	26.16	18.53
Staff welfare expenses	19.20	0.38
Compensated Absences	55.70	18.04
Gratuity Expenses	15.74	6.88
Interest Expense on EBO as per Acturial Report	0.52	-
Total	**3,530.45**	**1,951.71**

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27 Depreciation, amortization and impairment

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation on property, plant and equipment	342.00	184.67
Depreciation of Right of use assets	265.75	215.93
Total	**607.75**	**400.60**

28 Other expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Rent	191.70	73.47
Rates and taxes	65.52	30.56
Enerygy Costs	45.97	20.64
Repairs and maintenance	79.70	41.03
Office maintenance	115.95	60.83
Printing and stationary	81.26	32.35
Advertisement, publicity and sales promotion expenses	23.15	23.07
Communication cost	54.63	41.14
Auditor's fees and expenses (Refer Note 28.1)	22.07	12.05
Legal and Professional charges	70.15	46.70
Insurance	27.34	20.05
Expenditure on Corporate Social Responsibility (Refer Note 31)	10.81	-
Travelling and conveyance	9.81	7.84
Bank Charges	44.96	104.70
Interest and Penalties	18.26	-
Fixed Assets Written Off	-	0.03
Expenses for Credit Information Companies (under RBI)	20.42	11.28
Security Charges	4.35	3.16
Staff Recruitment Charges	20.79	-
DP Custodian Fees	6.43	0.61
Miscellaneous expenses	16.72	4.09
Total	**930.02**	**533.62**

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28.1 Payment to the auditors:

Particulars	**Year ended March 31, 2024**	**Year ended March 31, 2023**
a) Statutory Auditor		
- Audit fees (inlcuding limited review)	18.54	9.27
- Certification services	0.30	0.19
- Other of pocket expenses	0.73	0.10
b) Income Tax Auditor		
- Tax audit fees	2.50	2.50
Total	22.07	12.05

29 Tax expense

Particulars	**Year ended March 31, 2024**	**Year ended March 31, 2023**
In respect of the current year	2,388.02	756.45
Deferred tax charge/(credit)	-621.48	-202.25
Total income tax expense recognised (excluding tax recognised in other comprehensive income)	**1,766.54**	**554.20**

29.1 **The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate and the reported tax expense in statement of profit and loss, is as follows:**

Particulars	**Year ended March 31, 2024**	**Year ended March 31, 2023**
Profit before tax	8,925.27	2,153.61
Applicable tax rate	25.17%	25.17%
Expected tax expense [A]	2,388.02	756.45
Deductions under Chapter VIA of the Income-tax Act, 1961	16.71	-
Others	1,820.08	756.45
Deductions under Section 36(1)(viii) of the Income-tax Act, 1961	551.23	-
Total	**2,388.02**	**756.45**

29.2 **Income tax expense recognised in other comprehensive income**

Particulars	**Year ended March 31, 2024**	**Year ended March 31, 2023**
Income tax relating to re-measurement loss on defined benefit plans	-	-
Income tax relating to re-measurement gains/ (losses) on hedge instruments	-	-
Total	-	-

(All Amounts are in INR in Lakhs, unless otherwise specified)

30 Earnings per share (EPS)

The following reflects the profit / (loss) and share data used in basic and diluted EPS computations

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Basic and diluted		
Weighted average number of equity shares for computation of Basic EPS (in no.)	8,05,46,921.48	5,53,83,802.05
Net profit for calculation of basic EPS	7,158.73	1,599.41
Basic earning per share	**8.89**	**2.89**
Dilutive earning per share	**8.89**	**2.89**

31 Expenditure incurred on Corporate Social Responsibility (CSR)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Amount required to be spent by the company during the year as per section 135 of the Companies Act 2013	10.76	-
Amount of expenditure incurred	10.81	-
Excess / (Shortfall) at the end of the year	0.05	-

31.1 The nature of CSR activities undertaken by the Company: To improve the lives of the community, especially the socially and economically underprivileged communities, by making a long term, measurable and positive impact through projects in the areas of Education, Health and Skill Development.

31.2 There are no ongoing projects/CSR projects as at reporting date to be reported u/s 135 (5)

32 Contingent liabilities and commitments

a. Contingent Liabilities not provided for in respect of:

Particulars	As at 31 March 2024	As at 31 March 2023
i) Claims against the Company not acknowledged as debt;	-	-
ii) Other money for which the Company is contingently liable:-	-	-
Total	-	-

b. Capital commitments:

Particulars	As at 31 March 2024	As at 31 March 2023
Estimated amount of contracts remaining to be executed on capital account, net of advances and not provided for	35.44	205.55
Commitments related to loans sanctioned but undrawn		
Total	35.44	205.55

33 Employee benefit obligations

33.1 Defined contribution plan

The Company makes contributions to Provident Fund which are defined contribution plan for qualifying employees. The Company recognized ₹46.59 Lakhs (March 31, 2023: ₹36.18 Lakhs) for Provident Fund contributions in the Statement of Profit and Loss

33.2 Defined benefit plan

The Company has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service gets a gratuity on leaving the service of the company at 15 days salary (last drawn salary) for each completed year of service.

33.3 The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and amounts recognised in the balance sheet for the plan:

Particulars	**Year ended 31st March 2024**	**Year ended 31st March 2023**
Defined Benefit Cost included in P & L	16.26	6.88
Other Comprehensive (Income) / Loss	-1.65	-
Total Defined Benefit Cost recognized in P&L and OCI	14.61	6.88
Defined Benefit Obligation the at end	21.49	6.88
Fair Value of Plan Assets at the end	-	-
Net Defined Benefit Liability/ (Asset)	21.49	6.88

33.4 Disclosure Information

A. Change in Defined Benefit Obligation

Particulars	**Year ended 31st March 2024**	**Year ended 31st March 2023**
Defined Benefit Obligation at the beginning	6.88	-
Current Service Cost	15.74	6.81
Past Service Cost	-	0.07
(Gain) / Loss on settlements	-	-
Interest Expense	0.52	-
Benefit Payments from Plan Assets	-	-
Benefit Payments from Employer	-	-
Settlement Payments from Plan Assets	-	-
Settlement Payments from Employer	-	-
Other (Employee Contribution, Taxes, Expenses)	-	-
Increase / (Decrease) due to effect of any business combination/ divesture /transfer)	-	-
Increase / (Decrease) due to Plan combination	-	-
Remeasurements - Due to Demographic Assumptions	-0.66	-
Remeasurements - Due to Financial Assumptions	0.40	-
Remeasurements - Due to Experience Adjustments	-1.39	-
Defined Benefit Obligation at the end	21.49	6.88

(All Amounts are in INR in Lakhs, unless otherwise specified)

B. Change in Fair Value of Plan Assets

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Fair Value of Plan Assets at the beginning	-	-
Interest Income	-	-
Employer Contributions	-	-
Employer Direct Benefit Payments	-	-
Employer Direct Settlement Payments	-	-
Benefit Payments from Plan Assets	-	-
Benefit Payments from Employer		
Settlement Payments from Plan Assets	-	-
Settlement Payments from Employer	-	-
Other (Employee Contribution, Taxes, Expenses)	-	-
Increase / (Decrease) due to effect of any business combination / divestiture /transfer)	-	-
Increase / (Decrease) due to Plan combination	-	-
Remeasurements - Return on Assets	-	-
(Excluding Interest Income)	-	-
Fair Value of Plan Assets at the end	-	-

C. Changes in Reimbursement Rights

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Reimbursement Rights at the beginning	-	-
Reimbursement Service Cost	-	-
Gain/ (loss) on Settlements	-	-
Interest Income	-	-
Employer Contributions to Reimbursement Rights	-	-
Reimbursements to Employer	-	-
Increase / (Decrease) due to effect of any business combination / divesture /transfer)	-	-
Increase / (Decrease) due to Plan combination	-	-
Benefits paid by the Company in prior valuation period and settled by Fund Manager in current 3 Quarter	-	-
Net Transfer In / (Out) (Including the effect of any business combination / divesture)	-	-
Remeasurements - Return on Reimbursement Rights (Excluding Interest Income)	-	-
Reimbursement Rights at the end	-	-

D. Change in Asset Ceiling / Onerous Liability

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Asset Ceiling/ Onerous Liability at the beginning	-	-
Interest Income	-	-
Gain / (Loss) on Settlements	-	-
Remeasurement - Due to Asset Ceiling / Onerous Liability (Excluding Interest Income)	-	-
Asset Ceiling / Onerous Liability at the end	-	-

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E. Components of Defined Benefit Cost

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Current Service	15.74	6.81
Cost Past Service Cost	-	0.07
(Gain) / Loss on Settlements	-	-
Reimbursement Service Cost	-	-
Total Service Cost	**15.74**	**6.88**
Interest Expense on DBO	0.52	-
Interest (Income) on Plan Assets	-	-
Interest (Income) on Reimbursement Rights	-	-
Interest Expense on (Asset Ceiling) / Onerous Liability	-	-
Total Net Interest Cost	**0.52**	-
Reimbursement of Other Long Term Benefits	-	-
Defined Benefit Cost included in P & L	**16.26**	**6.88**
Remeasurements - Due to Demographic Assumptions	-0.66	-
Remeasurements - Due to Financial Assumptions	0.40	-
Remeasurements - Due to Experience Adjustments	-1.39	-
(Return) on Plan Assets (Excluding Interest Income)	-	-
(Return) on Reimbursement Rights	-	-
Changes in Asset Ceiling / Onerous Liability	-	-
Total Remeasurements in OCI	**-1.65**	-
Total Defined Benefit Cost recognized in P&L and OCI	**14.61**	**6.88**

F. Bifurcation of Present Value of Obligations at the end of the valuation period as per Schedule III of the Companies Act 2013

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Current Liabilities	0.15	0.02
Non- current Liabilities	21.34	6.86

G. Amounts recognized in the Statement of Financial Position

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Defined Benefit Obligation	21.49	6.88
Fair Value of Plan Assets	-	-
Funded Status	21.49	6.88
Effect of Asset Ceiling/ Onerous Liability	-	-
Net Defined Benefit Liability/ (Asset)	**21.49**	**6.88**
Of which, Short term Liability	0.15	**0.02**

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H. Net Defined Benefit Liability / (Asset) reconciliation

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Net Defined Benefit Liability / (Asset) at the beginning	6.88	-
Defined Benefit Cost included in P & L	16.26	6.88
Total Remeasurements included in OCI	-1.65	-
Net Transfer In / (Out) (Including the effect of any business combination / divesture)	-	-
Amount recognized due to Plan Combinations	-	-
Employer Contributions	-	-
Employer Direct Benefit Payments	-	-
Employer Direct Settlement Payments	-	-
Credit to Reimbursements	-	-
Net Defined Benefit Liability / (Asset) at the end	**21.49**	**6.88**

I. Experience Adjustments on Present Value of DBO and Plan Assets

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
(Gain) / Loss on Plan Liabilities	-1.39	-
% of Opening Plan Liabilities	-20.21%	-
Gain / (Loss) on Plan Assets		
% of Opening Plan Assets		

J. The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

The financial and demographic assumptions on annual basis used for valuation as at the Valuation Date are shown below. The assumptions as at the Valuation Date are used to determine the Present Value of Defined Benefit Obligation at that date.

K. Summary of Financial Assumptions

Particulars	Valuation Date	
	Year ended 31st March 2024	Year ended 31st March 2023
Discount Rate	7.26%	7.52%
Salary Escalation	5.00%	5.00%

L. Summary of Demographic Assumptions

Particulars	Valuation Date	
	Year ended 31st March 2024	Year ended 31st March 2023
Mortality Rate (as % of IALM (2012-14) Ult. Mortality Table)	100.00%	100.00%
Disability Rate (as % of above mortality rate)	0.00%	0.00%
Withdrawal Rate	17.62%	16.31%
Normal Retirement Age	62 Years	62 Years
Average Future Service	33.02	31.58

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M. Expected Cash flowforfollowing years

Maturity Profile of Defined Benefit Obligations	
Year 1	0
Year 2	0
Year 3	1
Year 4	4
Year 5	4
Year 6	4
Year 7	3
Year 8	3
Year 9	3
Year 10	2
Pay-outs above 10 years	16

The weighted average duration of the defined benefit obligation is 8.00

N. Discontinuance Liability

Amount payable upon discontinuance of all employment is INR 36,649

O. Sensitivity analysis

Discount Rate, Salary Escalation Rate and Withdrawal Rate are significant actuarial assumptions. The change in the Present Value of Defined Benefit Obligation for a change of 100 Basis Points from the assumed assumption is given below:

Summary of Financial & Demographic Assumptions

Scenario	DBO	Percentage Change
Under Base Scenario	21,49,330.00	0%
Salary Escalation - Up by 1%	23,27,748.00	8.30%
Salary Escalation - Down by 1%	19,87,408.00	-7.53%
Withdrawal Rates - Up by 1%	20,98,834.00	-2.35%
Withdrawal Rates - Down by 1%	21,99,900.00	2.35%
Discount Rates - Up by 1%	20,00,666.00	-6.92%
Discount Rates - Down by 1%	23,15,405.00	7.73%
Mortality Rates - Up by 10%	21,49,978.00	0.03%
Mortality Rates - Down by 10%	21,48,682.00	-0.03%

We have used Projected Unit Credit (P.U.C method) as prescribed by Ind AS 19.

33.5 Disclosure for Compensated absences

(i) Amount recognised in the balance sheet

Particulars	As at 31 March 2024	As at 31 March 2023
Compensated Absences	55.98	18.04
Total	55.98	18.04

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. Unutilised leave balance that accrues to employees as at the year end is charged to the Statement of Profit and Loss on an undiscounted basis.

34 Leases

34.1 Company as a lessee

The Company has entered into long term lease arrangement for its branches.The Company determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.The Company is restricted from assigning or subleasing the leased asset under the terms of lease.

Apart from above,the Company has short-term leases with contractual tenure of less than 12 months. The Company has recognised the lease payments associated with these leases as an expense on accrual basis.

34.2 Set out below are the carrying amounts of lease liabilities (included under Other financial liability) and the movements during the year:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Balance at the beginning	1,639.05	-
Additions	478.25	1,704.63
Finance cost accrued during the period	244.61	187.62
Payment of lease liabilities	-368.92	-253.20
Balance at the end	**1,992.99**	**1,639.05**

34.3 Maturity analysis of undiscounted lease liability

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at 31 March 2024	As at 31 March 2023
Less than 3 months	136.67	120.36
3 to 12 months	376.84	317.59
1 to 3 years	928.70	1,112.02
More than 3 years	2,071.20	1,280.89
Total undiscounted lease liabilities	**3,513.41**	**2,830.86**

34.4 Amounts recognized in the Statement of Profit and Loss

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest expense on lease liability	244.61	187.62
Expense relating to short-term leases	191.70	73.47
	436.31	**261.09**

34.5 Lease payments not included in measurement of lease liability

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Short - term Leases	191.70	73.47
Leases of Low value assests	-	-
Variable lease payments	-	-
	191.70	**73.47**

34.6 Total cash outflow for leases for the year ended 31 March, 2024 was Rs. 368.92 lakhs (31 March, 2023: 253.20 lakhs).

35 Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Promoters of the Company.The Company is engaged primarily in the business of financing. The Company operates in a single geographical segment i.e.domesctic. Accordingly the Company does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

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36 Related Parties Disclosures

36.1 Names of the Related Parties

	Nature of the Related Parties	Names of the Related Parties
A	**Key Manegerial Personal (KMP)**	Padmaja Gangireddy - Managing Director Raghu Venkata Harish Non Executive Director Vara Prasad Chaganti- Non-Executive Director Mahesh Payannavar-Non-Executive Director Vijaya Sivarami Reddy Vendidandi-Non-Executive Director (w.e.f. 02.11.2022) Prakash Bhawnani - Chief Financial Officer (w.e.f. 22.12.2023) Komal Ratlani - Company Secretary (w.e.f. 01.07.2023) Sneha Kandukuri-Company Secretary (till 17.01.2023) Siddharth Mehta-Company Secretary (from 18.01.2023 to 30.06.2023)
B	**Wholly Owned Subsidiary**	Keertana Financial Limited (w.e.f. 04.05.2023)
C	**Entities in which KMP (directors) and their relatives (close members) have significant influence**	Spandana Rural & Urban Development Organization (SRUDO) Spandana Mutual Benefit Trust (SMBT) Spandana Employees Welfare Trust (SEWT) Abhiram Marketing Services Limited (AMSL) Fins Technologies Limited(FINs) Keertana Financial Limited (KFL) (till 03.05.2023)
D	**Relatives (close members) of KMP**	Koteswaramma Enumula, sister of Padmaja Gangireddy Revan Saahith Reddy Vendidandi, son of Padmaja Gangireddy

36.2 Transactions with related parties

For year ended 31st March, 2024

Particulars	KMP (Directors)	KMP (other than directors)	Entities over which KMP (Directors) and their relatives (close members) have significant influence	Wholly Owned Subsidiary
Rent paid	48.05	-	23.25	-
Interest Expense on Loan taken	61.77	-	114.38	-
Financial Assets Acquisition	-	-	2,271.21	-
Purchase of Property, plant and equipment	-	-	107.85	-
Service Charges paid	-	-	60.92	-
Commission Income	-	-	37.15	-
Investment in Equity Share Capital	-	-	-	1,221.25
Remuneration	66.58	33.49	-	-
Sitting Fees	26.16	-	-	-
Borrowings (other than Debt Securities)	6,870.00	-	32,515.17	-
Repayment of Borrowings (other than Debt Securities)	6,870.00	-	35,463.17	-

(All Amounts are in INR in Lakhs, unless otherwise specified)

For year ended 31st March, 2023

Particulars	KMP (Directors)	KMP (other than directors)	Entities over which KMP (Directors) and their relatives (close members) have significant influence	Wholly Owned Subsidiary
Rent paid	10.45	-	29.06	-
Interest Expense on Loan taken	315.11	-	589.44	0.07
Financial Assets Acquisition	-	-	23,390.51	-
Purchase of Property, plant and equipment	-	-	788.69	-
Service Charges paid	-	-	26.16	-
Commission Income	-	-	26.19	-
Investment in Equity Share Capital	-	-	-	-
Remuneration	30.00	6.86	-	8.73
Sitting Fees	16.67	-	-	-
Borrowings (other than Debt Securities)	20,500.00	-	47,587.00	10.90
Repayment of Borrowings (other than Debt Securities)	20,500.00	-	44,639.00	10.90
Advance Taken	545.78	-	-	-
Advance repaid	254.00	-	-	-

36.3 Terms and conditions of transactions with related parties

All Related Party Transactions entered during the year were in ordinary course of the business and on arm's length basis. Outstanding balances at the period-end

36.4 Outstanding balances with related parties

As at 31st March, 2024

Particulars	KMP (Directors)	KMP (other than directors)	Entities over which KMP (Directors) and their relatives (close members) have significant influence	Relatives (close members) of KMP (Directors)
Commission receivable	-	0.13	-	-
Sitting Fees payable	5.40	-	-	-

As at 31st March, 2023

Particulars	KMP (Directors)	KMP (other than directors)	Entities over which KMP (Directors) and their relatives (close members) have significant influence	Relatives (close members) of KMP (Directors)
Remuneration payable	2.20	-	-	-
Sitting Fees payable	4.27	-	-	-
Borrowings (other than debt securities) from others	2,948.00	-	58.30	-

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37 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, 2024			As at March 31, 2023			As at April 01, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS									
Financial assets									
Cash and cash equivalents	6,142.03	-	6,142.03	4,219.76	-	4,219.76	86.83	-	86.83
Bank Balance other than cash and cash equivalents	1,639.24	-	1,639.24	108.22	-	108.22	-	-	-
Loans	1,21,773.63	35,168.96	1,56,942.59	-	61,881.60	61,881.60	-	187.89	187.89
Investments	-	1,221.25	1,221.25	-	-	-	-	-	-
Other Financial assets	615.74	198.61	814.35	67.32	116.47	183.78	-	-	-
Sub total	**1,30,170.64**	**36,588.82**	**1,66,759.46**	**4,395.29**	**61,998.07**	**66,393.36**	**86.83**	**187.89**	**274.72**
Non-financial assets									
Current Tax assets (Net)	-	-	-	-	-	-	-	-	-
Deferred Tax assets (Net)	-	823.30	823.30	-	202.24	-	-	-	-
Property, plant and equipment	-	2,114.12	2,114.12	-	1,661.80	1,661.80	-	3,429.00	3,429.00
Right to Use Assets	-	1,801.81	1,801.81	-	1,543.88	1,543.88	-	-	-
Other non-financial assets	315.11	-	315.11	-	252.72	252.72	-	-	-
Sub total	**315.11**	**4,739.23**	**5,054.33**	-	**3,660.65**	**3,458.40**	-	**3,429.00**	**3,429.00**
Total assets	**1,30,485.75**	**41,328.05**	**1,71,813.80**	**4,395.29**	**65,658.72**	**69,851.77**	**86.83**	**3,616.89**	**3,703.72**
LIABILITIES AND EQUITY									
LIABILITIES									
Financial liabilities									
Payables									
(I) Trade payables									
(i) total outstanding dues of creditors of micro enterprises and small enterprises	2.6	-	2.6	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	76.04	-	76.04	62.29	-	62.29	0.13	-	12,600.00
Debt Securities	32,994.31	15,705.00	48,699.31	-	-	-	-	-	-
Borrowings (Other than Debt Securities)	58,651.43	22,295.77	80,947.19	17,192.99	33,453.03	######### #	-	-	-
Other Financial liabilities	816.16	1,992.99	2,809.15	318.88	1,639.05	1,957.92	-	-	-
Sub total	**92,540.56**	**39,993.76**	**1,32,534.32**	**17,574.15**	**35,092.07**	**52,666.23**	**0.13**	-	**12,600.00**
Non-Financial liabilities									
Current tax liabilities (Net)	256.42	-	256.42	455.45	-	455.45	0.78	-	78,385.00
Provisions	55.98	21.49	77.47	18.04	6.88	24.93	-	-	-
Deferred tax liabilities (Net)	-	-	-	-	-	-	-	0.01	873.00
Other non-financial liabilities	211.70	-	211.70	74.51	-	74.51	-	-	-
Sub total	**524.10**	**21.49**	**545.60**	**548.00**	**6.88**	**554.89**	**0.78**	**0.01**	**79,258.00**
Total liabilities	**93,064.66**	**40,015.25**	**1,33,079.91**	**18,122.16**	**35,098.96**	**53,221.12**	**0.91**	**0.01**	**91,858.00**

(All Amounts are in INR in Lakhs, unless otherwise specified)

38 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

Fair value hierarchy

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

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

Level 2 - Valuation technique using observable inputs: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.

Level 3 - Valuation technique with significant unobservable inputs: Those that include one or more unobservable input that is significant to the measurement as whole.

38.1 Financial instruments by category

Particulars	Measurement category	Fair value hierarchy	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
Financial assets					
Measured at amortised cost					
Cash and cash equivalents	Amortised Cost	Level 1	6,142.03	4,219.76	86.83
Bank Balances other than cash and cash equivalents	Amortised Cost	Level 1	1,639.24	108.22	-
Loans	Amortised Cost	Level 3	1,56,942.59	61,888.79	187.89
Investments In					
Equity Investment in Subsidiary	Amortised Cost	Level 3	1,221.25	-	-
Mutual Funds	Fair Value	Level 1	-	-	-
Other financial assets	Amortised Cost	Level 3	314.35	183.91	-
Total Financial assets			**1,66,759.46**	**66,400.67**	274.72
Financial liabilities					
Measured at amortised cost					
Trade payables	Amortised Cost	Level 3	78.67	62.29	0.13
Debt Securities	Amortised Cost	Level 3	48,699.31	-	-
Borrowings (other than Debt Securities)	Amortised Cost	Level 3	80,947.19	50,646.02	-
Other financial liabilities	Amortised Cost	Level 3	2,809.15	1,957.92	-
Total Financial liabilities			**1,32,534.32**	**52,666.23**	**0.13**

(All Amounts are in INR in Lakhs, unless otherwise specified)

38.3 Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are initially measured at fa r value and subsequently carried at amortised cost in the financial statements. This table does not include the fair values of investments in subsidiaries measured at cost.

Particulars	As at March 31, 2024		As at March 31, 2023		As at April 1, 2022	
	Carrying value	Fair Value	Carrying value	Fair Value	Carrying value	Fair Value
Financial assets						
Security Deposits for Right of use	272.75	198.61	154.63	145.10	-	
Loans	1,56,944.19	1,56,942.59	61,881.60	61,881.60		
Total	**1,57,216.94**	**1,57,141.20**	**62,036.23**	**62,026.70**	**-**	**-**
Financial liabilities						
Debt Securities	49,425.00	48,699.31	-	-		
Borrowings (Other than Debt Securities)	81,022.91	80,947.19	50,640.40	50,635.99	-	
Total	**1,30,447.91**	**1,29,646.50**	**50,640.40**	**50,635.99**	**-**	**-**

There have been no transfers between Level 1, Level 2 and Level 3 for the year ended March 31, 2024

The management assessed that fair values of cash and cash equivalents, bank balances other than cash and cash equivalents, other financial assets, trade payables, other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

<u>Valuation techniques</u>

Security Deposit

The fair values of Security deposits for premises are based on discounted cash flows using a simple average deposit rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

Loans

Fair value of Loans estimated using a discounted cash flow model on contractual cash flows using actual/estimated yields.

Lease liabilities

The fair values of lease liability are based on discounted lease payments using a Company's average incremental borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

Borrowings

The fair values of financial liabilities held-to-maturity (financial liabilities other than trade payables and debt securities) are estimated using effective interest rate model based on contractual cash flows using actual yields. Since the cost of borrowing on the reporting date is not expected to be significantly different from the actual yield considered under effective interest rate model, the carrying value of financial liabilities at amortised cost is considered a reasonable approximation of their fair value. The fair value of floating rate borrowing is deemed to equal its carrying value.

Investment in Mutual fund

The fair values of the investment in mutual fund schemes are based on net asset value at the reporting date. The Company does not hold any units as on reporting date.

(All Amounts are in INR in Lakhs, unless otherwise specified)

39 Disclosure with regard to dues to Micro Enterprises and Small Enterprises22.10.106/2019-20 dated March 13,2020

Particulars	As at March 31, 2024	As at March 31, 2023
(i) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;		
- Principal due	2.62	NIL
- Interest due	NIL	NIL
(ii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	NIL	NIL
(iii) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	NIL	NIL
	NIL	NIL
iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	NIL	NIL
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	NIL	NIL

40 Breach of Covenant

During the financial year ended March 31, 2024, no bank or financial institution or debenture trustee has issued any notice of breach of covenant in respect of loans availed or debt securities issued by the Company.

41 Risk management

Risk is an integral part of the Company's business and sound risk management is critical to the success. As a financial institution, the Company is exposed to risks that are particular to its lending and the environment within which it operates and primarily includes credit, liquidity and market and operational risks. Company's goal in risk management is to ensure that it understands measures and monitors the various risks that arise and the organization adheres strictly to the policies and procedures which are established to address these risks. The Company has a risk management policy which covers risks associated with the financial assets and liabilities.The Board of Directors of the Company are responsible for the overall risk management approach and for approving the risk management strategies and principles. Further, company has Asset-Liability Management Committee (ALCO) to monitor ALM and liquidity risk.

41.1 Introduction and Risk Profile

Risk management and mitigation

The Company's risks are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment, as necessary.

The Company's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

It is the Company's policy to ensure that a robust risk awareness is embedded in its organisational risk culture. Employees are expected to take ownership and be accountable for the risks the Company is exposed to that they decide to take on. The Company's continuous training and development emphasises that employees are made aware of the Company's risk appetite and they are supported in their roles and responsibilities to monitor and keep their exposure to risk within the Company's risk appetite limits.

The Company is generally exposed to credit risk, liquidity risk, market risk, and operational risk.

41.2 Credit Risk

Credit risk is the risk that a customer or counterparty will default on its contractual obligations resulting in financial loss to the Company. Company is into lending operations and is principally exposed to credit risk. Credit risk mainly arises from loans and advances to customers and investments in debt securities that are an asset position. The credit risk is governed by various product policies. The product policies outlines the type of products that can be offered, customer categories, the targeted customer profile and the credit approval process and limits. The Company measures, monitors and manages credit risk at an individual borrower level. Depending on the products, the Company has a structured and standardised credit approval process, which includes a well-established procedure of comprehensive credit appraisal.

The Company also follow a systematic methodology in the opening of new branches, which takes into account factors such as demand for credit in the area; income and market potential; and socio-economic and law and order risks in the proposed area.

41.2.1 Policies and procedure for credit risk for different products

The Company addresses credit risk by following different processes for different products:

a) Gold Loan

i) Credit risk on Gold loan is generally reduced as collateral is Gold ornaments which can be easily liquidated and there is only a distant possibility of losses due to adequate margin of 25% or more retained while disbursing the loan.

ii) Maximum Loan to Value ratio for Gold loans remains at 75%, as prescribed by Reserve Bank of India. Within this Loan to Value, the Sanctioning powers for Gold Loans is delegated to various authorities at branches/controlling offices. Sanctioning powers is used only for granting loans for legally permitted purposes.

iii) Extra care is taken if the gold jewellery brought for pledge by any customer at any one time or cumulatively is more than 20 gm with additional measures in place to ascertain the ownership of the gold being pledged. Apart from the branch staff, independent call by back office is made with preset questions asked to the customer for ascertaining the interest in loan, the ownership of the gold jewellery.

iv) In case of default, pledged Gold can be auctioned. Auctions are conducted as per the Auction Policy of the Company and the guidelines issued by Reserve Bank of India. Auction is generally conducted before loan amount plus interest exceeds beyond the internal set threshold, which is generally close to realizable value of gold. After reasonable time is given to the customers for release after loan becomes overdue and exhausting all efforts for persuasive recovery, auction is resorted to as the last measure in unavoidable cases. Loss on account of auctions are recovered from the customer. Any excess received on auctions are refunded to the customer.

(b) Housing Loan/Loan against property

Company has a separate Credit Risk policy which outlines all the product characteristis and assessment of borrower, including the technical and legal aspects of the property. Loan against property or Housing loan involves not only the income assessment but also the property assessment. The detailed on the income assessment and property assessment is guided as per the credit policy applicable.

(c) MICRO ENTERPRISE LOANS (MEL)

Micro Enterprise loans are unsecured loans wherein the credit delivery mechanism remains as per Joint Liability Group (JLG). Thus, despite being the unsecured characteristics, the loans have social collateral in place, i.e. the group guarantee. Credit risk under such arrangement is though higher that a secured loan but remains lower than the unsecured consumption loan. The loans are preliminary extended to women borrowers in the group for income generation purpose. In order to address credit risk under such product, Compay has stringent credit assessment policies for client selection. Measures such as verifying client details, online documentation and the usage of credit bureau data to get information on past credit behaviour also supplement the efforts for containing credit risk. Company also follows key non negotiable underwriting norms incluidng having a own house mandatory without which the loan would get rejected. Company also follows a systematic methodology in the opening of new branches, which takes into account factors such as the demand for credit in the area; income and market potential; and socio-economic and law and order risks in the proposed area.

(d) BUSINESS LOANS ('M'SME LOANS)

Micro SME loans are of unsecured nature and extended for business purpose. The well defined policy on credit appraisal is in place to ensure that the loan is sanctioned as per the eligibility norms.

(e) PERSONAL LOANS

Personal loan portfolio of the company is limited to the existing customers, i.e. having one or more other secured loans. The credit risk thus gets limited.

41.2.2 **Impairment assessment**

The references below show where the Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the summary of significant accounting policies.

(a) Definition of default and cure

The Company considers a financial instrument as defaulted and therefore Stage 3 (credit-impaired) for Expected Credit Loss (ECL) calculations in all cases when the borrower becomes more than 3 months past due on its contractual payments.

The staging criteria used by the Company is as below:

Loans months past due	Stage
Upto 30 days	Stage 1
Between 31 to 90 days	Stage 2
above 91 days	Stage 3

(All Amounts are in INR in Lakhs, unless otherwise specified)

(b) Exposure at default (EAD)

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the ability to increase its exposure while approaching default and potential early repayments too.

To calculate the EAD for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12 months ECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments.

(c) Probability of default (PD)

The Probability of Default is an estimate of the likelihood of default over a given time horizon. To calculate the ECL for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12month ECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments. The Company uses historical information wherever available to determine PD

(d) Loss given Default (LGD)

LGD is the estimated loss that the Company might bear if the borrower defaults. The Company determines its recovery (net present value) by analysing the recovery trends, borrower rating, collateral value and expected proceeds from sale of asset.

LGD Rates have been computed internally based on the discounted recoveries in defaulted accounts that are closed/ written off/ repossessed and upgraded during the year.

When estimating ECLs on a collective basis for a group of similar assets, the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

(e) Expected credit loss

Expected credit loss is a calculation of the present value of the amount expected not to be recovered on a financial asset, for financial reporting purposes. Credit risk is the potential that the obligor and counterparty will fail to meet its financial obligations to the lender. This requires an effective assessment and management of the credit risk at both individual and portfolio level.

(f) Expected Credit Loss for the Financial Assets other than Loans

As at 31st March 2024

Particulars	Gross Carrying Amount at Default	Expected Credit Loss	Carrying amount Net of Impairment Provision
Cash and cash equivalents	6,142.03	-	6,142.03
Bank balance other than cash and cash equivalents	1,639.24	-	1,639.24
Other financial assets	814.35	-	814.35
Total	**8,595.62**	-	**8,595.62**

As at 31st March 2023

Particulars	Gross Carrying Amount at Default	Expected Credit Loss	Carrying amount Net of Impairment Provision
Cash and cash equivalents	4,219.76	-	4,219.76
Bank balance other than cash and cash equivalents	108.22	-	108.22
Other financial assets	183.91	-	183.91
Total	**4,511.89**	-	**4,511.89**

(All Amounts are in INR in Lakhs, unless otherwise specified)

The company has not provided ECL on cash and cash equivalents, bank balance other than cash and cash equivalents as these instruments are short term in nature and there is no history of defaults in the past. Also there has not been any changes in the credit rating of these custodians.

(g) Credit Quality of Loans

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances.

	FY 2023-24			
Particulars	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
0 DPD	1,49,532.90	-	-	1,49,532.90
(1-30) DPD	10,134.10	-	-	10,134.10
(31-60) DPD		117.87	-	117.87
(61-90) DPD	-	49.26	-	49.26
(91-120) DPD	-	-	48.67	48.67
(>120) DPD	-	-	24.35	24.35

	FY 2022-23			
Particulars	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
0 DPD	59,919.85	-	-	59,919.85
(1-30) DPD	2,642.51	-	-	2,642.51
(31-60) DPD	-	54.05	-	54.05
(61-90) DPD	-	0.91	-	0.91
(91-120) DPD	-	-	4.63	4.63
(>120) DPD	-	-	-	-

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

	FY 2023-24			
Particulars	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Gross carrying amount opening balance	62,218.59	54.96	4.63	62,278.18
Add: EIR impact of Service charges received	343.77			343.77
New assets originated or purchased	3,22,847.08	-	-	3,22,847.08
Assets derecognised or repaid (excluding write offs)	-2,25,561.87	-	-	-2,25,561.87
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-112.17	112.17	-	-
Transfers to Stage 3	-68.39	-	68.39	-
Amounts written off	-	-	-	-
Gross carrying amount closing balance	**1,59,667.01**	**167.13**	**73.02**	**1,59,907.16**
Less: EIR impact of Service charges received	1,463.66	-	-	1,463.66
Gross carrying amount closing balance net of EIR impact of service charge received	**1,58,203.35**	**167.13**	**73.02**	**1,58,443.50**

	FY 2022-23			
Particulars	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Gross carrying amount opening balance	188.36	-	-	188.36
New assets originated or purchased	1,65,569.29	-	-	1,65,569.29
Assets derecognised or repaid (excluding write offs)	-1,03,135.69	-	-	-1,03,135.69
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-54.96	54.96		-
Transfers to Stage 3	-4.63		4.63	-
Amounts written off	-	-	-	-
Gross carrying amount closing balance	62,562.37	54.96	4.63	62,621.95
EIR impact of Service charges received	343.77	-	-	343.77
Gross carrying amount closing balance net of EIR impact of service charge received	62,218.59	54.96	4.63	62,278.18

(All Amounts are in INR in Lakhs, unless otherwise specified)

(i) Reconciliation of ECL balance is given below:

	FY 2023-24			
Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	384.85	1.83	2.72	389.39
New assets originated or purchased	1,500.91			1,500.91
Assets derecognised or repaid (excluding write offs)	-384.85	-1.83	-2.72	-389.39
Transfers to Stage 1	-	-		-
Transfers to Stage 2	-51.33	51.33		-
Transfers to Stage 3	-73.01		73.01	-
Impact on year end ECL of exposures transferred between stages during the year	-	-	-	-
Amounts written off	-	-	-	-
ECL allowance - closing balance	1,376.57	51.33	73.01	1,500.91

	FY 2022-23			
Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	0.47	-	-	0.47
New assets originated or purchased	389.39			389.39
Assets derecognised or repaid (excluding write offs)	-0.47			-0.47
Transfers to Stage 1	-1.83	1.83		-
Transfers to Stage 2	-2.72		2.72	-
Transfers to Stage 3	-	-	-	-
Impact on year end ECL of exposures transferred between stages during the year	-	-	-	-
Amounts written off	-	-	-	-
ECL allowance - closing balance	384.85	1.83	2.72	389.39

(All Amounts are in INR in Lakhs, unless otherwise specified)

41.3 Liquidity Risk

Liquidity risk refers to the risk that the Company may not meet its financial obligations. Liquidity risk arises due to the unavailability of adequate funds at an appropriate cost or tenure. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company consistently generates sufficient cash flows from operating and financial activities to meet its financial obligations as and when they fall due. Our resource mobilisation team sources funds from multiple sources, including from banks, financial institutions and capital markets to maintain a healthy mix of sources. The resource mobilisation team is responsible for diversifying fund raising sources, managing interest rate risks and maintaining a strong relationship with banks, financial institutions, mutual funds, insurance companies, other domestic and foreign financial institutions and rating agencies to ensure the liquidity risk is well addressed. The maturity schedule for all financial liabilities and assets are regularly reviewed and monitored.

The following table shows the maturity analysis of financial liabilities of the Company based on contractually agreed undiscounted cash flows as at the Balance Sheet date:

Particulars	upto 1 month	over one month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months upto 1 year	Over 1 upto 3 years	Over 3 years upto 5 years	Total
As at March 31, 2024								
Trade payables	78.67	-	-	-	-	-	-	78.67
Debt Securities	1,651.66	6,545.83	1,568.33	8,940.00	15,447.69	14,725.04		48,878.56
Borrowings (other than debt securities)	5,049.46	5,142.65	6,278.93	16,292.51	26,639.31	20,711.83	41.66	80,156.35
Lease laibilities	45.94	45.63	45.09	132.35	244.49	928.70	2,071.20	3,513.41
Other financial liabilities	85.27	-	-	-	1,159.07	-	-	1,244.34
Total	**6,911.00**	**11,734.11**	**7,892.35**	**25,364.86**	**43,490.56**	**36,365.57**	**2,112.86**	**1,33,871.32**
As at March 31, 2023								
Trade payables	44.61	8.24		9.45				62.29
Borrowings (other than debt securities)	3,785.60	3,054.01	2,954.22	11,355.44	13,144.77	11,832.13	4,604.22	50,730.39
Lease laibilities	40.27	40.30	39.79	115.90	201.69	928.70	2,071.20	3,437.85
Other financial liabilities	310.81			8.07				318.88
Total	**4,181.28**	**3,102.55**	**2,994.01**	**11,488.86**	**13,346.47**	**12,760.83**	**6,675.42**	**54,549.42**
As at April 1, 2022								
Trade payables	-	-	-	0.13	-	-	-	0.13
Borrowings (other than debt securities)	-	-	-	-	-	-	-	-
Lease laibilities	-	-	-	-	-	-	-	-
Other financial liabilities	-	-	-	-	-	-	-	-
Total	-	-	-	**0.13**	-	-	-	**0.13**

41.4 Market Risk

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The objective of market risk management is to avoid excessive exposure of our earnings and equity to loss and reduce our exposure to the volatility inherent in financial instruments. There are broadly two types of market risks: (a) Interest rate risk, and (b) Price risk.

a Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is subject to Interest rate risk, primarily since it lends to customers at fixed rates and for short maturity periods.

The Company borrows at both fixed and floating interest rates for different periods. Floating rates gives rise to interest rate risk. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk, the Company seek to optimize borrowing profile between short-term and long-term loans. The Company adopts funding strategies to ensure diversified resource-raising options to minimize cost and maximize stability of funds. Assets and liabilities are categorized into various time buckets based on their maturities. The Interest Rate Risk is mitigated by availing funds at very competitive rates through diversified borrowings and for different tenors.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before taxes affected through the impact on floating rate borrowings are as follows:

Impact on Profit before taxes	As at March 31, 2024	As at March 31, 2023
On Floating Rate Borrowings:		
1% increase in interest rates	365.44	126.62
1% decrease in interest rates	(365.44)	(126.62)

b **Price risk**

The company offers Gold loan as the product and is exposed to Price Risk on account of sudden change in price of Gold. Sudden fall in the gold price or fall in the value of the pledged gold ornaments can result in some of the customers to default if the loan amount and interest exceeds the market value of gold. This risk is in part gets mitigated by a minimum 25% margin retained on the value of gold jewellery at the time of sanction of loan. Further, we appraise the gold jewellery collateral solely based on the weight of its gold content, excluding weight and value of the stone studded in the jewellery. In addition, the sentimental value of the gold jewellery to the customers may induce repayment and redemption of the collateral even if the value of gold ornaments falls below the value of the repayment amount. An occasional decrease in gold prices will not increase price risk significantly on account of our adequate collateral security margins, short tenure of the gold loans and quality valuation done at the time of sanction. However, a sustained decrease in the market price of gold can additionally cause a decrease in the size of our loan portfolio and our interest income.

41.5 **Operational and business risk**

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

42 Capital Management

The primary objectives of the Company's capital management are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities.

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Disclosures pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023

45 Schedule to the Standalone Balance Sheet of a Non-deposit taking Non Banking Financial Company
As required in term of Paragraph 31 of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023

	Liabilities Side:		
1	**Loans and Advances availed by the non-banking financial company inclusive of interest accrued theron but not paid:**	**Amount Outstanding**	**Amount Overdue**
	a) Debenture:	-	-
	Secured	48,699.31	
	Unsecured	-	-
	(Other than falling within the meaning of public deposits)		
	b) Deferred Credits	-	-
	c) Term Loans	80,947.19	-
	d) Inter- Corporate loans and borrowing	-	-
	e) Commercial Paper	-	-
	f) Other Loans (Specify Nature)	-	-
2	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :**	**Amount Outstanding**	**Amount Overdue**
	a) In the form of unsecured Debentures	-	-
	b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
	c) Other public deposits	-	-
	Assets Side:		
3	**Breakup of Loans and Advances including bills receivables (other than those included in (4) below) :**		**Amount Outstanding**
	a) Secured		78,022.60
	b) Unsecured		78,919.99

4	**Breakup of Leased Assets and stock on hire and other assets counting towards AFC activities**	**Outstanding**
	i) Lease assets including lease rentals under sundry debtors:	
	a) Financial Lease	-
	b) Operating Lease	-
	ii) Stock on hire including hire charges under sundry debtors:	
	a) Assets on hire	-
	b) Repossessed Assets	-
	iii) Other loans counting towards AFC activities	
	a) loans where assets have been reposessed	-
	b) Loans other than (a) above	-
5	**Breakup of Investments:**	**Outstanding**
	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)	-

(All Amounts are in INR in Lakhs, unless otherwise specified)

Long Term 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	1,221.25
b) Preference	-
ii) Debentures and Bonds	-
iii) Units of Mutual Funds	-
iv) Government Securities	-
v) Others (Venture Capital Fund)	-

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

Category	**Amount net of provisions**		
	Secured	**Unsecured**	**Total**
1. Related Parties			
a) Subsidiaries	-	-	-
b) Companies in the same group	-	-	-
c) Other related Parties	-	-	-
2. Other than related parties	78,022.60	78,919.99	1,56,942.59
Total	78,022.60	78,919.99	1,56,942.59

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

Category	**Market Value/ Break up or fair value or NAV**	**Book Value (Net of Provisions)**
1. Related Parties		
a) Subsidiaries	1,221.25	1,221.25
b) Companies in the same group	-	-
c) Other related Parties	-	-
2. Other than related parties		
a) Listed Equity Shares	-	-
b) Mutual Funds	-	-
c) Debentures/ Bonds	-	-
d) Others: Special Purpose Vehicles	-	-
Total	**1,221.25**	**1,221.25**

8 **Other Information**

	Particulars	**Amount**
i)	Gross Non Performing Assets	
	a) Related Parties	-
	b) Other than related parties	73.02
ii)	Net Non Performing Assets	
	a) Related Parties	-
	b) Other than related parties	-
iii)	Assets acquired in satisfaction of debt	-

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46 Regulatory capital

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
CRAR	23.66%	25.98%
CRAR – Tier 1 capital (%)	22.63%	25.38%
CRAR – Tier II capital (%)	1.03%	0.60%
Amount of subordinated debt raised as Tier II capital	-	-
Amount raised by issue of perpetual debt instruments	-	-
Leverage Ratio	3.92	3.05

47 Exposures

47.1 Exposure to Real Estate Sector

Category	For the year ended 31st March 2024	For the year ended 31st March 2023
i) Direct exposure		
(a) Residential Mortgages -		
Lending secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to Rs. 15 lakh may be shown separately)	7,992.79	3,207.15
(b) Commercial Real Estate -	-	-
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	-	-
(c) Investments in Mortgage Backed Securities (MBS) and other securitized exposures -		
a. Residential	-	-
b. Commercial Real Estate	-	-
ii) Indirect exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	-	-
Total Exposure to Real Estate Sector	**7,992.79**	**3,207.15**

47.2 Exposure to capital market

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt (Investment in Wholly owned subsidiary)	1,221.25	-
Total exposure to capital market	1,221.25	-

47.3 Sectoral Exposure

Particulars	Current Year		
	Total Exposure	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	1,37,236.27	9.72	0.01%
2. Industry - Others	15,290.16	63.30	0.41%
3. Services	-	-	0.00%
4. Personal Loans	7,090.75	-	0.00%
5. Others, if any	289.99	-	0.00%

Particulars	Previous Year		
	Total Exposure	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	53,325.24	-	0.00%
2. Industry - Others	9,147.87	4.38	0.05%
3. Services	-	-	0.00%
4. Personal Loans	-	-	0.00%
5. Others, if any	148.84		0.00%

47.4 There are no intra-group exposures during the year ended 31st March 2024 and year ended 31st March 2023.

48 Concentration of Advances, Exposures and NPAs

48.1 Concentration of Advances

Particulars	Amount
Total Advances to twenty largest borrowers	1,308.65
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	0.83%

48.2 Concentration of Exposures

Particulars	Amount
Total Exposure to twenty largest borrowers/customers	1,308.65
Percentage of Exposures to twenty largest borrowers/customers to Total Exposure of the NBFC on borrowers/customers	0.83%

48.3 Concentration of NPAs

Particulars	Amount
Total Exposure to top four NPA accounts	35.35

48.4 Sector-wise NPAs

Sector	Percentage of NPAs to Total Advances in that sector
1)Agriculture and allied activities	0.01%
2)MSME	0.41%
3)Corporate borrowers	-
4)Services	-
5)Unsecured personal loans	-
6)Auto loans	-
7)Other personal loans	-

49 The Company has not extended any advances where the collateral is an intangible asset such as charge over rights, licenses, authorsations, etc. The unsecured advances of Rs. 78919 .99 Lakhs (31st March 2023 - Rs. 19138.46 Lakhs) in Note no. 5 are any collateral or security.

50 The Company does not have single or group exposure exceeding the limits as per the RBI Guidelines during the year ended 31st March 2024 and 31st March 2023.

51 Movement of NPAs

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
(i) Net NPAs to Net Advances (%)	-	1.91
(ii) Movement of NPAs (Gross)		
(a) Opening balance	4.63	-
(b) Additions during the year	68.39	4.63
(c) Reductions during the year	-	-
(d) Closing balance	73.02	4.63
(ii) Movement of NPAs (Net)		
(a) Opening balance	1.91	-
(b) Additions during the year	-	1.91
(c) Reductions during the year	1.91	-
(d) Closing balance	-	1.91
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	2.72	-
(b) Provisions made during the year	70.30	2.72
(c) Write-off/write-back of excess provisions		-
(d) Closing balance	**73.02**	**2.72**

53 **Details of Auctions conducted**

Particulars	FY 2023-24	FY 2022-23
No. of Auctions Conducted	11	7
No. of Loan accounts involved	5,260	1,736
Outstanding Value of Loans	5,041.05	1,535.84
Value Fetched in Auction	5,017.98	1,543.91
Participation of any sister concern in the auctions	NO	NO

54 **Licenses obtained from other financial sector regulators**

i. The Company is registered with the following regulators:
a) Ministry of Corporate Affairs (MCA)
b) Securities Exchange Board of India (SEBI)
c) Ministry of Finance (FIU-Ind)
d) Central Registry of Securitization Asset Reconstruction and Security Interest of India (CERSAI)

ii. The company has also applied for registration as Corporate Agent to the Insurance Regulatory and Development Authority of India (IRDAI).

55 There has been no drawdown from reserve during the year ended 31st March 2024 and 31st March 2023.

56 **Disclosure of Fines/Penalties imposed by Regulators**

During year ended 31st March 2024 - SEBI levied a fine of Rs. 17.39 Lakhs for contravention of the provisions of Regulation 60(2), 52 (1), 52 (4), 52 (7)/(7A) & 54 (2).

57 Ratings assigned by Credit Rating Agencies and migration during the year

Nature of instrument	Rating agency	As at March 31, 2024	As at March 31, 2023
Non-convertible debentures	ICRA	ICRA[BBB] (Stable)	-
Non-convertible debentures	CRISIL	CRISIL BBB/Stable	-
Term Loans	ICRA	[ICRA]BBB(Stable)/ [ICRA]A3+	-
Term Loans	CRISIL	CRISIL BBB/Stable	-

58 Related Party Transactions - Refer note 36 for related party transactions and related disclosures

59 Information on instances of fraud - During the financial year ended 31st March 2024 and 31st March 2023 no fraud has been reported.

(All Amounts are in INR in Lakhs, unless otherwise specified)

52 Disclosure of complaints

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

	Particulars	Year ended 31 March 2024	Year ended 31 March 2023
	Complaints received by the NBFC from its customers	125	-
1	Number of complaints pending at beginning of the year	-	-
2	Number of complaints received during the year	125	-
3	Number of complaints disposed during the year	125	-
3.1	Of which, number of complaints rejected by the NBFC	-	-
4	Number of complaints pending at the end of the year	-	-
	Maintainable complaints received by the NBFC from Office		
5	from Office of Ombudsman	-	-
5.1	NBFC by Office of Ombudsman	-	-
5.2	conciliation/mediation/ advisories issued by Office of Ombudsman	-	-
5.3	Awards by Office of Ombudsman against the NBF	-	-
6	Number of Awards unimplemented within the stipulated	-	-

Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Current Year					
Related to Loans and Advances	-	106	100%	-	-
Related to Staff Behaviour	-	19	100%	-	-
Total		125			
Previous Year					
Related to Loans and Advances	-	-	-	-	-
Related to Staff Behaviour	-	-	-	-	-
Total	-	-	-	-	-

(All Amounts are in INR in Lakhs, unless otherwise specified)

60 Asset Classification as per RBI Norms

For the year ended 31 March 2024

Particulars	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS (EAD)	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms (including income ceferred)	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	1,59,667.01	1,129.02	1,58,537.98	638.67	490.36
	Stage 2	167.13	21.30	145.83	0.67	20.63
Sub total		1,59,834.14	1,150.33	1,58,683.81	639.34	510.99
Non-Performing Assets (NPA)						
Substandard	Stage 3	69.31	69.31	-	6.93	62.38
Doubtful - up to 1 year	Stage 3	3.71	3.71	-	3.71	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
Loss Assets						
Subtotal for NPA	Stage 3	-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal						
Total (On book assets)	Stage 1	1,59,667.01	1,129.02	1,58,537.98	638.67	490.36
	Stage 2	167.13	21.30	145.83	0.67	20.63
	Stage 3	73.02	73.02	-	6.93	62.38
	Total	1,59,907.16	1,223.35	1,58,683.81	646.27	573.37

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Particulars	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS (EAD)	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms (Including Income deferred)	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	62,562.37	316.73	62,245.64	156.41	160.32
	Stage 2	54.96	1.83	53.13	0.14	1.69
Sub total		62,617.33	318.56	62,298.77	156.54	162.01
Non-Performing Assets (NPA)						
Substandard	Stage 3	4.63	2.72	1.91	0.27	2.45
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
Loss Assets	Stage 3	-	-	-	-	-
Subtotal for NPA						
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal						
Total (On book assets)	**Stage 1**	62,562.37	316.73	62,245.64	156.41	160.32
	Stage 2	54.96	1.83	53.13	0.14	1.69
	Stage 3	4.63	2.72	1.91	0.27	2.45
	Total	62,621.95	321.28	62,300.68	156.82	164.46

For the year ended 01 April 2022

Particulars	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS (EAD)	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms (including Income deferred)	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	188.36	0.47	187.89	0.47	-
	Stage 2	-	-	-	-	-
Sub total		188.36	0.47	187.89	0.47	-
Non-Performing Assets (NPA)						
Substandard	Stage 3	-	-	-	-	-
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
Loss Assets	Stage 3	-	-	-	-	-
Subtotal for NPA						
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal						
Total (On book assets)	Stage 1	188.36	0.47	187.89	0.47	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Total	188.36	0.47	187.89	0.47	-

61 Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Provisions for depreciation on Investment	-	-
Provision towards NPA	73.02	2.72
Provision made towards income tax	2,388.02	756.45
Other Provision and Contingencies (Gratuity & Compensated Absences)	77.47	24.93
Provision for Standard Assets	1,150.33	318.56

62 DISCLOSURE ON LIQUIDITY RISK AS ON March 31, 2024

1. Funding Concentration based on significant counterparty (both deposits and borrowings)*

Number of Significant Counterparties^	Amount (Rs. in crores)	% of Total Liabilities
27	925.08	69.51%

*Including Securitization

^Significant Counterparties is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-D's total liabilities and 10% for other non-deposit taking NBFC

2. Top 20 large deposits (amount in INR crore and percent of total deposits) – Not Applicable

3. Top 10 borrowings (amount Rs. In crore and percent of total borrowings)

Term Loan/NCD/Securitisation	% of total borrowings
563.9	43.28%

4. Funding Concentration based on significant instrument/product

Name of the instrument/product**	Amount (Rs. in crores)	% of Total Liabilities
Term Loan	624.85	46.95%
NCD (Non-Convertible Debentures)	494.25	37.14%
Securitisation (PTC)	183.87	13.82%

**Significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.

5. Stock Ratios

Particulars	March 31, 2024
Commercial Papers to Total Public Funds	NA
Commercial Papers to Total Liabilities	NA
Commercial Papers to Total Assets	NA
NCDs (Original Maturity <1 yrs.) to Total Public Funds	NA
NCDs (Original Maturity <1 yrs.) to Total Liabilities	NA
NCDs (Original Maturity <1 yrs.) to Total Assets	NA
Other Short Term Liabilities to Total Public Funds	71.78%
Other Short Term Liabilities to Total Liablities	69.93%
Other Short Term Liabilities to Total Assets	54.17%

6. Institutional set-up for liquidity risk management

The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk. The Board approves the governance structure, policies, strategy, and the risk tolerance limit for the management of liquidity risk.

The Company has an Asset Liability Management Committee (ALCO), a management level committee to handle liquidity risk management. The ALCO meetings are held at periodic intervals. At the top level, the Risk Management Committee (RMC), a sub-committee of the Board of Directors of the Company, oversees the liquidity risk management. The RMC subsequently updates the Board of Directors on the same.

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63 Asset Liability Management Pattern of certain items of assets and liabilities

For the year **ended 31st March 2024**

Particulars	0 day to 7 days	8 days to 14 days	15 days to 30/31 days (One month)	Over one month and upto 2 months	Over two months and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
Liabilities											
Borrowings	2,038.35	685.22	4,588.08	11,688.48	7,847.26	25,232.51	39,565.84	38,177.30	1,044.53	-	1,30,867.56
Assets											
Loans	11,432.37	-	-	18,130.57	36,807.11	20,187.03	35,216.55	32,543.62	1,627.56	997.79	1,56,942.59
Investments										1,221.25	1,221.25

For the year ended 31st March 2023

Particulars	0 day to 7 days	8 days to 14 days	15 days to 30/31 days (One month)	Over one month and upto 2 months	Over two months and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
Liabilities											
Borrowings	603.25	629.14	1,195.42	2,755.17	4,954.22	11,355.44	13,144.77	15,634.16	374.45	-	50,646.02
Assets											
Loans	-	-	4,983.95	9,830.48	9,557.88	12,641.58	11,697.19	11,666.02	761.81	749.88	61,888.79
Investments										-	-

(All Amounts are in INR in Lakhs, unless otherwise specified)

64 **Disclosures to be made in Notes to Accounts by originators**

"Disclosure pursuant to the Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021" ("RBI Securitisation Directions").

A) Disclosure as per the RBI Securitisation Directions for securitisation transactions as an originator :

Sl. No.	Particulars	As at 31st March 2024	As at 31st March 2023
1	No of SPEs holding assets for securitisation transactions originated by the originator (only the SPVs relating to outstanding securitization exposures to be reported here)	8.00	-
2	Total amount of securitised assets as per books of the SPEs	20,244.53	-
3	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	• First loss	NA	NA
	• Others		
	b) On-balance sheet exposures		
	• First loss (Cash Collateral and Equity tranche)	1,590.37	-
	• Others		
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	• First loss		
	• Others	NA	NA
	ii) Exposure to third party securitisations		
	• First loss		
	• Others		
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	• First loss		
	• Others	16,796.40	-
	ii) Exposure to third party securitisations		
	• First loss		
	• Others		
5	Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation	24,442.03 There is no gain or loss.	-
6	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	-	-
7	Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided.		
	Credit Enhancement - Cash Collateral		
	(a) Amount paid	1,486.80	
	(b) Repayment received	-	
	(c) Outstanding amount	1,486.80	
8	Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	-**	-**
9	Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	Nil	Nil
10	Investor complaints (a) Directly/Indirectly received and; (b) Complaints outstanding	Nil	Nil

** There is no relevant information due to limited vintage due to which average default rates can be disclosed.

B) Details of financial assets sold to Securitisation / Reconstruction Company for Asset Reconstruction
During the year, the Company has not sold any financial assets to Securitisation / Reconstruction Company for Asset Reconstruction.

65 The Company has not sponsored any off Balance Sheet SPVs which are required to be consolidated as per accounting norms for the year ended 31st March 2024.

KEERTANA FINSERV PRIVATE LIMITED
(FORMERLY KNOWN AS: RAJSHREE TRACOM PRIVATE LIMITED)

Notes to Standalone financial statements for the year ended March 31, 2024

66 Corporate Governance

The Company recognizes that strong governance is fundamental to its ability to ensure transparency, accountability, and effective decision-making to create long-term value for all the stakeholders. The Company's commitment to sound governance practices is embedded in every aspect of the operations, from the boardroom to the frontline. The board of directors comprises a diverse group of individuals with a wide range of financial skills and experience. The Board has maintained a balanced mix of 3 Independent Directors, 1 Woman Executive Director and 1 Non-Executive Director to ensure robust oversight and strategic guidance. The Board of Directors plays a crucial role in guiding the company's direction and evaluating the performance according to corporate governance norms.

67 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 has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and 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.

68 Previous year figures have been recasted & regrouped wherever necessary to make them comparable with current year figures.

As per our report of even date
For M. Anandam & Co.,
Chartered Accountants
Firm's registration No. 000125S

S. Venkateswarlu
Partner
Membership No. 022790
Place : Secunderabad
Date: 15.05.2024
UDIN: 24022790BKAIJD8072

For Keertana Finserv Private Limited

Padmaja Gangireddy
Managing Director
DIN: 00004842
Place : Hyderabad
Date: 15.05.2024

Vera Prasad Cheganti
Director
DIN: 09425725
Place : Hyderabad
Date: 15.05.2024

Prakash Bhawnani
Chief Financial Officer
Place : Hyderabad
Date: 15.05.2024

Komal Rattani
Company Secretary
Place : Hyderabad
Date: 15.05.2024

For Keertana Finserv Private Limited

Authorised Signatory

M. ANANDAM & CO.,
CHARTERED ACCOUNTANTS

Independent Auditor's Report

To the Members of Keertana Finserv Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Keertana Finserv Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss, and the Cash Flow Statement 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, 2023, and its profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those 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 issued by the Institute of Chartered Accountants of India. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The comparative financial information of the Company for the year ended 31st March, 2022 is based on the previously issued statutory financial statements which were audited by the predecessor auditor who expressed unqualified opinion vide report dated 25th April, 2022.

Other Information

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

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

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

M. ANANDAM & CO. SECUNDERABAD CHARTERED ACCOUNTANTS

7 'A', SURYA TOWERS, SARDAR PATEL ROAD, SECUNDERABAD - 500 003.
PHONE : 2781 2377, 2781 2034, FAX : 2781 2091

For Keertana Finserv Private Limited

Authorised Signatory

materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and for Internal Financial Controls over Financial Reporting

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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

Auditor's Responsibilities for the Audit of 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 judgement and maintain professional skepticism throughout the audit. We also:

M. ANANDAM & CO. SECUNDERABAD CHARTERED ACCOUNTANTS

• 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.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect

M. ANANDAM & CO. SECUNDERABAD CHARTERED ACCOUNTANTS

the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:

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

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

(c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) In our opinion considering nature of business, size of operation and organisational structure of the entity, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting with specific reference to smaller, less complex companies issued by the ICAI.

(g) Being a private limited company, the provisions of section 197 of the Companies Act, 2013 are not applicable to the Company.

M. ANANDAM & CO. SECUNDERABAD CHARTERED ACCOUNTANTS

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

i. The Company does not have any pending litigations which would impact its financial position;

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

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

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

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

v. No dividend was declared or paid during the year by the Company.

vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the company only w.e.f. April 1, 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

M. ANANDAM & CO. * CHARTERED ACCOUNTANTS * SECUNDERABAD

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

For M. Anandam & Co.,
Chartered Accountants
(Firm's Registration No. 000125S)

M.V.Ranganath
Partner
Membership No. 028031

M. ANANDAM & CO. SECUNDERABAD CHARTERED ACCOUNTANTS

UDIN: 23028031BGVWJC9071

Place: Secunderabad
Date: 08-05-2023

Annexure "A" to the Independent Auditor's Report
With reference to Paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of the Company, we report that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
   (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
   (B) The Company does not have any intangible assets and hence reporting under clause 3(i)(a)(B) is not applicable.
   (b) The Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
   (c) The Company does not own any immovable properties, Accordingly, clause 3(i)(c) of the Order is not applicable.
   (d) The Company has not revalued any of its Property, Plant and Equipment during the year.
   (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) The Company is a Non-Banking Finance Company and its business does not require maintenance of inventories and hence reporting under clause 3(ii)(a) of the Order is not applicable.
   (b) The Company has not taken working capital limits in excess of Rs.5 Crore during the year, from banks or financial institutions on the basis of security of current assets. Hence reporting under clause 3(ii)(b) of the Order is not applicable.

iii. (a) The principal business of the Company is to give loans, hence the requirement to report on clause 3(iii) (a) of the Order is not applicable to the Company.
   (b) During the year, the company has not made investments and provided guarantees and security. The conditions of the grant of all loans and advances in the nature of loans are not prejudicial to the company's interest.
   (c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated. Being a Non-Banking (Non-Systemically Important Non-Deposit) Finance Company, there are instances where the repayment of principal and interest are not as per the stipulated terms.
   (d) In respect of loans granted by the Company, an amount of Rs. 170,057/- is overdue for more than 90 days. In our opinion and according to the information and explanations given to us, reasonable steps have been taken by the Company for recovery of the principal and interest.
   (e) The principal business of the Company is to give loans, hence the requirement to report on clause 3(iii) (e) of the Order is not applicable to the company.
   (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with section 185 and 186 in respect of the loans granted, wherever applicable. The Company has not made investments and not given guarantees or securities.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. According to the information and explanation given to us, the maintenance of cost records has not been specified by the Central Government under subsection (1) of section 148 of the

M. ANANDAM & CO. SECUNDERABAD CHARTERED ACCOUNTANTS

Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause 3(vi) of the Order is not applicable to the Company.

vii. In respect of statutory dues:

a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, and other statutory dues applicable to it with the appropriate authorities.
There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, and other statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

b) There are no disputed statutory dues that have not been deposited on account of any dispute by the Company as on 31st March, 2023.

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

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

b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

c) According to the information and explanations given to us and procedures performed by us, we report that the Company has applied the term loans for the purpose for which the loans were obtained.

d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

e) The Company does not have any Subsidiaries, Associates or Joint Ventures and hence, reporting under clause 3(ix)(e) and (f) of the Order is not applicable.

x. a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

b) During the year, the Company has made private placement and preferential allotment of equity shares and complied with the requirements of section 42 and 62 of the Companies Act, 2013 and the amounts raised have been used for the purpose for which the funds were raised. Further, the Company has not issued convertible debentures during the year.

xi. a) In our opinion and based on our examination and enquiries with the management, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.

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

c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.

xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii)(a) to (c) of the Order is not applicable.

xiii. In our opinion, the Company is in compliance with Section 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards. Section 177 of the Act is not applicable to the Company.

xiv. In our opinion and based on our examination, the company is not required to have an internal audit system as per provisions of the Companies Act 2013. Hence, reporting under clause 3(xiv) of the Order is not applicable.

xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the

M. ANANDAM & CO. SECUNDERABAD CHARTERED ACCOUNTANTS

Companies Act, 2013 are not applicable to the Company.

xvi. a) The Company is a Non-Banking Finance Company and is required to obtain Registration under section 45-IA of the Reserve Bank of India Act, 1934 and such registration has been obtained.

b) The Company has a valid Certificate of Registration (CoR) from the Reserve Bank of India (RBI) for conducting Non-Banking Financial activities and no business has been conducted by the Company without a valid CoR.

c) The Company is not a Core Investment Company (CIC)as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting requirements under clause 3 (xvi)(c) of the Order is not applicable.

d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

xviii. There has been resignation of the statutory auditor of the Company during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. In our opinion, the provisions of Section 135 of the Act are not applicable to the Company and hence reporting under clause 3(xx)of the Order are not applicable.

For M. Anandam & Co.,
Chartered Accountants
(Firm's Registration No. 000125S)

M. ANANDAM & CO. * SECUNDERABAD * CHARTERED ACCOUNTANTS

M.V.Ranganath
Partner
Membership No. 028031

UDIN: 23028031BGVWJC9071

Place: Secunderabad
Date: 08-05-2023

For Keertana Finserv Private Limited

Authorised Signatory

Additional Audit Report as per the "Master Direction- Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016"

To
The Board of Directors
Keertana Finserv Private Limited
Hyderabad

In our opinion and to the best of our information and according to the explanations given to us and with reference to the Non-Banking Financial companies Auditor's Report (Reserve Bank) Directions, 2016, we report the following for the financial year ended 31st March, 2023:

i). The company is engaged in the business of non-banking financial institution and has obtained the Certificate of Registration (CoR) from RBI.

ii). a) In our opinion, the company is satisfying the asset and income pattern as required under the provisions applicable to NBFC. Details are provided below:

Assets Pattern as on 31.03.2023			
S. No.	**Details**	**Amount**	**% of Total Assets**
1	Total Assets	693,75,84,706	100.00
2	Total Financial Assets (ie.3+4+5)	610,24,87,870	87.96
3	Investment	-	-
4	Loans & Advances	610,24,87,870	87.96
5	Assets Finance (EL &HP)	-	-

Income Pattern for the year ended 31.03.2023			
S. No.	**Details**	**Amount**	**% of Total Income**
1	Total Income	95,25,11,732	100.00
2	Income from Financial Assets (ie.3+4+5)	94,98,80,543	99.72
3	Income from Investment	3,05,000	0.03
4	Income from Loans & Advances	94,95,75,543	99.69
5	Total Income from Assets Finance (EL &HP)	-	-
6	Income from non-financial business	26,31,189	0.28

M. ANANDAM & CO. SECUNDERABAD CHARTERED ACCOUNTANTS

b) In our opinion, based on the Asset/Income pattern, the company is entitled to hold CoR as on 31st March, 2023.

iii). The Company is not engaged in asset financing. Accordingly, para 3A(III) of the Directions is not applicable.

iv). The Company is not a non-banking financial company acceptin/holding deposits. Accordingly, para 3B of the Directions is not applicable.

v) The Board of Directors have passed a resolution for non-acceptance of public deposits during the year 2022-23.

vi) The company has not accepted any public deposits during the year 2022-23.

vii) The company has complied with prudential norms relating to income recognition, and Accounting Standards in terms of Non-Banking Financial Company –Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.

viii) The company has complied with prudential norms relating to asset classification and provisioning of bad and doubtful debts in terms of Non-Banking Financial Company –Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.

ix) The prudential provisions of Non-Banking Financial Company – Systematically important Non deposit taking Company and Deposit taking Company(Reserve Bank) Directions, 2016 are not applicable to the Company.

x) The company is not a NBFC Micro Finance Institutions (MFI) as defined in the Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.

xi) The paragraph 3(D) of the Directions is not applicable to the Company.

For M. Anandam & Co.,
Chartered Accountants
(Firm Regn.No.000125S)

M. ANANDAM & CO. SECUNDERABAD CHARTERED ACCOUNTANTS

M V Ranganath
Partner
M.No: 028031

Place: Secunderabad
Date: 08-05-2023

UDIN: 23028031BGVWJD7032

KEERTANA FINSERV PRIVATE LIMITED
(FORMERLY KNOWN AS: RAJSHREE TRACOM PRIVATE LIMITED)
CIN:U65100WB1996PTC077252

Balance Sheet as at March 31, 2023 (₹ in Lakhs)

Particulars	Notes	As at 31.03.2023	As at 31.03.2022
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2.1	6,431.13	124.76
Reserves and surplus	2.2	10,998.20	149.06
		17,429.33	**273.82**
Non-current liabilities			
Long term borrowings	2.3	16,540.02	-
Deferred tax Liabilities (net)	2.10	-	0.01
Long term provisions	2.4	0.02	-
		16,540.04	**0.01**
Current liabilities			
Short-term borrowings	2.5	34,190.37	-
Trade Payables			
total outstanding dues of micro enterprises and small enterprises; and	2.6	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises		62.29	0.13
Other current liabilities	2.7	575.86	-
Short term provisions	2.8	577.96	1.25
		35,406.48	**1.38**
TOTAL		**69,375.85**	**275.21**
ASSETS			
Non-current assets			
Property, plant and equipment and intangible assets			
(i) Property, plant and equipment	2.9	1,661.80	0.03
Deferred tax assets (net)	2.10	4.10	
Long term loans and advances	2.11	12,425.10	-
Other Non-current assets	2.12	204.53	-
		14,295.53	**0.03**
Current assets			
Cash and bank balances	2.13	4,325.54	86.83
Short-term loans and advances	2.14	48,599.79	188.36
Other current assets	2.15	2,154.99	-
		55,080.32	**275.19**
TOTAL		**69,375.85**	**275.22**

Significant Accounting Policies — I
Notes to accounts form an integral part of financial statements — 2.1 to 2.43

As per our report of even date
For M. Anandam & Co.,
Chartered Accountants
Firm's registration No. 000125S

M. V. Ranganath
Partner
Membership No. 028031
Place : Hyderabad
Date: 08-05-2023
UDIN: 23028031BGVWJC9071

For Keertana Finserv Private Limited

Padmaja Gangireddy
Managing Director
DIN: 00004842
Place : Hyderabad
Date: 08-05-2023

Vara Prasad Chaganti
Director
DIN: 09425725
Place : Hyderabad
Date: 08-05-2023

Siddharth Mehta
Company Secretary
PAN:CIFPM6022F
Place : Hyderabad
Date: 08-05-2023

KEERTANA FINSERV PRIVATE LIMITED
(FORMERLY KNOWN AS: RAJSHREE TRACOM PRIVATE LIMITED)
CIN:L65100WB1996PTC077252

Statement of Profit and Loss for the year ended March 31, 2023 (₹ in Lakhs)

Particulars	Notes	For the year ended 31.03.2023	For the year ended 31.03.2022
Income			
Revenue from Operations	2.16	9,406.96	22.07
Other Income	2.17	118.16	11.16
Total Income (I)		**9,525.12**	**33.23**
Expenses			
Finance cost	2.18	3,693.59	-
Employee benefits expense	2.19	1,897.00	8.00
Depreciation	2.9	184.68	-
Other expenses	2.20	759.10	0.87
Provisions and Write offs	2.21	97.17	-
Total expenses (II)		**6,631.54**	**8.87**
Profit before tax (III) = (I)-(II)		**2,893.58**	**24.36**
Tax expenses:			
Current tax for the year		756.99	4.70
Earlier years' tax		(0.54)	-
Deferred tax		(4.11)	0.56
Profit for the year		**2,141.24**	**19.10**
Earnings per equity share (Face value of ₹ 10/- each)			
Basic (in ₹)	2.25	**3.87**	**1.53**
Diluted (in ₹)	2.25	**3.87**	**1.53**

Significant Accounting Policies 1
Notes to accounts form an integral part of financial statements 2.1 to 2.43

As per our report of even date
For M. Anandam & Co.,
Chartered Accountants
Firm's registration No. 000125S

M. V. Ranganath
Partner
Membership No. 028031
Place : Hyderabad
Date: 08-05-2023
UDIN: 23028031BGVWJC9071

For Keertana Finserv Private Limited

Padmaja Gangireddy
Managing Director
DIN: 00004842
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Keertana Finserv Private Limited

KEERTANA FINSERV PRIVATE LIMITED
(FORMERLY KNOWN AS: RAJSHREE TRACOM PRIVATE LIMITED)
CIN:U65100WB1996PTC077252

Cash Flow Statement for the year ended March 31, 2023 (₹ in Lakhs)

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Cash flow from operating activities		
Profit before tax	2,893.58	24.36
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation	184.68	-
Provision expenses	122.10	(0.04)
Net (gain)/ loss on sale of current investments	(0.39)	-
Operating profit before working capital changes	**3,199.97**	**24.32**
Changes in operating assets and liabilities :		
Increase/ (decrease) in other current liabilities	575.83	(9.64)
Increase/ (decrease) in Trade payables	62.16	-
Proceeds from Long-term borrowings (Net)	50,730.39	(0.47)
Decrease / (increase) in loans and advances	(60,836.53)	15.93
(Increase) / Decrease in other assets (Current and Non-Current)	(2,359.52)	(4.73)
(Increase) / Decrease in Provisions	(301.79)	-
Cash generated from /(used in) operations	**(8,929.48)**	**25.41**
Direct taxes paid (net of refunds)	-	-
Net cash flow from / (used in) operating activities (A)	**(8,929.48)**	**25.41**
Cash flows from investing activities		
Purchase of property, plant and equipment (net)	(1,846.47)	-
Purchase of Money market Investments	(1,380.00)	-
Proceeds from Sale of Investments	-	60.00
Proceeds from sale/maturity of current investments	1,380.39	-
Net cash flow (used in) / from investing activities (B)	**(1,846.08)**	**60.00**
Cash flows from financing activities		
Proceeds from issue of equity shares	15,014.26	-
Net cash flow used in financing activities (C)	**15,014.26**	-
Net decrease in cash and cash equivalents (A + B + C)	**4,238.71**	**85.41**
Cash and cash equivalents at the beginning of the year	**86.83**	**1.42**
Cash and cash equivalents at the end of the year	**4,325.54**	**86.83**
Note:		
1. Cash and cash equivalents comprise:		
Cash in hand	452.70	0.01
Balance with banks		
- Current Accounts	3,766.84	86.82
-Fixed Deposits	106.00	
	4,325.54	**86.83**

Notes:
1. As the Company is a Loan Company (NBFC-ICC), interest earned and loan given are considered as a part of cash flow from operating activities. Purchase and sale of investment has been classified as investment activity based on the intention of the management at the time of purchase of securities.
2. The above Cash flow statement has been prepared under the indirect method set out in Accounting Standard-3, "Cash Flow Statement".

Significant Accounting Policies 1
Notes to accounts form an integral part of financial statements 2.1 to 2.43
As per our report of even date

For M. Anandam & Co.,
Chartered Accountants
Firm's registration No. 000125S

M. V. Ranganath
Partner
Membership No. 028031
Place : Hyderabad
Date: 08-05-2023
UDIN: 23028031BGVWJC9071

For Keertana Finserv Private Limited

Padmaja Gangireddy
Managing Director
DIN: 00004842
Place : Hyderabad
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Director
DIN: 09425725
Place : Hyderabad
Date: 08-05-2023

Siddharth Mehta
Company Secretary
PAN:CIFPM6022F
Place : Hyderabad
Date: 08-05-2023

KEERTANA FINSERV PRIVATE LIMITED
(FROMERLY KNOWN AS. RAJSHREE TRACOM PRIVATE LIMITED)
CIN:U65100WB1996PTC077252

Notes forming part of Financial Statements
For the year ended 31st March, 2023

NOTE 1.1 : CORPORATE INFORMATION

Keertana Finserv Private Limited (formerly known as: Rajshree Tracom Private Limited) ("the Company") was incorporated as a private limited Company on 14th February, 1996. The Company obtained permission from the Reserve Bank of India for carrying on the business of Non-Banking Financial Institutions on 09-01-2001 vide Regn No. B.05.03970. The Company is presently classified as Non-Systemically Important Non-Deposit Taking NBFC(NBFC-ND-NSI). The Registered Office of the Company is at 64A, Hemanta Basu Sarani, 2nd Floor, Suite No. 210, Kolkata - 700001, West Bengal. and its Corporate Office is at Plot No. 31 & 32, Ramky Selenium Towers, Tower A, Financial Dist. Nanakramguda, Hyderabad - 500 032, Telangana.

NOTE 1.2 : SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting :

The Financial Statements are prepared in accordance with the generally accepted accounting principles in India. The Company has prepared these financial statements to comply in all material aspects with the accounting standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014 and also as per the guidelines for prudential norms prescribed by the Reserve Bank of India. The financial statement have been prepared under the historical cost convention on an accrual basis.
The accounting policies adopted in the preparation of financial statements are consistent with those of previous year. All assets and liabilities have been classified as current or non-current as per criteria set out in the Division I of Schedule III to the Companies Act, 2013.

Further the company has made additional disclosures in the financial statements as per RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23, dated 19th April 2022, issued by the Reserve Bank of India as applicable NBFC-ND-BL.

Use of Estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and reported amounts of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the result are know/materialised.

Revenue Recognisation

Revenues are recognized and expenses are accounted on accrual basis with necessary provisions for all known liabilities and losses. Revenue is recognised to the extent it is realizable wherever there is uncertainty in the ultimate collection. Income from Non-Performing Assets is recognized only when it is realized. Income and expense under bilateral assignment of receivables accrue over the life of the related receivables assigned. Interest income on deposits are recognised on time proportionate basis.

Property, Plant and Equipment:

a) Property, plant and equipments are stated at historical cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Keertana Finserv Private Limited

b) Effective from 1st April 2022, the Company changed its method of computing depreciation from WDV methods to the straight-line method for the Company's Long Term assets. Based on Statement of Accounting Standards, the Company determined that the change in depreciation method from WDV method to a straight-line method is a change in accounting estimate affected by a change in accounting principle.
The management of the company is of the opinion that the change is preferable because the straight-line method will more accurately reflect the pattern of usage and the expected benefits of such assets and provide greater consistency with the depreciation methods used by other companies in the Company's industry.

Investments:

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as Non-Current investments.

c) Non Current Quoted Investments are valued "At Cost".
d) Non Current Unquoted Investments are valued "At Cost".
e) Unquoted Current Investments are stated at lower cost and fair value determined on an individual investment basis.
f) In case of decline in the value of Non-current investments other than temporary in nature, provision is made in the accounts.
g) Investment in Immovable properties are valued at cost less depreciation till date.
h) On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

Employee Benefits :

Defined Benefit Plan –

a) Employee benefits of Short Term nature are recognized as expense as and when it accrues.
b) Employee benefits of Long Term nature, covering eligible employees, are recognized as expense based on Projected Unit Credit Method of Actuarial Valuation, as at the end of the year Post Employment benefits, covering eligible employees, are recognized as expenses based on Projected Unit Credit Method of Actuarial Valuation, as at the end of the year.
c) Actuarial gains and losses are recognized immediately in the Statement of Profit and loss as income or expense.

Defined Contribution Plan –

a) The Company pays provident fund contributions to publicly administered funds as per local regulations. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

Impairment of Assets

The Company assesses at the end of the Financial Year whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the end of the Financial Year there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

Provisions, Contingent Liabilities and Contingent Assets

The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

Keertana Finserv Private Limited

Provision for Standard Assets and Non-Performing Assets

The Company makes provision for standard assets and non-performing assets as per Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016. Provision for standard assets in excess, if any, of the prudential norms, as estimated by the management, is categorised under Provision for Standard Assets , as General provisions and/or as Gold Price Fluctuation Risk provisions.

Cash and Cash Equivalents

a) Cash and Cash equivalents for the purpose of cash flow statement comprise cash at Bank and in hand.
b) Cash comprises cash on hand, Current Accounts and deposits with banks. Cash equivalents are short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of change in value.

Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, if any.

Taxes on Income

a) Current Tax –
Provision is made for income tax liability estimated to arise on the results for the year at the current rate of tax in accordance with the Income tax Act, 1961.

b) Deferred Tax –
Deferred Income Tax is provided, using the liability method, on all timing differences at the Balance Sheet date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred Tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future taxable profits will be available against which such deferred tax assets can be realised. Deferred Tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date.

Segment Reporting

Identification of segments:

a) The Company's operating businesses are organized and managed separately according to the nature of services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The Company has identified only one business segment – Financing.
b) In the context of Accounting Standard 17 on Segment Reporting, issued by the Institute of Chartered Accountants of India, Company has only one business segment for reporting and disclosure purpose.
c) The Company operates in a single geographical segment. Hence, secondary geographical segment information disclosure is not applicable.

Current / Non-current classification of assets / liabilities

The Company has classified all its assets / liabilities into current / non-current portion based on the time frame of 12 months from the date of financial statements. Accordingly, assets/liabilities expected to be realised /settled within 12 months from the date of financial statements are classified as current and other assets/ liabilities are classified as non-current.

Keertana Finserv Private Limited

KEERTANA FINSERV PRIVATE LIMITED
(FORMERLY KNOWN AS RAJSHREE TRACOM PRIVATE LIMITED)
CIN:U65100WB1996PTC077252
Notes forming part of Balance Sheet

NOTE 2.1 SHARE CAPITAL (₹ in Lakhs)

Particulars	As at 31.03.2023 Equity shares in number	Amount	As at 31.03.2022 Equity shares in number	Amount
Authorized				
Equity shares				
Equity shares of ₹10 each	10,00,00,000	10,000.00	13,00,000	130.00
Issued, subscribed and paid-up				
Equity shares of ₹10 each fully paid up	6,43,11,288	6,431.13	12,47,630	124.76
	6,43,11,288	**6,431.13**	**12,47,630**	**124.76**

2.1 (a) Terms / rights attached to equity shares

The Company has only one class of equity shares of par value of ₹10 per share. Each holder of equity share is entitled to one vote per share. Any dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The Company declares and pays dividends in Indian rupees.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

2.1 (b) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year (₹ in Lakhs)

Particulars	As at 31.03.2023 Number of shares	Amount	As at 31.03.2022 Number of shares	Amount
Equity Shares				
Shares outstanding at the beginning of the year	12,47,630	124.76	12,47,630	124.76
Shares issued during the year	6,30,63,658	6,306.37	-	-
Shares outstanding at the end of the year	**6,43,11,288**	**6,431.13**	**12,47,630**	**124.76**

2.1 (c) Details of shareholders holding more than 5% equity shares in the Company:

Name of the shareholder	As at 31.03.2023 Number of shares held	% of holding	As at 31.03.2022 Number of shares held	% of holding
Vijaya Sivarami Reddy Vendidandi	4,87,69,743	75.83%	8,47,447	67.92%
Padmaja Gangireddy	1,24,44,823	19.35%	-	0.00%
Hina Ansari	4,00,183	0.00%	4,00,183	32.08%

2.1 (d) Shares held by promoters at the end of the current year

Name of the Promoter	No. of Shares	% of Total Shares	% Change during the year
1. Vijaya Sivarami Reddy Vendidandi	4,87,69,743	75.83%	56.55%
2. Padmaja Gangireddy	1,24,44,823	19.35%	100.00%
3. Revan Saahith Reddy Vendidandi	23,73,085	3.69%	100.00%
Total Holdings of Promoter Group	**6,35,87,651**	98.87%	

2.1 (e) Shares held by promoters at the end of the previous year

Name of the Promoter	No. of Shares	% of Total Shares	% Change during the year
1. Vijaya Sivarami Reddy Vendidandi	8,47,447	67.92%	100.00%
Total Holdings of Promoter Group	**8,47,447**	67.92%	

NOTE 2.2 RESERVES AND SURPLUS (₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
Securities premium		
Opening Balance	69.62	69.62
Add: Received during the year	8,707.90	-
Closing balance	**8,777.52**	**69.62**
Statutory reserve under section 45-IC of the RBI Act, 1934		
Opening Balance	16.20	12.38
Add: Amount transferred from the statement of profit and loss	428.25	3.82
Closing balance	**444.45**	**16.20**
Surplus/(deficit) in the statement of profit and loss		
Opening Balance	63.24	47.96
Add: Profit for the year	2,141.24	19.10
Less: Transfer to Statutory Reserve [@ 20% of profit after tax as required by Section 45-IC of Reserve Bank of India Act, 1934]	(428.25)	(3.82)
Closing balance	**1,776.23**	**63.24**
Total	**10,998.20**	**149.06**

Keertana Finserv Private Limited

KEERTANA FINSERV PRIVATE LIMITED
(FORMERLY KNOWN AS: RAJSHREE TRACOM PRIVATE LIMITED)
CIN:U65100WB1996PTC077252
Notes forming part of Balance Sheet

NOTE 2.3 LONG TERM BORROWINGS

(₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
Secured		
Term loan		
(a) From Banks		
ESAF Small Finance Bank	674.46	-
IDFC First Bank	2,687.50	-
IndusInd Bank Ltd	909.09	
(b) From Others		-
Ambit Finvest Pvt Ltd	168.89	-
Capri Global Capital Limited	979.17	-
Cholamandalam Finance Limited	267.59	
Hinduja Leyland Finance Limited	341.52	-
IKF Finance	1,458.33	-
Incred Financials Services Ltd	332.39	-
Kissandhan Agri Financial Services Pvt Ltd	535.36	-
Klay Finvest Private Limited	500.00	-
Maanaveeya (OIKO credit)	1,666.60	-
MAS Financial Services Ltd	1,000.00	-
Oxyzo Financial services pvt ltd	777.78	-
SMC Finance	696.70	-
USHA Financial Services Ltd	34.14	-
Western Capital Advisory Pvt Ltd	562.50	-
Unsecured		
From related parties	2,948.00	-
Total	**16,540.02**	-

***** Note: Details of terms of repayment and security provided in respect of Long Term Borrowings disclosed in Note 2.32

NOTE 2.4 LONG TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
Provision for employee benefits		
Gratuity	0.02	-
Total	**0.02**	-

NOTE 2.5 SHORT TERM BORROWINGS

(₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
Current Maturities of Long Term Debt		
Term loan		
(a) From Banks		
ESAF Small Finance Bank	1,027.93	-
IDFC First Bank	3,500.00	-
IndusInd Bank Ltd	1,363.64	-
Kotak Mahindra Bank Limited	3,000.00	-
Suryoday Small Finance Bank	841.91	-
Yes Bank Ltd	1,500.00	-
(b) From Others		
Aditya Birla Finance Limted	2,000.00	-
Ambit Finvest Pvt Ltd	594.17	-
Capri Global Capital Limited	1,187.50	-
Cholamandalam Finance Limited	482.41	-
Credit Saison	1,125.00	-
Electronica Finance Limited	344.79	-
Grow Money Capital Private Limited	996.22	-
Hinduja Leyland Finance Limited	937.73	-
IKF Finance	500.00	-
Incred Financials Services Ltd	1,144.83	-
Kissandhan Agri Financial Services Pvt Ltd	464.64	-
Klay Finvest Private Limited	500.00	-
Maanaveeya (OIKO credit)	833.40	-
MAS Financial Services Ltd	4,000.00	-
Oxyzo Financial services pvt ltd	2,666.67	-
Profectus Capital Pvt Ltd	681.70	-
SMC Finance	803.82	-
Sundaram Finance Limited	1,435.73	-
USHA Financial Services Ltd	1,195.78	-
Vivriti Capital Pvt Ltd	375.00	-
Western Capital Advisory Pvt Ltd	687.50	-
Total	**34,190.37**	-

Keertana Finserv Private Limited

KEERTANA FINSERV PRIVATE LIMITED
(FORMERLY KNOWN AS: RAJSHREE TRACOM PRIVATE LIMITED)
CIN:U65100WB1996PTC077252
Notes forming part of Balance Sheet

NOTE 2.6 TRADE PAYABLES (₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
Due to Micro and Small Enterprises	-	-
Others	62.29	0.13
Total	**62.29**	**0.13**

As at 31st March 2022

Particulars	Outstanding for following periods from due date of payment			
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years
(i)MSME	-	-	-	-
(ii)Others	0.13	-	-	-
(iii) Disputed dues – MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-

As at 31st March 2023

Particulars	Outstanding for following periods from due date of payment			
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years
(i)MSME	-	-	-	-
(ii)Others*****	62.29	-	-	-
(iii) Disputed dues – MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-

***** includes unbilled amount as at 31st March 2023

NOTE 2.7 OTHER CURRENT LIABILITIES (₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
Employee Related Payables	172.49	-
Statutory liabilities	74.51	-
Interest accrued but not due on Borrowings	182.47	-
Insurance premium collected and payable	11.66	-
Amount payable to borrowers	8.07	-
Fund transfer pending*****	126.66	-
Total	**575.86**	-

***** includes an amount of ₹ 126.66 lakhs disbursed in the month of April' 23

NOTE 2.8 SHORT TERM PROVISIONS (₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
Provision for employee benefits		
Gratuity	6.86	-
Leave Encashment	18.04	-
Others		
Contingent provision on standard assets	93.45	0.47
NPA Provision	4.16	-
Provision for Income Tax (net)	455.45	0.78
Total	**577.96**	**1.25**

NOTE 2.10 DEFERRED TAX ASSETS / (LIABILITIES) (₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
Deferred Tax Assets / (Liabilities)	4.10	(0.01)
Total	**4.10**	**(0.01)**

NOTE 2.10(a) MOVEMENT IN DEFERRED TAX ASSETS / (LIABILITIES) (₹ in Lakhs)

Particulars	WDV of Assets	Expenses allowable on payment basis	Total
As at 31st March 2022	-0.01	-	(0.01)
(Charged) / Credited to the Statement of profit and loss	406.07	16.28	422.35
As at 31st March 2023	**406.06**	**16.28**	**422.34**

NOTE 2.11 LONG TERM LOANS AND ADVANCES (₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
Secured		
Loan Against Property	2,726.45	-
Unsecured, considered good		
Business Loan*****	9,587.36	-
Capital Advances	111.29	-
Total	**12,425.10**	-

***** includes an amount of ₹ 126.66 lakhs disbursed in the month of April' 23

Keertana Finserv Private Limited

KEERTANA FINSERV PRIVATE LIMITED
(FORMERLY KNOWN AS: RAJSHREE TRACOM PRIVATE LIMITED)
CIN:U65100WB1996PTC077252
Notes forming part of Balance Sheet

NOTE 2.12 OTHER NON CURRENT ASSETS (₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
Rental Deposits	204.53	-
Total	**204.53**	-

NOTE 2.13 CASH AND BANK BALANCES (₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
Cash and cash equivalents		
Cash on hand	452.70	0.01
Balance with banks in current accounts *****	3,756.84	86.82
Fixed Deposits	10.00	
Cheque in hand		
Other Bank Balances		
Fixed Deposits for Overdraft Facility from Banks	6.00	-
Fixed Deposit with FI to the extent held as credit enhancement or security against the borrowings, guarantees, other commitments. *****	100.00	-
Total	**4,325.54**	**86.83**

*****Note: Represents margin money deposits placed to avail term loans from banks / Financial institutions

NOTE 2.14 SHORT TERM LOANS AND ADVANCES (₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
Standard		
Secured		
Gold Loans	38,430.09	-
Loan Against Property	426.76	-
Unsecured, considered good		
Business Loans*****	9,742.94	-
Other Unsecured Loans	-	188.36
Total	**48,599.79**	**188.36**

***** includes an amount of ₹ 126.66 lakhs disbursed in the month of April' 23

NOTE 2.15 OTHER CURRENT ASSETS (₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
Interest accrued but not due on portfolio loans	1,708.49	-
Prepaid Expenses	304.77	-
Advance for Expenses	8.50	-
Interest accrued on Fixed Deposits	2.43	-
GST Input Credit	101.64	-
Other receivables	29.16	-
Total	**2,154.99**	-

Keertana Finserv Private Limited

KEERTANA FINSERV PRIVATE LIMITED
(FORMERLY KNOWN AS: RAJSHREE TRACOM PRIVATE LIMITED)
CIN:U65100WB1996PTC077252
Notes to financial statements for the year ended March 31, 2023

NOTE 2.9 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

(₹ in Lakhs)

Particulars	Gross block				Depreciation/ Amortization block				Net block	
	As at 1 Apr 22	Additions	Deletions	As at 31 Mar 23	Up to 31 Mar 22	For the year*	On Deletions	Upto 31 Mar 23	As at 31 Mar 23	As at 31 Mar 23
Property, Plant & Equipment										
Furniture & Fixtures	-	906.97	-	906.97	-	52.55	-	52.55	854.43	-
Office equipment	-	644.66	-	644.66	-	84.64	-	84.64	560.02	-
Computers and printers	1.15	190.66	1.15	190.66	1.12	38.33	1.12	38.33	152.34	0.03
Servers	-	2.77	-	2.77	-	0.43	-	0.43	2.33	-
Vehicles	-	101.41	-	101.41	-	8.73	-	8.73	92.68	-
Total	1.15	1,846.47	1.15	1,846.47	1.12	184.68	1.12	184.68	1,661.80	0.03
Previous Year	1.15	-	-	1.15	1.12	-	-	1.12	0.03	0.03

* Please refer note no 1.2 relating to Property, Plant and Equipment

Keertana Finserv Private Limited

KEERTANA FINSERV PRIVATE LIMITED
(FORMERLY KNOWN AS: RAJSHREE TRACOM PRIVATE LIMITED)
CIN U65100WB1996PTC077252
Notes forming part of Statement of Profit and Loss

NOTE 2.16 REVENUE FROM OPERATIONS (₹ in Lakhs)

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Interest income on portfolio loans	8,948.94	22.07
Other financial services	458.02	-
Total	**9,406.96**	**22.07**

NOTE 2.17 OTHER INCOME (₹ in Lakhs)

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Income from mutual funds	-	11.12
Interest Income on Deposits (FD)	2.66	-
Provisions written off	-	0.04
Commission Income	26.19	-
Net (gain)/ loss on sale of current investments	0.39	-
Charges Collected against Gold Loans	82.56	-
Group Registration Fee	6.23	-
Miscellaneous income	0.13	-
Total	**118.16**	**11.16**

NOTE 2.18 FINANCE COST (₹ in Lakhs)

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Interest on Unsecured Loans	904.62	-
Interest on Secured loans	2,593.01	-
Other Borrowing Cost	195.96	-
Total	**3,693.59**	-

NOTE 2.19 EMPLOYEE BENEFITS EXPENSE (₹ in Lakhs)

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Salaries	1,877.24	-
Gratuity expenses	6.88	-
Staff welfare expenses	0.38	-
Directors' Remuneration	12.50	8.00
Total	**1,897.00**	**8.00**

Keertana Finserv Private Limited

KEERTANA FINSERV PRIVATE LIMITED
(FORMERLY KNOWN AS: RAJSHREE TRACOM PRIVATE LIMITED)
CIN:U65100WB1996PTC077252

NOTE 2.20 OTHER EXPENSES

(₹ in Lakhs)

Particulars		For the year ended 31.03.2023	For the year ended 31.03.2022
Office Rent		326.68	-
Rates and taxes		77.86	0.04
DP Custodian Fees		0.61	-
Bank charges		11.19	0.00
Office maintenance		60.83	-
Repairs and maintenance - Others		39.98	-
Electricity charges		20.64	-
Travelling and conveyance		7.84	-
Vehicle Maintenance		1.05	-
Communication expenses		41.14	-
Printing and stationery expenses		32.35	-
Legal and professional Fee		46.70	0.71
Auditor's Remuneration	2.20(a)	12.05	0.12
Security Charges		3.16	-
Sitting fees to Non-Executive Directors		18.53	-
Insurance Expenses		20.05	-
Business Promotion Expenses		11.42	-
Advertisement expenses		11.65	-
Miscellaneous Expenses		4.09	-
Expenses for Credit Information Companies (under RBI)		11.28	-
Total		**759.10**	**0.87**

NOTE 2.20(a) AUDITORS' REMUNERATION

(₹ in Lakhs)

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Statutory Audit Fees	9.27	0.12
Tax Audit Fees	2.50	-
Certification fees	0.18	
Reimbursement of expenses	0.10	
Total	12.05	**0.12**

NOTE 2.21 PROVISIONS AND WRITE OFFS

(₹ in Lakhs)

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Contingent Provision against standard assets	92.98	-
Provision on Sub-Standard Assets	4.16	-
Provisions and Write-offs	0.03	-
Total	**97.17**	-

Keertana Finserv Private Limited

NOTE 2.22 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(₹ in Lakhs)

Particulars		For the Year ended 31.03.2023	For the year ended 31.03.2022
(A)	**Contingent Liabilities**	NIL	NIL
(B)	**Capital Commitments**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for	205.55	-
		205.55	-

NOTE 2.23 EMPLOYEE BENEFIT EXPENSES

In accordance with Para [illegible] of the Accounting Standard (AS) 15 (Employee Benefits), the required disclosures are as follows:

(₹ in Lakhs)

Particulars			For the Year ended 31.03.2023	For the year ended 31.03.2022
(i)	**Defined contribution plan: ***			
	i)	Employer's contribution to Gratuity Fund	-	N.A
(ii)	**Principal Actuarial assumptions of Gratuity at the Balance sheet date are as follows***			
	i)	Discount Rate at 31st March	7.52%	N.A
	ii)	Mortality Rate	100%	N.A
	iii)	Salary Escalation	5%	N.A
	iv)	Attrition Rate	[illegible]	N.A

* Based on Actuarial Valuation Report

Expense Recognized in the Statement of Profit and Loss (₹ in Crores)

Particulars	Financial Year Ending 31.03.2023
Current Service cost	6.91
Interest Cost on Obligation	-
Past Service Cost	0.07
Expected Return on Plan Assets	-
Amortization of Prior Service Cost	-
Net Actuarial (Gain) / Loss to be recognized	-
Transfer In / Out	-
Curtailment (Gain) / Loss recognized	-
Settlement (Gain) / Loss recognized	-
Expense Recognized in the Statement of Profit and Loss	**6.98**

Movement in the Liability recognized in the Balance Sheet (₹ in Lakhs)

Particulars	Financial Year Ending 31.03.2023
Present Value of Obligations as at the beginning	-
Expenses Recognized in P & L Statement	6.98
Benefits Paid	-
Actual Return on Plan Assets	-
Acquisition Adjustment	-
Present Value of Obligations as at the end	**6.98**

NOTE 2.24 RELATED PARTY DISCLOSURES

As per Accounting Standard 18 specified u/s 133 of the Companies Act, 2013 read together with Rules thereon, the related parties as under

(₹ in Lakhs)

a)	**Key Managerial Personal**	Padmaja Gangireddy	Managing Director (w.e.f. 03.11.2022)
		-	CEO (till 03.11.2022)
		Raghu Venkata Harish	Non-Executive Director
		Vara Prasad Chaganti	Non-Executive Director
		Mahesh Parvatneni	Non-Executive Director (w.e.f. 26.02.2023)
		Vijaya Sivarami Reddy Vendidandi	Non-Executive Director (w.e.f. 02.11.2022)
		Sneha Kandukuri	Company Secretary (till 12.01.2023)
		Siddharth Mehta	Company Secretary (w.e.f. 18.01.2023)
b)	**Entities in which KMP has significant control**	Spandana Rural & Urban Development Organization (SRUDO)	
		Spandana Mutual Benefit Trust (SMBT)	
		Spandana Employees Welfare Trust (SEWT)	
		Abhiram Marketing Services Limited (AMSL)	
		Fins Technologies Limited (FINS)	
		Keertana Financial Limited (KFL)	
		IQ Technologies (Partnership Firm)	
c)	**Relatives of KMP**	Koteswaramma Enamala, sister of Padmaja Gangireddy	
		Revan Saahith Reddy Vendidandi, son of Padmaja Gangireddy	

e) **Transaction with related parties** (₹ in Lakhs)

	Particulars	Entities in which KMP has significant control	Key Managerial Personnel	Relatives of KMP	Total
(i)	**Remuneration to Directors & KMPs**				
	Padmaja Gangireddy	-	30.00	-	**30.00**
	Sneha Kandukuri	-	4.01	-	**4.01**
	Siddharth Mehta	-	2.85	-	**2.85**
	Revan Saahith Reddy Vendidandi	-	-	8.73	**8.73**
(ii)	**Sitting Fees Paid to Non-Executive Independent Directors**				
	Raghu Venkata Harish	-	8.00	-	**8.00**
	Vara Prasad Chaganti	-	8.00	-	**8.00**
	Mahesh Parvatneni	-	0.67	-	**0.67**
(iii)	**Borrowings from Related Parties**				
	Spandana Rural & Urban Development Organization (SRUDO)	41,159.00	-	-	**41,159.00**
	Spandana Mutual Benefit Trust (SMBT)	1,423.00	-	-	**1,423.00**
	Abhiram Marketing Services Limited (AMSL)	4,519.00	-	-	**4,519.00**
	Keertana Financial Limited (KFL)	486.00	-	-	**486.00**
	Vijaya Sivarami Reddy Vendidandi	-	10,100.00	-	**10,100.00**
	Padmaja Gangireddy	-	10,400.00	-	**10,400.00**
	Koteswaramma Enamala	-	-	10.90	**10.90**

Keertana Finserv Private Limited

	Repayments to Related Parties				
	Spandana Rural & Urban Development Organization (SRUDO)	30,211.00	-	-	30,211.00
	Spandana Mutual Benefit Trust (SMBT)	1,423.00	-	-	1,423.00
	Abhiram Marketing Services Limited (AMSL)	4,510.00	-	-	4,510.00
	Keertana Financial Limited (KFL)	486.00	-	-	486.00
	Vijaya Sivarami Reddy Vendidandi	-	10,400.00	-	10,400.00
	Padmaja Gangireddi	-	10,400.00	-	10,400.00
	Koteswaramma Emmula	-	-	10.90	10.90
	Advance to Related Parties				
	Spandana Rural & Urban Development Organization (SRUDO)	291.78	-	-	291.78
	Spandana Mutual Benefit Trust (SMBT)	254.00	-	-	254.00
	Refund of advance by Related Parties				
	Spandana Mutual Benefit Trust (SMBT)	254.00	-	-	254.00
(iii)	**Interest Expenses**				
	Spandana Rural & Urban Development Organization (SRUDO)	502.99	-	-	502.99
	Spandana Mutual Benefit Trust (SMBT)	12.90	-	-	12.90
	Abhiram Marketing Services Limited (AMSL)	64.04	-	-	64.04
	Keertana Financial Limited (KFL)	9.52	-	-	9.52
	Vijaya Sivarami Reddy Vendidandi	-	94.74	-	94.74
	Padmaja Gangireddi	-	220.56	-	220.56
	Koteswaramma Emmula	-	-	0.07	0.07
(iv)	**Commission Income**				
	Abhiram Marketing Services Limited (AMSL)	26.49	-	-	26.49
(v)	**Rental Expenses**				
	Spandana Rural & Urban Development Organization (SRUDO)	29.06	-	-	29.06
	Vijaya Sivarami Reddy Vendidandi	-	10.45	-	10.45
(vi)	**Business Purchase**				
	Spandana Rural & Urban Development Organization (SRUDO)	3,246.06	-	-	3,246.06
	Spandana Mutual Benefit Trust (SMBT)	20,144.45	-	-	20,144.45
(vii)	**Any Other Expenses**				
	Fine Technologies Limited (FTL) (Software Usage Charges)	26.16	-	-	26.16
	Spandana Mutual Benefit Trust (SMBT) (Purchase of Fixed Assets)	719.41	-	-	719.41
	Abhiram Marketing Services Limited (Purchase of Fixed Assets)	69.28	-	-	69.28

(₹ in Lakhs)

Details of Outstanding Balances as at the year end where related party relationship existed			
Name of the Related Party	**Nature**	**As at 31.03.2023**	**As at 31.03.2022**
Spandana Rural & Urban Development Organization (SRUDO)	Borrowing	2,948.00	-
Spandana Rural & Urban Development Organization (SRUDO)	Other receivable	0.07	-
Padmaja Gangireddi	Remuneration	2.20	-
Raghu Venkata Harish	Sitting Fees	1.80	-
Vara Prasad Chaganti	Sitting Fees	1.80	-
Mahesh Parasuraman	Sitting Fees	0.67	-

NOTE 2.25 EARNINGS PER SHARE (EPS) (₹)

Particulars		For the Year ended 31.03.2023	For the year ended 31.03.2022
Profit for the year	A	2,141.23	19.10
No. of Equity Shares		6,43,11,208	12,47,630
Weighted average number of Equity Shares outstanding during the year	B	5,53,33,802	12,47,630
Nominal Value of Equity Shares		10	10
Basic Earnings per share	A/B	3.87	1.53
Diluted Earnings per share	A/B	3.87	1.53

NOTE 2.26 DUES TO MICRO AND SMALL ENTERPRISES UNDER MICRO, SMALL AND MEDIUM ENTERPRISE DEVELOPMENT ACT, 2006: (MSMED) (₹ in Lakhs)

Particulars	For the Year ended 31.03.2023	For the year ended 31.03.2022
a) Principal amount due to suppliers under MSMED	-	-
Note - Other information / disclosures relating to payments made beyond the appointed date, interest accrued and paid and cumulative interest are not applicable, being Nil.		

NOTE 2.27 THERE IS NO AMOUNT DUE AND OUTSTANDING TO BE CREDITED TO INVESTOR EDUCATION AND PROTECTION FUND. (₹ in Lakhs)

Particulars	For the Year ended 31.03.2023	For the year ended 31.03.2022
	-	-

NOTE 2.28 MATURITY ANALYSIS OF ASSETS AND LIABILITIES: (₹ in Lakhs)

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

Particulars	For the Year ended 31.03.2023			For the year ended 31.03.2022		
Assets	**Within 12 months**	**After 12 months**	**Total**	**Within 12 months**	**After 12 months**	**Total**
Cash and cash equivalents	4,325.54	-	4,325.54	86.83	-	86.83
Loans	48,599.79	12,425.10	61,024.89	188.36	-	188.36
Advances	8.50		8.50	-	-	-
Other Current assets	2,146.49	-	2,146.49	-	-	-
Non-Current assets						
Property, plant and equipment	-	1,661.80	1,661.80	-	-	-
Deferred Tax Assets (net)	-	4.10	4.10	-	-	-
Other non-current assets	-	204.53	204.53	-	-	-
Total assets	55,080.33	14,295.53	69,375.85	275.19	-	275.19
Liabilities						
Trade Payables						
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Other Liabilities	34,766.21	-	34,766.23	-	-	-
Non-Current Liabilities	-	16,540.02	16,540.02	-	-	-
Provisions	577.96	0.02	577.98	1.25	-	1.25
NET	19,736.16	(2,244.51)	17,491.62	273.94	-	273.94

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KEERTANA FINSERV PRIVATE LIMITED

(FORMERLY KNOWN AS [illegible])

CIN: [illegible]

Notes to financial statements for the year ended March 31, 2023

NOTE 2.29 RATIOS

	Particulars	For the Year ended 31.03.2023	For the year ended 31.03.2022	Variance *****
(i)	Current Ratio (Current Asset / Current Liabilities)	1.56	199.20	[illegible]
(ii)	Debt-Equity Ratio (Total Debts / Total Shareholders' Equity)	2.91	-	100%
(iii)	Debt Service Coverage Ratio (Net Operating Income / Total Debt Services)	0.13	-	100%
(iv)	Return on Equity Ratio (Net Income / Shareholders' Equity)	0.24	0.04	[illegible]
(v)	Inventory Turnover Ratio (Net Sales / Average Inventory at Selling Price)	NA	NA	NA
(vi)	Trade Receivable Turnover Ratio (Net Credit Sales / Average Trade Receivables)	NA	NA	NA
(vii)	Trade Payable Turnover Ratio (Net Credit Purchase / Average Trade Payables)	NA	NA	NA
(viii)	Net Capital Turnover Ratio (Total Turnover / Shareholders' Equity)	0.55	0.12	[illegible]
(ix)	Net Profit Ratio (Net Profit / Net Turnover)	0.22	0.57	[illegible]
(x)	Return On Capital Employed (Earning Before Interest and Tax (EBIT) / Capital Employed) (Capital Employed = Total Assets - Current Liabilities)	[illegible]	[illegible]	[illegible]
(xi)	Return on Investment (FVI - IVI) / Cost of Investment (where FVI = Final Value of Investment & IVI = Initial Value of Investment)	NA	NA	NA

*****Remarks on Variations between two reporting periods: The variations between two comparative figures is due to change in control of the company and starting of Lending activities w.e.f. 4th April 2022

NOTE 2.30 TAXATION REGIME The company has opted for new regime of taxation u/s 115BAA.

NOTE 2.31 COMPARATIVE DATA Previous year figures have been recasted & regrouped wherever necessary to make them comparable with current year figures.

NOTE 2.32 REPAYMENT OF LONG TERM BORROWINGS

i)Term loans from banks:

ii) Security: Exclusive charge by way of hypothecation on the company's identified receivables/portfolio

iii) Repayment Schedule with rate of interest: (₹ in Lakhs)

Sl. No.	Name of the bank	Purpose	Rate of interest	2023-24	2024-25	2025 - 26	2026 - 27
1	ESAF Small Finance Bank	Onward Lending	12.10%	1,027.91	[illegible]	-	-
2	IDFC First Bank	Onward Lending	13.00%	3,500.00	2,[illegible]	-	-
3	IndusInd Bank Ltd	Onward Lending - Gold	13.00%	1,361.[illegible]	[illegible]	-	-
4	Kotak Mahindra Bank Limited	Onward Lending - Gold	12.00%	3,000.00	-	-	-
5	Suryoday Small Finance Bank	Onward Lending	13.50%	344.91	-	-	-
6	Yes Bank Ltd	Onward Lending	13.00%	1,500.00	-	-	-
	Total			11,233.47	4,271.05	-	-

ii)Term loans from others:

ii) Security: Exclusive charge by way of hypothecation on the company's identified receivables/portfolio

iii) Repayment Schedule with rate of interest: (₹ in Lakhs)

Sl. No.	Name of the bank	Purpose	Rate of interest	2023-24	2024-25	2025 - 26	2026 - 27
1	Aditya Birla Finance Limited	Onward Lending	[illegible]	2,000.00	-	-	-
2	Ambit Finvest Pvt Ltd	Onward Lending	13.35%	504.17	169.59	-	-
3	Capri Global Capital Limited	Onward Lending - Gold	[illegible]	1,157.39	[illegible]	[illegible]	-
4	Cholamandalam Finance Limited	Onward Lending - Gold	[illegible]	482.41	247.54	-	-
5	Credit Saison	Onward Lending	[illegible]	1,125.00	-	-	-
6	Electronica Finance Limited	Onward Lending	[illegible]	344.79	-	-	-
7	Grow Money Capital Private Limited	Onward Lending - Gold	[illegible]	996.22	-	-	-
8	Hinduja Leyland Finance Limited	Onward Lending - Gold	[illegible]	937.73	344.52	-	-
9	IKF Finance	Onward Lending	[illegible]	500.00	500.00	500.00	458.33
10	Incred Financials Services Ltd	Onward Lending	[illegible]	1,144.83	304.62	27.77	-
11	Kissandhan Agri Financial Services Pvt Ltd	Onward Lending - MF	[illegible]	464.64	335.36	-	-
12	Klay Finvest Private Limited	Onward Lending - Gold	[illegible]	500.00	500.00	-	-
13	Maanaveeya (OIKO credit)	Onward Lending - MF	[illegible]	833.40	833.40	833.20	-
14	MAS Financial Services Ltd	Onward Lending	[illegible]	4,000.00	1,000.00	-	-
15	Oxyzo Financial services pvt ltd	Onward Lending - Gold	[illegible]	2,066.67	777.78	-	-
16	Profectus Capital Pvt Ltd	Onward Lending	[illegible]	681.70	-	-	-
17	SMC Finance	Onward Lending - Gold	[illegible]	803.82	662.04	34.66	-
18	Sundaram Finance Limited	Onward Lending	[illegible]	1,435.73	-	-	-
19	USHA Financial Services Ltd	Onward Lending - Gold	[illegible]	1,195.78	34.14	-	-
20	Vivriti Capital Pvt Ltd	Onward Lending - Gold	[illegible]	375.00	-	-	-
21	Western Capital Advisors Pvt Ltd	Onward Lending	[illegible]	667.30	562.50	-	-
	Total			22,956.91	7,404.50	1,458.13	458.33

Unsecured loans: (₹ in Lakhs)

Sl. No.	Name of the bank	Purpose	Rate of interest	2023-24	2024-25	2025 - 26	2026 - 27
1	Spandana Urban & Rural Development Organisation (SRUDO)	Onward Lending	13.00%	-	-	-	2,348.00

NOTE 2.33 CODE ON SOCIAL SECURITY

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 has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and 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.

NOTE 2.34 BENAMI PROPERTY

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

NOTE 2.35 WILFUL DEFAULTER

The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

Keertana Finserv Private Limited

NOTE 2.36 RELATIONSHIP WITH STUCK OFF COMPANIES

The Company has no transactions with the companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

NOTE 2.37 REGISTRATION / SATISFACTION OF CHARGES

All charges or satisfaction are registered with ROC within the statutory period for the financial year ended March 31, 2023. No charges or satisfactions are yet to be registered with ROC beyond the statutory period

NOTE 2.38 UTILISATION OF BORROWED FUND AND SECURITIES PREMIUM

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

NOTE 2.39 UNDISCLOSED INCOME

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded previously in the books of account.

NOTE 2.40 DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

NOTE 2.41 UTILISATION OF FUNDS BORROWED FUNDS FROM BANKS & FINANCIAL INSTITUTIONS

The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were taken.

NOTE 2.42 COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENTS

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

NOTE 2.43 RELATED PARTY DISCLOSURES

As per RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23, [illegible] 19th April 2022, issued by the Reserve Bank of India as applicable NBFC-ND-[illegible]

	Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Group Entities	Key Managerial Personnel	Relatives of KMP	Total
(i)	**Remuneration to Directors & KMPs**								
	Padmaja Gangireddy	-	-	-	-	-	0.30	-	0.30
	Sneha Kandukuri	-	-	-	-	-	0.04	-	0.04
	Siddharth Mehta	-	-	-	-	-	0.03	-	0.03
	Revan Sathish Reddy Vendidandi	-	-	-	-	-	-	0.09	0.09
(ii)	**Sitting Fees Paid to Non-Executive Independent Directors**					-	-	-	
	Raghu Venkata Harish	-	-	-	-	-	0.09	-	0.09
	Vara Prasad Chaganti	-	-	-	-	-	0.09	-	0.09
	Mahesh Parasuram	-	-	-	-	-	0.01	-	0.01
(iii)	**Borrowings from Related Parties**								
	Spandana Rural & Urban Development Organization (SRUDO)	-	-	-	-	411.59	-	-	411.59
	Spandana Mutual Benefit Trust (SMBT)	-	-	-	-	14.23	-	-	14.23
	Abhiram Marketing Services Limited (AMSL)	-	-	-	-	45.19	-	-	45.19
	Keertana Financial Limited (KFL)	-	-	-	-	4.86	-	-	4.86
	Vijaya Sivarami Reddy Vendidandi	-	-	-	-	-	101.00	-	101.00
	Padmaja Gangireddy	-	-	-	-	-	104.00	-	104.00
	Koteswaramma Enumula	-	-	-	-	-	-	0.11	0.11
	Repayments to Related Parties								
	Spandana Rural & Urban Development Organization (SRUDO)	-	-	-	-	382.11	-	-	382.11
	Spandana Mutual Benefit Trust (SMBT)	-	-	-	-	14.23	-	-	14.23
	Abhiram Marketing Services Limited (AMSL)	-	-	-	-	45.19	-	-	45.19
	Keertana Financial Limited (KFL)	-	-	-	-	4.86	-	-	4.86
	Vijaya Sivarami Reddy Vendidandi	-	-	-	-	-	101.00	-	101.00
	Padmaja Gangireddy	-	-	-	-	-	104.00	-	104.00
	Koteswaramma Enumula	-	-	-	-	-	-	0.11	0.11
	Advance to Related Parties								
	Spandana Rural & Urban Development Organization (SRUDO)					2.91	-	-	2.91
	Spandana Mutual Benefit Trust (SMBT)	-	-	-	-	2.54	-	-	2.54
	Refund of advance by Related Parties					-	-	-	
	Spandana Mutual Benefit Trust (SMBT)	-	-	-	-	2.54	-	-	2.54
(iv)	**Interest Expenses**					-	-	-	
	Spandana Rural & Urban Development Organization (SRUDO)	-	-	-	-	5.03	-	-	5.03
	Spandana Mutual Benefit Trust (SMBT)	-	-	-	-	0.13	-	-	0.13
	Abhiram Marketing Services Limited (AMSL)	-	-	-	-	0.64	-	-	0.64
	Keertana Financial Limited (KFL)	-	-	-	-	0.10	-	-	0.10
	Vijaya Sivarami Reddy Vendidandi	-	-	-	-	-	0.95	-	0.95
	Padmaja Gangireddy	-	-	-	-	-	2.20	-	2.20
	Koteswaramma Enumula	-	-	-	-	-	-	0.00	0.00
(v)	**Commission Income (TB Balance)**					-	-	-	
	Abhiram Marketing Services Limited (AMSL)	-	-	-	-	0.26	-	-	0.26
(vi)	**Rental Expenses (Download)**					-	-	-	
	Spandana Rural & Urban Development Organization (SRUDO)	-	-	-	-	0.29	-	-	0.29
	Vijaya Sivarami Reddy Vendidandi					-	0.10	-	0.10
(vii)	**Business Purchase**					-	-	-	
	Spandana Rural & Urban Development Organization (SRUDO)	-	-	-	-	32.46	-	-	32.46
	Spandana Mutual Benefit Trust (SMBT)	-	-	-	-	201.44	-	-	201.44
(viii)	**Any Other Expenses**					-	-	-	
	Fino Technology Limited (FINo) [Software Usage Charges]	-	-	-	-	0.26	-	-	0.26
	Spandana Mutual Benefit Trust (SMBT) [Purchase of Fixed Assets]	-	-	-	-	7.19	-	-	7.19
	Abhiram Marketing Services Limited [Purchase of Fixed Assets]	-	-	-	-	0.09	-	-	0.09

Keertana Finserv Private Limited

KEERTANA FINSERV PRIVATE LIMITED
(FORMERLY KNOWN AS: RAJSHREE TRACOM PRIVATE LIMITED)
CIN:U65100WB1996PTC077252
Schedule to the Balance Sheet of a Non-deposit taking Non Banking Financial Company

As required in term of Paragraph 19 of Master Direction - Non-Banking Financial Company - Non - Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016

(₹ in Lakhs)

	Liabilities Side:		
1	**Loans and Advances availed by the non-banking financial company inclusive of interest accrued theron but not paid:**	**Amount Outstanding**	**Amount Overdue**
	a) Debenture:	-	-
	Secured		
	Unsecured	-	-
	(Other than falling within the meaning of public deposits)		
	b) Deferred Credits	-	-
	c) Term Loans	47,782.39	-
	d) Inter- Corporate loans and borrowing	2,948.00	-
	e) Commercial Paper	-	-
	f) Other Loans (Specify Nature)	-	-
2	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :**	**Amount Outstanding**	**Amount Overdue**
	a) In the form of unsecured Debentures	-	-
	b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
	c) Other public deposits	-	-
	Assets Side:		
3	**Breakup of Loans and Advances including bills receivables (other than those included in (4) below) :**		**Amount Outstanding**
	a) Secured		41,583.30
	b) Unsecured		19,330.30
4	**Breakup of Leased Assets and stock on hire and other assets counting towards AFC activities**		**Amount Outstanding**
	i) Lease assets including lease rentals under sundry debtors:		
	a) Financial Lease		-
	b) Operating Lease		-
	ii) Stock on hire including hire charges under sundry debtors:		
	a) Assets on hire		-
	b) Repossessed Assets		-
	iii) Other loans counting towards AFC activities		
	a) loans where assets have been reposessed		-
	b) Loans other than (a) above		-
5	**Breakup of Investments:**		**Amount Outstanding**
	Current Investments		
	1. Quoted:		
	i) Shares:		-
	a) Equity		
	b) Preference		-
	ii) Debentures and Bonds		-
	iii) Units of Mutual Funds		-
	iv) Government Securities		-
	v) Others (Please specify)		-
	2. Unquoted:		
	i) Shares:		-
	a) Equity		
	b) Preference		-
	ii) Debentures and Bonds		-
	iii) Units of Mutual Funds		-
	iv) Government Securities		-
	v) Others (Please specify)		-
	Long Term Investments:		
	1. Quoted:		
	i) 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 (Venture Capital Fund)		-

Keertana Finserv Private Limited

KEERTANA FINSERV PRIVATE LIMITED
(FORMERLY KNOWN AS: RAJSHREE TRACOM PRIVATE LIMITED)
CIN U65100WB1996PTC077252

Schedule to the Balance Sheet of a Non-deposit taking Non Banking Financial Company

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

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties			
a) Subsidiaries	-	-	-
b) Companies in the same group	-	-	-
c) Other related Parties	-	-	-
2. Other than related parties	41,583.30	19,330.30	60,913.60
Total	41,583.30	19,330.30	60,913.60

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

Category	Market Value/ Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties		
a) Subsidiaries	-	-
b) Companies in the same group	-	-
c) Other related Parties	-	-
2. Other than related parties		
a) Listed Equity Shares	-	-
b) Mutual Funds	-	-
c) Debentures/ Bonds	-	-
d) Others: Special Purpose Vehicles	-	-
Total	-	-

8 **Other Information**

	Particulars	Amount
i)	Gross Non Performing Assets	
	a) Related Parties	-
	b) Other than related parties	4.38
ii)	Net Non Performing Assets	
	a) Related Parties	-
	b) Other than related parties	0.22
iii)	Assets acquired in satisfaction of debt	-

NOTE:

** All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, Market value in respect of quoted investment and break up/ fair value/ NAV in respect unquoted investment should be disclosed irrespective of whether they are classified as long term or current in (4) above.

** The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

2) **Exposure to Real Estate Sector** (₹ in Lakhs)

Category	For the year ended 31st March 2023	For the year ended 31st March 2022
i) Direct exposure		
(a) Residential Mortgages -		
Lending secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to Rs 15 lakh may be shown separately)	-	-
(b) Commercial Real Estate -		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	-	-
(c) Investments in Mortgage Backed Securities (MBS) and other securitized exposures -		
a. Residential	-	-
b. Commercial Real Estate	-	-
ii) Indirect exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	-	-
Total Exposure to Real Estate Sector	-	-

3) **Regulatory capital**

	For the year ended 31st March 2023*	For the year ended 31st March 2022*
CRAR	26.36%	145.35%
CRAR – Tier I capital (%)	26.36%	145.35%
CRAR – Tier II capital (%)	0.00%	0.00%
Amount of subordinated debt raised as Tier-II capital	-	-
Amount raised by issue of perpetual debt instruments	-	-
Leverage Ratio	2.96	-

* CRAR has been calculated on the basis of RBI Circular No. RBI/2019-20/170 DOR (NBFC). CC.PD.No. 109/22.10.106/2019-20 dated March 13, 2020.

Keertana Finserv Private Limited

KEERTANA FINSERV PRIVATE LIMITED
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Computation of Net Owned Fund (NOF), Leverage Ratio & Capital to Risk-weighted Assets Ratio (CRAR)

(₹ in Lakhs)

Tier I Capital Funds	For the Year Ended 31st March 2023	For the Year Ended 31st March 2022
(i) Ordinary Shares	6,431.13	124.76
(ii) Preference shares to be compulsorily convertible into equity	-	-
(iii) Perpetual Debt Instrument (Not to exceed 15% of Aggregate Tier I Capital as on March 31 of the previous year)	-	-
(iv) Free reserves	10,998.20	149.07
(a) Statutory / Spl. Reserves Under Sec. 45IC of RBI Act, 1934.	444.45	16.20
(b) General Reserves	-	-
(c) Share Premium	8,777.52	69.62
(d) Capital Reserves (representing surplus on sale of assets held in separate account)	-	-
(e) Capital redemption reserve	-	-
(f) Debenture Redemption Reserve	-	-
(g) Credit Balance in P & L Account	1,776.23	63.25
(h) Other free reserves (to be specified)	-	-
Total (i+ii+iii+iv)	**17,429.33**	**273.83**
(v) Accumulated balance of loss	-	-
(vi) Deferred Revenue Expenditure	304.77	-
(vii) Deferred Tax Asset (Net)	4.10	-
(viii) Other Intangible Assets	-	-
(ix) Others (to be specified in remarks column)	-	-
Total (v+vi+vii+viii+ix)	**308.87**	-
(x) Owned Fund	**17,120.46**	**273.83**
(xi) Investment in shares of :		
(a) Subsidiaries	-	-
(b) Wholly-Owned Subsidiary/JV abroad	-	-
(c) Companies in the same Group	-	-
(d) Other non-banking financial companies	-	-
(xii) The book value of debentures, bonds, outstanding loans and advances, bills purchased and discounted (including hire-purchase and lease finance) made to, and deposits with		
(a) Subsidiaries	-	-
(b) Wholly-Owned Subsidiary/JV abroad	-	-
(c) Companies in the same Group	-	-
(xiii) Total	-	-
(xiv) Amount of item (xiii) in excess of 10% of item (x) above	-	-
Net owned fund	**17,120.46**	**273.83**

Tier II Capital Funds	For the Year Ended 31st March 2023	For the Year Ended 31st March 2022
(i) Preference Share Capital other than those compulsorily convertible into equity	-	-
(ii) Cumulative Convertible Preference Shares	-	-
(iii) Revaluation reserves (At Discount rate of 55%)	-	-
(iv) General provisions and loss reserves including Provisions for Standard Assets (to the extent not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of 1.25% of RWA)	-	-
(v) Hybrid debt capital instruments	-	-
(vi) Subordinated debt(Subjected to prescribed Discount Rates & Not exceeding 50% of Tier I)	-	-
(vii) First Loss Credit Enhancement	-	-
(viii) Others (to be specified in remarks column)	-	-
(ix) Aggregate Tier II Capital	-	-
Total Capital Funds	**17,120.46**	**273.83**

Leverage Ratio	For the Year Ended 31st March 2023	For the Year Ended 31st March 2022
Total Outside Liability	50,730.39	-
Total Owned Fund	17,120.46	273.83
Leverage Ratio - Maximum 7x	**2.963**	-

Keertana Finserv Private Limited

KEERTANA FINSERV PRIVATE LIMITED
(FORMERLY KNOWN AS: RAJSHREE TRACOM PRIVATE LIMITED)
CIN U65100TN1996PTC077252

(₹ in Lakhs)

Capital to Risk-weighted Assets Ratio	For the Year Ended 31st March 2023			For the Year Ended 31st March 2022		
	Book Value	Risk Weights	Adjusted Value	Book Value	Risk Weights	Adjusted Value
I. Cash	432.70	0.00%	-	0	0.00%	-
II. Bank balances including fixed deposits & certificates of deposits	3,796.84	0.00%	-	87	0.00%	-
III. The deposits/collateral kept with CCIL in connection with CBLO	-	20.00%	-	-	20.00%	-
IV. Investments (See paragraph 6 of the Directions)						
(a) Approved securities as defined in Reserve Bank of India Act, 1934	-	0.00%	-	-	0.00%	-
(b) Bonds of public sector banks						
(i) Amounts deducted in PART I	-	0.00%	-	-	0.00%	-
(ii) Amounts not deducted in PART I	-	20.00%	-	-	20.00%	-
(c) FDs/CDs/bonds of public financial institutions						
(i) Amounts deducted in PART I	-	0.00%	-	-	0.00%	-
(ii) Amounts not deducted in PART I	106.00	100.00%	106.00	-	100.00%	-
Sub-total (b+c)	-		-	-		-
(d) Shares of all companies and debentures/ bonds/ commercial papers of companies and units of all mutual funds						
(i) Amounts deducted in PART I	-	0.00%	-	-	0.00%	-
(ii) Amounts not deducted in PART I	-	100.00%	-	-	100.00%	-
Sub-total	-		-	-		-
V. Current Assets						
(a) Stock on hire (Please see Note 2 below)						
(i) Amounts deducted in PART I	-	0.00%	-	-	0.00%	-
(ii) Amounts not deducted in PART I	-	100.00%	-	-	100.00%	-
Sub-total	-		-	-		-
(b) Inter-corporate loans/ deposits						
(i) Amounts deducted in PART I	-	0.00%	-	-	0.00%	-
(ii) Amounts not deducted in PART I	-	100.00%	-	188	100.00%	188.36
Sub-total	-		-	-		-
(c) Loans and advances fully secured against deposits held	-	0.00%	-	-	0.00%	-
(d) Loans to staff	-	0.00%	-	-	0.00%	-
(e) Other secured loans and advances considered good						
(i) Amounts deducted in PART I	-	0.00%	-	-	0.00%	-
(ii) Amounts not deducted in PART I	41,583.30	100.00%	41,583.30	-	100.00%	-
Sub-total	-		-	-		-
(f) Bills purchased/discounted						
(i) Amounts deducted in PART I	-	0.00%	-	-	0.00%	-
(ii) Amounts not deducted in PART I	-	100.00%	-	-	100.00%	-
Sub-total	-		-	-		-
(g) Others (to be specified in Table 7: Current Assets)	19,330.30	100.00%	19,330.30	-	100.00%	-
VI. Fixed Assets (net of depreciation)						
(a) Assets leased out						
(i) Amounts deducted in PART I	-	0.00%	-	-	0.00%	-
(ii) Amounts not deducted in PART I	-	100.00%	-	-	100.00%	-
Sub-total	-		-	-		-
Total credit exposure	-		-	-		-
(b) Premises	-	100.00%	-	-	100.00%	-
(c) Furniture & Fixtures	854.43	100.00%	854.43	0	100.00%	0.03
VII. Other Assets						
(a) Income-tax deducted at source (net of Provisions)	-	0.00%	-	-	0.00%	-
(b) Advance tax paid (net of Provision)	-	0.00%	-		0.00%	-
(c) GST Receivable	101.64	0.00%	-	-	0.00%	-
(d) Interest due on Government securities	-	0.00%	-	-	0.00%	-
(e) Others (to be specified in Table 8: Other Assets)	3,065.25	100.00%	3,065.25	-	100.00%	-
VIII. Domestic sovereign						
(a) Fund-based claims on the Central Government	-	0.00%	-	-	0.00%	-
(b) Direct loan / credit / overdraft exposure and investment in State Government securities	-	0.00%	-	-	0.00%	-
(c) Central Government guaranteed claims	-	0.00%	-	-	0.00%	-
(d) State Government guaranteed claims, which have not remained in default / which are in default for a period not more than 90 days	-	20.00%	-	-	20.00%	-
(e) State Government guaranteed claims which have remained in default for a period of more than 90 days	-	100.00%	-	-	100.00%	-
Total weighted assets	69,250.46		64,939.28	275.22		[illegible]
CRAR - Minimum 15%			26.36%			145.35%
Tier I CRAR - Minimum 10%			26.36%			145.35%
Tier II CRAR			0.00%			0.00%

Keertana Finserv Private Limited

KEERTANA FINSERV PRIVATE LIMITED
(FORMERLY KNOWN AS [illegible] PRIVATE LIMITED)
CIN [illegible]

(₹ in Crores)

Sectoral Exposure	Current Year			Previous Year		
	Total Exposure	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1 Agriculture and Allied Activities	516.17	-	0.00%	-	-	0.00%
2 Industry - Others	91.48	0.04	0.05%	-	-	0.00%
3 Services	-	-	0.00%	-	-	0.00%
4 Personal Loans	-	-	0.00%	-	-	0.00%
5 Others, if any	1.29	-	0.00%	1.88	-	0.00%

Disclosure of complaints - There were no complaints received by the Company from Customers and from Offices of the Ombudsman during the current year or previous year

(₹ in Crores)

Details of Auctions Conducted	No. of Auctions Conducted	No. of Loan accounts involved	Outstanding Value of Loans	Value Realised in Auction	Participation of any group concern in the auctions
Auctions for outstanding gold loans advanced conducted during FY 2022-23	17	1,726	15.36	15.44	NO

Significant Accounting Policies 1
Notes to accounts form an integral part of financial statements 2.1 to 2.43
As per our report of even date

For M. Anandam & Co.,
Chartered Accountants
Firm's registration No. 000125S

M. V. Ranganath
Partner
Membership No. 028031
Place : Hyderabad
Date: 08-05-2023
UDIN: 23028031BGVWJC9071

M. ANANDAM & CO. SECUNDERABAD CHARTERED ACCOUNTANTS

For Keertana Finserv Private Limited

Padmaja Gangireddy
Managing Director
DIN: 00004842
Place : Hyderabad
Date: 08-05-2023

Vara Prasad Chugmati
Director
DIN: 09425725
Place : Hyderabad
Date: 08-05-2023

Siddharth Mehta
Company Secretary
PAN:CIFPM6022F
Place : Hyderabad
Date: 08-05-2023

Keertana Finserv Private Limited

For Keertana Finserv Private Limited

Authorised Signatory