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NOTICE

SHORTER NOTICE IS HEREBY GIVEN THAT THE 15TH (FIFTEENTH) ANNUAL GENERAL MEETING ("AGM") OF THE MEMBERS OF SITAARA HOUSING FINANCE LIMITED (FORMERLY KNOWN AS SEWA GRIH RIN LIMITED) WILL BE HELD ON MONDAY, MAY 04, 2026 AT 02:00PM (IST) AT OUR CORPORATE OFFICE AT 2ND FLOOR, SHREE SAWAN KNOWLEDGE PARK, D-507, TTC INDUSTRIAL AREA, MIDC INDUSTRIAL AREA, TURBHE, NAVI MUMBAI - MAHARASHTRA - 400705 - INDIA THROUGH VIDEO CONFERENCING/ OTHERAUDIO-VISUAL MEANS ("VC/OAVM") TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS:

1. **TO RECEIVE, CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026, THE REPORTS OF THE DIRECTORS AND THE AUDITORS THEREON AND TO PASS THE FOLLOWING RESOLUTION:**

"**RESOLVED THAT** the audited standalone financial statements of the Company for the financial year ended March 31, 2026, and the report of Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

2. **TO APPOINT A DIRECTOR IN PLACE OF MR. AMOL JAIN (DIN:00334710), WHO RETIRES BY ROTATION AND BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT AND TO PASS THE FOLLOWING RESOLUTION:**

"**RESOLVED THAT** pursuant to the provision of Section 152(6) of the Companies Act 2013 and rules made thereunder, Mr. Amol Jain (DIN:00334710), who retires by rotation, and being eligible, offers himself for the re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

3. **TO CONSIDER AND APPROVE INCREASE IN BORROWING LIMITS OF THE COMPANY**

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

"**RESOLVED THAT**, in supersession of all earlier resolutions passed by the Shareholders, pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 read with the provisions of the Articles of Association of the Company (including any statutory modification(s) or reenactment(s) thereof, for the time being in force), and on the recommendation of board of directors in their meeting held on April 17, 2026, the consent of the members be and is hereby accorded to borrow money which together with the monies already borrowed by the Company may exceed the aggregate of the paid up capital of the Company and its free reserves, provided that the total amount so borrowed shall not exceed the sum of INR 4,000 Crores (Indian Rupees Four Thousand Crores Only) in one or more than one tranche, at such time or times and in such form or manner as the Board of Directors hereinafter referred to as the "Board" may in its absolute discretion deem fit, obtained/to be obtained from banks, public financial institutions, body(ies) corporate or any other party by the Company, from time to time, together with interest, at the respective agreed rates, additional interest, compound interest, accumulated interest, liquidated damages, commitment fee, premia on prepayment, additional interest, further interest, remuneration of the agent(s), if any, all other costs, charges and expenses and all other monies payable by the Company in terms of the financing documents, or any other documents, entered into/to be entered into between the Company and the lenders and agents in respect of the said borrowings/financial assistance and containing such specified terms and conditions and covenants in respect of enforcement of security(ies) as may be stipulated in that behalf and agreed to between the Company and the lenders, (including their agent(s), trustee(s)).

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any directors or Chief Financial Officer or Company Secretary of the Company be and is hereby severally authorized to finalize, settle and execute such document, deed, writings, papers, agreements as may be required and to do all such acts, deeds matters and things, as it may in its absolute discretion deem necessary, proper or desirable including signing and submitting the forms with Registrar of Companies, NCT of Delhi & Haryana."

4. TO CONSIDER AND APPROVE CREATION OF CHARGE ON THE ASSETS OF THE COMPANY

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

"**RESOLVED THAT,** in supersession of all earlier resolutions passed by the Shareholders, pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 read with the provisions of the Articles of Association of the Company (including any statutory modification(s) or enactment(s) thereof, for the time being in force), and on the recommendation of board of directors in their meeting held on April 17, 2026, the consent of the members be and is hereby accorded to create mortgage and/or charge and/or hypothecation on all or any of the movable properties of the Company, present and future, in such form and in such manner as the Board of Directors may deem fit, (hereinafter referred to as the "Board"), which the Board has constituted to exercise its powers, including the powers, conferred by any resolution in favour of banks, public financial institutions, body(ies) corporate or any other party for securing any loans/ borrowings and all interests, compound/additional interest, commitment charges, expenses and all other monies payable by the Company to the concerned lenders which shall not, at any time exceed INR 4000 Crores (Indian Rupees Four Thousand Crores Only).

SITAARA HOUSING FINANCE LIMITED
(Formerly known as SEWA Grih Rin Limited)
Regd. off.
1st Floor, 216/C-12, Old No. C-12, Plot No. 13-B
Guru Nanak Pura, Laxmi Nagar, Delhi - 110092
Phone: +91 11 4352 1832
GST: 07AAQCS0870H1Z2
Corporate Office (Corp. off.)
Shree Sawan Knowledge Park
D-507, 2nd Floor, ITC Industrial Area, MIDC Industrial
Area, Turbhe, Navi Mumbai, Maharashtra - 400705
GST: 27AAQCS0870H1Z0
Website sgrlimited.in
Toll Free 1800 11 3909
Email contact@sgrlimited.in
CIN U65923DL2011PLC222491

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RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any directors or Chief Financial Officer or Company Secretary of the Company be and are hereby severally authorized to finalize, settle and execute such documents, deeds, writings, papers, agreements as may be required and to do all such acts, deeds matters and things, as it may in its absolute discretion deem necessary, proper or desirable."

Date: April 25, 2026
Place: Mumbai

By Order of the Board of Director
For SITAARA Housing Finance Limited
(Formerly known as SEWA Grih Rin Limited)

Ayush Jindal

Ayush Jindal
Company Secretary
Membership No. ACS A60494

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NOTES:

1. The Ministry of Corporate Affairs ("MCA") inter-alia vide its General Circular nos. 14/2020 dated April 8, 2020; 17/2020 dated April 13, 2020; 20/2020 dated May 05, 2020; 02/2021 dated January 13, 2021; 02/2022 dated May 5, 2022; 10/2022 dated December 28, 2022 and 09/2023 dated September 25, 2023; 09/2024 dated September 19, 2024 and General Circular No. 03/2025 dated September 22, 2025 issued by MCA (hereinafter collectively referred as "MCA Circulars") has permitted the holding of the Annual General Meeting/Extra-ordinary General Meeting through Video Conferencing ("VC") or through other audio-visual means ("OAVM"), without the physical presence of the Members at a common venue.

2. The Explanatory Statement pursuant to Section 102 and other applicable provisions of the Companies Act, 2013 as amended, read with relevant rules made thereunder, the Secretarial Standard No. 2 on General Meetings issued by the Institute of Company Secretaries of India, setting out the material facts and reasons, in respect of Item No. 3 & 4 of this Notice to be transacted at Annual General Meeting (the "Meeting") is annexed herewith.

3. Relevant documents referred to in the Notice and the Explanatory Statement and the other Statutory Records (Registers) shall be open for inspection at the Registered Office of the Company up to the date of the Annual General Meeting of the Company.

4. **GENERAL INSTRUCTION FOR ACCESSING AND PARTICIPATING IN THE AGM THROUGH VIDEO CONFERENCING (VC)/ OTHER AUDIOVISUAL MEANS (OVAM) FACILITY:**

A. Since the AGM is conducting through Video Conferencing/ Other Audio-Visual Means (VC/OAVM), there is no requirement for the appointment of proxies. Accordingly, the facility to appoint proxies to attend and cast vote for the Members is not available for this AGM.

B. As the meeting will be held through VC/ OAVM, the Route Map of the venue of the meeting is not annexed to this Notice.

C. Pursuant to Section 113 of the Act, Corporate members intending to send their authorized representative(s) to attend the AGM through VC / OAVM on its behalf and to vote are requested to send in advance a scanned copy (PDF/JPG Format) of a duly certified copy of the relevant Board Resolution / Letter of Authority / Power of Attorney of those representative(s), to the Company through e-mail to compliance@sgrlimited.in.

D. The Company has made arrangement of attending the AGM through VC/ OAVM and members desirous of attending the AGM through VC/ OAVM may note the following step for connectivity:

Meeting Link:
Meeting ID:
Passcode: *******[1]

[1] Passcode will be shared separately to the shareholders.

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E. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

F. Pursuant to the provision of the Companies Act 2013, voting on all matters considered at the AGM shall be by way of show of hands, unless a demand for poll is made by any member in accordance with Section 109 of the Act. Members attending the AGM through VC/OAVM are requested to convey their assent or dissent by sending the duly filled and signed polling paper, on items considered in the meeting by sending e-mails to the designated e-mails addressed of the Company i.e. compliance@sgrlimited.in.

G. In compliance with the MCA Circulars, Notice of the AGM is being sent only through electronic mode to those Members whose email addresses are registered with the Company. If any shareholder wishes to change their registered email id or communicate otherwise may send an email to the Company Secretary at compliance@sgrlimited.in.

H. The process for dial through video conference and password for the same is as mentioned herein above. The facility for joining the meeting shall be kept open at least 15 minutes before the time scheduled to start the meeting and shall not be closed till the expiry of 15 minutes after such scheduled time. In case of any difficulties or if you need assistance, please contact at compliance@sgrlimited.in and Phone No. +91 124 4271750.

5. Appointment / Re-appointment of Director at the ensuing Annual General Meeting, Mr. Amol Jain, retired by rotation and being eligible, offered himself for re-appointment.

6. Corporate Members intending to send their Authorized Representative to attend the Meeting are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the General Meeting.

7. All documents referred to in the accompanying Notice and Explanatory Statement are open and available for inspection at the Registered Office of the Company on all working days between 11:00 a.m. and 1:00 p.m., up to the date of this Meeting. The aforesaid documents will also be available for inspection at the General Meeting.

Date: April 25, 2026
Place: Mumbai

By Order of the Board of Director
For SITAARA Housing Finance Limited
(Formerly known as SEWA Grih Rin Limited)

SITAARA HOUSING FINANCE LIMITED

Ayush Jindal

Ayush Jindal
Company Secretary
Membership No. ACS A60494

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EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

ITEM NO. 3

TO CONSIDER AND APPROVE INCREASE IN BORROWING LIMITS OF THE COMPANY

The Members are informed that at the Annual General Meeting held on September 28, 2023, the Company had, by way of a special resolution, approved the borrowing of funds in excess of the aggregate of its paid-up share capital and free reserves, provided that the total outstanding borrowings shall not exceed INR 2,000 Crores (Indian Rupees Two Thousand Crores Only).

In view of the Company's business plans, projected growth in Assets Under Management (AUM), and the need to maintain adequate liquidity buffers, it is proposed to enhance the overall borrowing limits from INR 2,000 Crores (Indian Rupees Two Thousand Crores Only) to INR 4,000 Crores (Indian Rupees Four Thousand Crores Only).

Subsequently, the Board of Directors, at its meeting held on April 17, 2026, has considered and approved, subject to the Members' approval by way of a special resolution (i.e., where the votes cast in favour of the resolution are not less than seventy-five percent of the total votes cast), an increase in the borrowing limits of the Company.

The proposed enhancement will enable the Company to have greater financial flexibility to raise funds, as and when required, from banks, financial institutions, and other eligible lenders, while ensuring compliance with applicable laws and internal risk parameters.

Accordingly, the Board recommends the Special Resolution set out at Item No. 3 of the Notice for approval of the Members.

None of the Directors, Key Managerial Personnel (KMP) of the Company, or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice, except to the extent of their respective shareholding, if any, in the Company.

ITEM NO. 4

TO CONSIDER AND APPROVE CREATION OF CHARGE ON THE ASSETS OF THE COMPANY

The Shareholders are hereby informed that, in order to secure the repayment of monies borrowed by the Company, it is generally required to create a charge, mortgage, and/or hypothecation on the movable and/or immovable properties of the Company in favour of the lenders.

Pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013, the Board of Directors is empowered to create such charges on the assets of the Company only with the consent of the Members obtained by way of a Special Resolution.

Accordingly, the Board of Directors, at its meeting held on April 17, 2026, has approved the creation of charge on the assets of the Company, subject to the approval of the Members by way of a Special

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Resolution (i.e., where the votes cast in favour of the resolution are not less than seventy-five percent of the total votes cast).

The proposed resolution will enable the Company to create such charges, mortgages, and/or hypothecations, as may be necessary, in favour of banks, financial institutions, and other lenders for securing the borrowings of the Company.

The Board recommends the Special Resolution set out at Item No. 4 of the Notice for approval of the Members.

None of the Directors, Key Managerial Personnel (KMP), or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice, except to the extent of their respective shareholding, if any, in the Company.

Date: April 25, 2026
Place: Mumbai

By Order of the Board of Director
For SITAARA Housing Finance Limited
(Formerly known as SEWA Grih Rin Limited)

SITAARA HOUSING FINANCE LIMITED

Ayush Jindal

Ayush Jindal
Company Secretary
Membership No. ACS A60494

SITAARA HOUSING FINANCE LIMITED
(Formerly known as SEWA Grih Rin Limited)

Regd. off.
1st Floor, 216/C-12, Old No. C-12, Plot No. 13-B
Guru Nanak Pura, Laxmi Nagar, Delhi – 110092
Phone: +91 11 4352 1832
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Corporate Office (Corp. off.)
Shree Sawan Knowledge Park
D-507, 2nd Floor, ITC Industrial Area, MIDC Industrial Area, Turbhe, Navi Mumbai, Maharashtra – 400705
GST: 27AAQCS0870H1Z0

Website sgrlimited.in
Toll Free 1800 11 3909
Email contact@sgrlimited.in

CIN U65923DL2011PLC222491

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ATTENDANCE SHEET

Company Name: SITAARA HOUSING FINANCE LIMITED
(FORMERLY KNOWN AS SEWA GRIH RIN LIMITED)

Registered office: 1st Floor, 216/C-12, Old No. C-12 Plot No. 13-B, Guru Nanak Pura, Laxmi Nagar, Delhi, India, 110092
Phone: +91-11-43521832
Email: Contact@sgrlimited.in
Website: www. sgrlimited.in
CIN: U65923DL2011PLC222491

Please fill attendance slip and hand it over at the entrance of the meeting hall
Joint shareholders may obtain additional Slip at the venue of the meeting.

Name and address of the Shareholder/Proxy: ____

____

Folio No.: ______________________________
ID & Client ID*: ___________________________
No. of Shares held: _______________________

I/We hereby record my/our presence at the 15th Annual General Meeting of the SITAARA Housing Finance Limited (SHFL) at our corporate office at 2nd floor, Shree Sawan Knowledge Park, D-507, TTC industrial Area, MIDC Industrial area, Turbhe, Navi Mumbai - Maharashtra - 400705 on Monday, May 04, 2026 at 04:00 PM (IST) onwards.

Signature of the Shareholder or Proxy**:

*Applicable for investors holding shares in electronic form.
**Strike out whichever is not applicable

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DIRECTOR'S REPORT FOR FY 2025-26

Dear Members,

It is our immense pleasure to present the Fifteenth Annual Report of SITAARA Housing Finance Limited SITAARA Housing Finance Limited (Formerly known as SEWA Grih Rin Limited) ("the Company/ SGRL/ SITARA") along with the Audited Accounts for the Financial Year ended on March 31, 2026. This Report includes the Audited Financial Statements, Secretarial Audit report and other annexures, which form an integral part of this Report. It aims to provide stakeholders with a comprehensive insight into the Company's financial position and operational area, thereby enabling a clear understanding of its business and operational status.

1. FINANCIAL SUMMARY OR HIGHLIGHTS / PERFORMANCE OF THE COMPANY

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

(In ₹ Crores)

PARTICULARS	2024-2025	2025-2026
Sales and Other Income	204.84	243.45
Operating Profit (PBIDT)	103.86	96.11
Interest Cost	91.90	82.73
Profit before Depreciation (PBDT)	11.97	13.38
Depreciation	9.57	9.88
Profit before Tax	2.40	3.50
Provision for Taxation	1.78	1.76
Profit after Tax	0.62	1.74

- Financial statements for the year under review have been prepared in accordance with the relevant provisions of the Companies Act, 2013.
- The financial results and revenue from operations, including major developments have been discussed in detail in the Management Discussion and Analysis Report attached to this Annual Report.
- The Financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act (as amended from time to time).

1.1. FINANCIAL RATIOS

The main Financial Ratios of the Company are:

(In INR)

PARTICULARS	FY 2024-2025	FY 2025-2026
Earnings per share (EPS)	INR 0.04	INR 0.06
Capital to Risk Asset Ratio (CRAR) %	50.81%	57.59%
Net Debt Equity Ratio (DE Ratio)	1.77	1.56
Net Owned Fund (NOF)	INR 437.76	INR 560.34

The above ratios are in line with the operational and financial performance of the Company. The Capital to Risk Asset Ratio (CRAR) continues to remain well above the regulatory requirement, reflecting a strong capital position of the Company. The Net Owned Fund (NOF) also indicates a stable capital base to support future growth.

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1.2. NET WORTH

As of March 31, 2026 , the net worth of your Company stood at INR 642.51 Crores compared to INR 494.11 Crores as on March 31, 2025.

1.3. PRINCIPAL BUSINESS CRITERIA

The Principal Business Criteria (PBC) as on March 31, 2026 stood at 60.56%.

The Company is engaged in housing finance business and has obtained a certificate of registration bearing number 01.0118.15 dated January 24, 2015, issued by the National Housing Bank (NHB) through exercise of powers conferred on the NHB by Section 29A of the National Housing Bank Act, 1987 (the "NHB").

1.4. RATING UPGRADES

Rating assigned by credit rating agencies and migration of rating during the current year:

Instrument Type	Agency	March 31, 2026	March 31, 2025
Long-term bank facilities*	CARE	CARE A- (Stable)	CRISIL BBB+/Stable
Non Convertible Debentures	CRISIL	Crisil BBB+/Stable(Re affirmed)	Crisil BBB+/Stable

*Enhanced from 500 Cr. to 750 Cr. during the period under review.

1.5. STABLE ASSET QUALITY

- Gross non-performing loans as on March 31, 2026 amounted to 34.14 Crores. This is equivalent to 2.37% of the portfolio;
- Net non-performing loans as on March 31, 2026 amounted to INR 23.22 Crores. This is equivalent to 1.62% of the portfolio;
- The Company has a prudent approach to create loan provisions and carries total provisions on loan assets of INR 26.95 Crores.
- Total provision for NPA to gross NPAs is around 32%.

1.6. BORROWINGS

The Company has obtained approval for borrowings upto INR 2,000 Crores vide special resolution passed by shareholders at their Annual General Meeting held on September 28, 2023, under Sections 180(1)(c) read with 180(1)(a) of the Companies Act, 2013 or other applicable provisions.

As on March 31, 2026, the Company's outstanding loans stood at INR 1002.44 Crores (including INR 27.33 Crores of total refinance received from NHB under various schemes and INR 238.41 Crores of outstanding ECB loan) vis-à-vis INR 873.53 Crores (including INR 39.82 Crores of NHB refinance and INR 241.89 Crores of outstanding ECB loan) as on March 31, 2025.

1.7. NON-CONVERTIBLE DEBENTURES

The Company had issued 600 Rated, Unlisted, Unsecured Redeemable Non-Convertible Debentures with a face value of INR 10,00,000 each aggregating up to INR 60,00,00,000 on a private placement basis in FY 2023-24. Status as on March 31, 2026 as follows:

Number of Debentures	Particulars of Debentures	Present Coupon Rate	Tenure	Allottees	O/s as on March 31, 2026
600	Rated, Unlisted, Unsecured, Redeemable Non-Convertible Debentures	9.65% PA	84 Months from deemed date of allotment	British International Investment PLC (BII)	42.52 Cr.

Statutory Disclosure:

- The total number of non-convertible debentures which have not been claimed by the Investors or not paid by the housing finance Company after the date on which the non-convertible debentures became due for redemption- **NIL**
- The total amount in respect of such debentures remaining unclaimed or unpaid beyond the date as aforesaid mentioned- **NIL**

The Company being Housing Finance Company is exempted from the requirement of creation of Debenture Redemption Reserve (DRR) in case of issue of Debentures on private placement basis. Hence no Debenture Redemption Reserve has been created by the Company.

Further, during the review period, the Company has partially redeemed the face value of its Non-Convertible Debentures (NCDs), reducing the same from INR 8,57,200 to INR 7,14,400. Accordingly, the outstanding NCDs as of March 31, 2026 stand at INR 42.52 crore.

1.8. DEBENTURES TRUSTEE DETAILS

The detail of debenture trustee as follows:

Name and Details of Debenture Trustees	Catalyst Trusteeship Limited (Formerly GDA Trusteeship Limited) **Mumbai Office:** Unit No- 901, 9th Floor, Tower B, Peninsula Business Park, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400013 **Tel:** +91 (022) 4922 0555 **Fax:** +91 (022) 4922 0505 **Regd. Office:** GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune - 411038 **Tel:** +91 (020) 25280081 **Fax:** +91 (020) 25280275 **Delhi Office:** Office No. 810, 8th Floor, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi - 110001 **Tel:** 011-43029101/02 **CIN No.:** U74999PN1997PLC110262 **Email:** dt@ctltrustee.com **Website:** www.catalysttrustee.com

1.9. CHANGE IN THE NATURE OF BUSINESS

During the year under review, there has been no change in the nature of the business of the Company.

2. CHANGE OF NAME OF COMPANY

During the year, the Company changed its name from SEWA Grih Rin Limited to Sitaara Housing Finance Limited as part of the company's strategic branding and repositioning initiative.

The change was approved by the shareholders at the Extraordinary General Meeting and subsequently by the Registrar of Companies, who issued a fresh Certificate of Incorporation dated January 23, 2026.

The Company has obtained necessary approvals from the RBI/National Housing Bank and is in the process of updating all the regulatory registrations, including its Certificate of Registration. The change in name has no impact on the Company's business operations or its financial performance.

3. STATE OF COMPANY'S AFFAIRS/ REVIEW OF BUSINESS AND OPERATIONS DURING THE YEAR

The Company, incorporated on July 18, 2011, operates as a registered housing finance company under the provisions of the National Housing Bank Act, 1987. It is currently regulated by the Reserve Bank of India (RBI) and supervised by the National Housing Bank (NHB).The Company provides affordable housing finance to the under-served low income households, especially their women members, in urban and peri-urban locations.

The aggregate Assets under Management (AUM) of the Company stood at INR 1608.55 Crores as on March 31, 2026. The Company sanctioned loans aggregating to INR 1378.74 Crores during FY 26. The total disbursal during FY 26 is around INR 778 Crores including new loans.

Mission	Our Mission is to finance access to decent housing and sound living environments for and with participation of poor women and their families in the informal sector
Vision	The dream of every woman is to "have her own home" and our vision is to help realize her dream.
Purpose	To provide affordable housing finance for low-income households in India, especially women, with informal incomes & tenures.

During the year under review, the Company undertook a significant transformation in its corporate identity. Effective from January 23, 2026, the name of the Company was changed from SEWA Grih Rin Limited to SITAARA Housing Finance Limited. This change reflects our evolving vision, strengthened market positioning, and renewed commitment to serving the housing finance needs of families across India.

3.1 ASSIGNMENT OF LOANS

The Company during current year has assigned a pool of certain loans amounting to ₹ 103.98 Crore by way of three Direct Assignment Transaction. These loan assets have been de-recognised from the loan portfolio of the Company as the sale of loan asset is an absolute assignment and transfer on a 'without-Recourse' basis while retaining 10 % share as Minimum Retention Requirement (MRR). The Company continues to act as a servicer to the assignment transaction on behalf of assignee.

The Details of the DA Transaction entered by the Company during the year is as under:-

Amt in Cr.

Transactions - FY26	Pool Size (100%)	De-Recognized 90%
DA with DMI Housing Finance Limited	33.58	30.22
DA with DMI Housing Finance Limited	13.10	11.79
DA with Bajaj Finance Limited	57.30	51.56
Total	103.98	93.57

3.2 SECURITIZATION OF LOANS

During the year under review, there was no Securitization of loan taken.

3.3 CO-LENDING DETAILS

Your Company has actively tapped co-lending business model, which has enabled it to create liquidity, diversify liability profile and minimizing asset liability mismatches.

During the year under review, your Company has originated loans amounting to ₹16.53 Cr. through co-lending of loan portfolios. At present the company has co lending partner named as Godrej Finance limited.

The Co-lending transactions were carried out in line with RBI guidelines.

4. PUBLIC DEPOSITS

The Company being a "Non-Deposit taking Housing Finance Company" has neither invited nor accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public, in terms of Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014, was outstanding as on the date of the balance sheet.

The Company will not accept any public deposits during the financial year 2025-26 without the prior written approval of Reserve Bank of India ("RBI") / National Housing Bank ("NHB"). In terms of applicable directions issued by RBI, the Board of Directors of the Company have also confirmed the same.

Statutory Disclosure:

A. the total number of accounts of public deposit of the Company which have not been claimed by the depositors or not paid by the Company after the date on which the deposit became due for repayment: - **NIL.**
B. the total amount due under such accounts remaining unclaimed or unpaid beyond the date referred to in clause (a) as aforesaid: - **NIL.**

5. REGULATORY COMPLIANCE AND KEY DEVELOPMENTS (FY 2025–26)

During the financial year 2025–26, the Reserve Bank of India ("RBI"), in coordination with the National Housing Bank ("NHB"), continued to strengthen the regulatory framework governing Housing Finance Companies ("HFCs") through issuance of revised directions, consolidation of existing guidelines, and enhanced supervisory expectations.

A key regulatory development during the year was the issuance of the Reserve Bank of India (Housing Finance Companies) Directions, 2025, which consolidates and updates the extant regulatory framework applicable to HFCs. The Directions, inter alia, emphasise strengthened governance standards, enhanced risk management practices, harmonisation with scale-based regulation principles, and improved customer protection measures.

Your Company has taken necessary steps to align its policies, processes, and internal control systems with the aforesaid Directions and other regulatory instructions issued during the year.

6. KEY REGULATORY AREAS – IMPLEMENTATION STATUS

During FY 2025–26, your Company has ensured compliance with regulatory updates and supervisory expectations across the following critical areas:

- The Company has a Fair Practices Code, KFS, other MITC, and Schedule of Charges to inform and educate consumers about safe and responsible usage of its services. The same is informed to customers through various modes such as SMS, branches as well as available on the Company's website for transparent and responsible dealings with its customers.

- **Customer Service and Credit Information Reporting**
  Strengthening of systems for accurate and timely reporting to Credit Information Companies, along with robust grievance redressal mechanisms and customer service standards.

- **Know Your Customer ("KYC") Framework**
  Ongoing compliance with updated KYC/AML guidelines, including periodic updation, risk-based customer due diligence, and adoption of digital KYC processes.

- **Fraud Risk Management Framework**
  Strengthening of governance structures, early warning systems, fraud monitoring, and reporting mechanisms in line with RBI's principles-based framework.

- **Prevention of Digital and Communication-based Frauds**
  Implementation of enhanced safeguards to mitigate frauds through voice calls, SMS, and digital channels, including customer awareness and transaction monitoring systems.

- **Co-lending Arrangements**
  Compliance with applicable regulatory guidelines governing co-lending arrangements between HFCs and banks/NBFCs, including adherence to board-approved policies, proper customer interface protocols, loan sourcing and servicing arrangements, risk sharing, and disclosure requirements.

- **Credit Risk Management Framework**
  Strengthening of credit appraisal, underwriting standards, exposure norms, portfolio monitoring, and provisioning practices in line with regulatory expectations, including alignment with prudential norms and risk-based internal limits.

- **Corporate Governance Framework**
  Implementation of enhanced governance standards, including Board oversight, constitution and functioning of Committees, fit and proper criteria for Directors, policy framework approvals, and strengthening of compliance and risk management functions.

7. CORPORATE AGENT

The Company has received Certificate of Registration from the Insurance Regulatory and Development Authority of India ('IRDAI') to act as Corporate Agent (Composite) bearing registration no. CA1021 with validity of three years from 22 January 2025 to 21 January 2028.

The Company has Corporate Agency agreements executed with HDFC Life Insurance Company Limited, ICICI Prudential Life Insurance Company Limited, Bajaj Allianz Life Insurance Company Limited, Bajaj Allianz General Insurance Company Limited and Max Life Insurance Company Limited.

8. SCALE BASED REGULATION (SBR): A REVISED REGULATORY FRAMEWORK FOR NBFCs

The Reserve Bank of India issued a circular on "Scale Based Regulation (SBR) on 22nd October 2021, which was later in October 2023. During the F.Y 2025-26, RBI repealed the existing Scale Based circular and issued a revised Scale Based Regulatory framework on 28th November 2025. As per the SBR framework, based on size, activity, and risk perceived, NBFCs are categorised into four layers, NBFC - Base Layer (NBFC-BL), NBFC - Middle Layer (NBFCML), NBFC - Upper Layer (NBFC-UL) and NBFC - Top Layer (NBFC-TL). Sitaara Housing Finance Limited is categorised as middle layer NBFC layer.

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9. DIVIDEND

During the year under review, the Board of Directors of the Company did not pay any Dividend to the shareholders of the Company.

10. CAPITAL ADEQUACY AND TRANSFER TO RESERVES

During the financial year, the Company has earned profit after tax of INR 1.74 Crores. The total amount transferred to the Statutory Reserve created under Section 29C of National Bank Act, 1987 is INR 0.35 Crores. As on March 31, 2026, the said Reserves stood at INR 4.7 Crores.

The Capital Adequacy (CRAR) as on March 31, 2026, stood at 57.59%.

11. SHARE CAPITAL OF THE COMPANY

11.1 Authorised Share Capital

As on March 31, 2026, the Authorised Share Capital of the Company stood at INR 5,00,00,00,000 (Indian Rupees Five Hundred Crores Only) divided into 50,00,00,000 (Fifty Crores) equity shares of INR 10 each.

11.2 Paid-up Share Capital

The paid-up share capital of the Company as on March 31, 2026 stood at INR 313,13,91,762.50 (Indian Rupees Three Hundred Thirteen Crore Thirteen Lakh Ninety-One Thousand Seven Hundred Sixty-Two and Fifty Paise Only).

11.3 Changes in Issued, Subscribed and Paid-up Share Capital Structure and Shareholding Position

During the financial year under review, the Company undertook the following changes in its share capital structure:

A. Allotment of Equity Shares:

- On August 13, 2025, the Board of Directors allotted 7,50,000 Series I1 fully paid Equity Shares of face value INR 10/- each at a premium of INR 13.32/- per share; and 90,75,000 Series I2 partly paid-up Equity Shares of face value INR 10/- each at a premium of INR 13.32/- per share.

- On September 20, 2025, the Board of Directors allotted 3,37,97,930 Series H2 partly paid-up Equity Shares of face value INR 10/- each at a premium of INR 17.90/- per share.

B. Receipt of Call Money:

- The Company received the balance call money on Series G and Series H1 partly paid-up equity shares during the year, and accordingly, these shares stood converted into fully paid-up equity shares as at the end of the financial year.

- Further, during the year, the Company also received the call money on Series F1 partly paid-up equity shares.

11.4 Issue of Employee Stock Options

Sitaara Housing Finance Limited (formerly known as SEWA Grih Rin Limited) has implemented the Employees Stock Option Plan 2018 ("ESOP 2018"), which was approved by the shareholders of the Company pursuant to a resolution passed on June 4, 2018. The said plan was subsequently amended during the financial year 2025–26, pursuant to the approval of shareholders through a special resolution dated September 1, 2025.

Further, the Company introduced the Employees Stock Option Plan 2024 ("ESOP 2024"), which was approved by the shareholders on November 13, 2024. This plan was also amended during the financial year 2025–26,

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pursuant to the approval of shareholders through a special resolution dated September 1, 2025.

Under both ESOP 2018 and ESOP 2024, each stock option entitles the holder to acquire one fully paid-up equity share of the Company, in accordance with the respective plan terms and applicable regulatory provisions. The primary objective of ESOP 2024 is to attract, retain, and reward employees by aligning their interests with the long-term growth and performance of the Company through performance-linked incentives.

Details of stock options outstanding under ESOP 2018 and ESOP 2024 as at March 31, 2026, along with the disclosures required pursuant to Sub-rule (9) of Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, in respect of the Employees Stock Option Schemes, are provided below:

<table>
<tr><th>S. No.</th><th>Particulars</th><th>ESOP Scheme 2018</th><th>ESOP Scheme 2024</th></tr>
<tr><td>I.</td><td>Options granted during the year (netted off)</td><td>0</td><td>19,080,850</td></tr>
<tr><td>II.</td><td>Options vested during the year</td><td>0</td><td>4,32,000</td></tr>
<tr><td>III.</td><td>Options exercised during the year</td><td>0</td><td>0</td></tr>
<tr><td>IV.</td><td>The total number of shares arising as a result of exercise of option</td><td>0</td><td>0</td></tr>
<tr><td>V.</td><td>Options lapsed during the year</td><td>0</td><td>0</td></tr>
<tr><td>VI.</td><td>The exercise price</td><td>NA</td><td>NA</td></tr>
<tr><td>VII.</td><td>Variation of terms of options</td><td>NA</td><td>(a) Subject to prior approval of the shareholders by way of a special resolution and Applicable, the Administering Authority may at any time amend, alter, suspend or terminate the Scheme, to the extent, subject to and after compliance with the requirements of Applicable Laws.

(b) Termination of the Scheme shall not affect the Administering Authority's ability to exercise the powers Granted to it hereunder with respect to Options granted under the Scheme prior to the date of such termination.</td></tr>
<tr><td>VIII.</td><td>Money realized by exercise of options</td><td>INR 0</td><td>INR 0</td></tr>
<tr><td>IX.</td><td>Total number of options in force</td><td>12,06,000</td><td>22,990,850 (including the vested ones)</td></tr>
<tr><td>X.</td><td>Employee wise details of options granted to;-
(i) Key managerial personnel;</td><td>NA</td><td><table><tr><th>Name of KMPs</th><th>Designation</th><th>Total Options Granted till March 31, 2026</th></tr><tr><td>Mr. Ajesh Appukuttam</td><td>Managing Director and CEO</td><td>10,000,000</td></tr><tr><td>Mr. Udit Kariwala</td><td>Chief Financial Officer</td><td>25,00,000</td></tr></table></td></tr>
</table>

<table>
<tr><td></td><td></td><td></td><td><table><tr><td>Mr. Ayush Jindal</td><td>Company Secretary</td><td>0</td></tr></table></td></tr>
<tr><td></td><td>(ii) any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year.</td><td>NA</td><td>Mr. Aamir Zubair
Mr. Ramachandran Ramasubramanian</td></tr>
<tr><td></td><td>(iii) identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant;</td><td>NA</td><td>NA</td></tr>
</table>

11.5 Provision of money by Company for purchase of its own shares by employees or by trustees for the benefit of employees:

During the year under review, your Company has not made any provisions or provided any scheme for its employees to purchase its own shares.

11.6 Transfer of Shares

During the financial year under review, no transfer of equity shares of the Company was recorded.

Further, as all the securities of the Company are held in dematerialized form, transfers, if any, would be effected through the depository system in accordance with the applicable regulations. Since no such transactions were reported during the year, no entries in respect of share transfers were required to be recorded in the statutory registers of the Company.

11.7 Duplicate Share Certificate

During the financial year under review, all the securities of the Company were held in dematerialized form with the depositories. In view of the same, there was no requirement for issuance of duplicate share certificates.

Further, since the Company does not have any physical shareholding, the risk of loss, mutilation, or misplacement of share certificates does not arise. Accordingly, no requests for issuance of duplicate share certificates were received or processed during the year.

11.8 Dematerialization of Equity Shares and Non-Convertible Debentures

The Company's Equity Shares and Non-Convertible Debentures (NCDs) are in dematerialized form under the Depository System. The Company has obtained International Securities Identification Numbers (ISINs) for its various securities to facilitate trading, transfer, and holding of such securities in electronic mode.

S. No.	ISIN	Securities Type/Description
1.	INE772R01010	Equity shares
2.	IN9772R01018	Partly Paid Equity Shares Series F2
3.	IN9772R01026	Partly Paid Equity Shares Series F1
4.	INE772R01036	FullyPaid Equity Shares Series G
5.	INE772R01044	FullyPaid Equity Shares Series H1

6.	INE772R01028	Fully Paid Equity Shares Series I1
7.	IN9772R01059	Partly Paid Equity Shares Series I2
8.	IN9772R01067	Partly Paid Equity Shares Series H2
9.	INE772R08015	Non-Convertible Debentures

11.9 Non-Issuance of Sweat Equity Shares and Shares with Differential Rights

During the year under review, the Company confirms that no sweat equity shares were issued. Therefore, in compliance with Section 54(1)(d) of the Companies Act, 2013 read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014, no information regarding sweat equity shares is provided in this report. Furthermore, the Company declares that no shares with differential rights were issued during the financial year under review. Consequently, in accordance with Section 43(a)(ii) read with Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014, no information pertaining to shares with differential rights is furnished in this report.

12. CORPORATE GOVERNANCE

During the year under review, the Company has diligently followed all internal guidelines on corporate governance, aligning with the Reserve Bank of India (Non Banking Finance Companies - Governance) Directions, 2025. We have developed comprehensive internal guidelines on Corporate Governance, which are accessible on our website at https://www.sgrlimited.in/Policies.aspx

It is the goal of corporate governance to maintain the highest levels of accountability, openness, and integrity. Senior management sets the tone for the Company's governance norms, which then spread throughout the whole workforce. In order to guarantee consistency, every choice is made fairly, openly, and within the bounds of ethics. In order to reflect the highest ethical standards, the corporate governance structure, procedures, and practices are regularly reviewed and actively monitored.

The detailed Corporate Governance Report forms part of this Report and is annexed as **Annexure-A.**

13. COMPOSITION OF BOARD OF DIRECTORS/ KEY MANAGERIAL PERSONNEL

The composition of the Board of Directors and its Committees complies with the requirements of Section 149 and other applicable provisions of the Companies Act, 2013, as well as Chapter IX on Corporate Governance under the Reserve Bank of India (Housing Finance Companies) Directions, 2025 (updated as on April 1, 2026), and the Scale-Based Regulation Framework applicable to NBFC-MLs. The Board is appropriately constituted with a balanced mix of Executive, Non-Executive, and Independent Directors.

The Board has duly constituted the Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, and other Committees in accordance with the applicable provisions of the Companies Act, 2013, and RBI Directions. Details of committees are provided in the Corporate Governance Report forms part of this Report and annexed as Annexure-A.
The composition of the board of directors as on March 31, 2026 are as follows:

(In Absolutes)

Name of Director	Director Since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	DIN	No. of other Directorships	Remuneration			No. of shares held in and convertible instruments held in the NBFC
					Salary and other compensation (includes perquisites)	Sitting Fee	Commission	
Ms. Renana Jhabvala	July 18, 2011	Non-Executive Director	01106825	2	-	-	-	502

Ms. Manjiree Jaitly	November 26, 2014	Nominee Director, Non-Executive	05222441	0	-	-	-	-
Mr. Amol Jain	November 13, 2024	Nominee Director, Non-Executive	00334710	5	-	-	-	-
Mr. Vishal Thakkar	November 13, 2024	Nominee Director	10646734	1	-	-	-	-
Mr. Ajesh Appukuttan	March 26, 2025	Managing Director & Chief Executive Officer	10988270	0	4,40,50,000	-	-	54,25,000
Ms. Smita Affinwalla	July 18, 2025	Independent Director Non-Executive	07106628	2	-	5,00,000	-	-
Mr. Pravin Raghavendra	August 22, 2025	Independent Director Non-Executive	09686944	4	-	8,50,000	-	-
Ms. Vishakha RM	October 17, 2025	Independent Director Non-Executive	07108012	3	-	3,00,000	-	-

14. PARTICULARS OF EMPLOYEES

Pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, statement of particulars of employees is annexed as **Annexure-B**.

The details as required under Section 197(12) of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, with respect to information of employees of the Company will be provided to Member upon request made

15. PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES COMPANIES

The Company has no Subsidiaries, Associates and Joint Ventures. Hence, no disclosures are required to be made by the Company.

16. STATUTORY AUDITORS

The Reserve Bank of India issued guidelines for appointment of statutory auditors of banks and non-banking finance companies (NBFCs), including housing finance companies. The circular RBI/2021-22/25 Ref. No. DoS.CO.ARG/SEC.01/08.91.001/2021-22 (Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) was issued on April 27, 2021, followed by 'Frequently Asked Questions' (FAQs) on the circular. Accordingly, to the above Guidelines, entities with an asset size of more than Rs.1000 Crores will have to appoint the Statutory Auditor for a continuous period of three years.

M/s S.N. Dhawan & Co LLP, Chartered Accountants (Firm Registration No.: 000050N/N500045), were appointed as the Statutory Auditors of the Company by the Members at the 13th Annual General Meeting held on September 27, 2024, for a term of three consecutive financial years, commencing from FY 2024–25 up to FY 2026–27.

The Report issued by M/s S.N. Dhawan & Co LLP, Chartered Accountants, on the financial statements of the Company for the financial year 2025–26 forms an integral part of this Annual Report.

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The Auditors' Report for the year under review does not contain any qualification, reservation, adverse remark, or disclaimer. The notes to the financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

17. AUDITORS' REPORT

The Statutory Auditors have issued their audit report on the financial statements of the Company for the financial year ended March 31, 2026. While the Auditors have not expressed any qualification.

18. SECRETARIAL AUDIT COMPLIANCE

Pursuant to the provisions of Section 204(1) of the Companies Act, 2013 and the rules made thereunder, the Board of Directors of the Company, at its meeting held on January 27, 2026, appointed M/s A. Chaturvedi & Associates, Company Secretaries, as the Secretarial Auditor of the Company for the financial year 2025–26.

The Secretarial Audit Report for the financial year 2025–26, issued by the Secretarial Auditor, is annexed to this Report as **Annexure-C**.

The said report does not contain any qualification, reservation, adverse remark, or disclaimer. The Company has complied with the applicable provisions of the Companies Act, 2013, rules made thereunder, and other applicable laws, and has in place adequate systems and processes to ensure compliance with such laws.

19. INFORMATION SECURITY AUDIT

In terms of the RBI Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated 7 November 2023, the Company is required to put in place IS Audit Policy which shall inter alia contain a clear description of its mandate, purpose, authority, audit universe, periodicity of audit etc.

Accordingly, the Company has adopted a Board approved IS Audit Policy at its meeting held on October 17, 2025. During the year under review, an IT system audit was conducted by M/s Protiviti India Member Private Limited empaneled audit firm. The areas audited were IT General Controls, Cyber Security Controls and Information Security Controls as per the regulatory framework applicable to the Company.

Necessary corrective and continuous improvement actions have been undertaken by the Company in line with the audit observations. The management has reviewed the audit findings in detail and has initiated appropriate measures to address the identified gaps and strengthen the existing processes and controls.

Action plans, along with defined timelines and responsibilities, have been formulated and implemented to ensure effective closure of the observations. Wherever required, processes have been streamlined, internal controls have been enhanced, and additional checks and monitoring mechanisms have been introduced to mitigate risks and prevent recurrence of similar issues.
The progress on implementation of these actions is being periodically reviewed by the management and reported to the Audit Committee to ensure timely and effective resolution of all audit observations.

20. FRAUD MONITORING AND REPORTING

The Reserve Bank of India vide Master Directions on Fraud Risk Management in Non-Banking Financial Companies ('NBFCs') (including Housing Finance Companies) dated 15 July 2024 came up with directions on Fraud risk management. Pursuant to the RBI Master Direction, the Company has adopted Anti Bribery and Monitoring of Fraud Risk Management Policy covering aspects viz, measure towards fraud prevention, fraud detection, investigation, staff accountability, monitoring of frauds, recovery of frauds, reporting of frauds and roles & responsibilities of Board/Board Committees and Senior Management.

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Further, a Committee of Executives was formed for Monitoring and Follow-up of cases of Frauds to oversee the effectiveness of the fraud risk management. The COE committee reviews and monitors cases of frauds, including root cause analysis, and suggests mitigating measures for strengthening the internal controls, risk management framework and minimising the incidence of frauds.

21. COST RECORDS

The Company is not required to make and maintain cost records pursuant to Section 148(1) of the Companies Act, 2013.

22. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Company which would render any amount stated in financial statements misleading.

During the financial year 2025-26, the name of the Company was changed from SEWA Grih Rin Limited to SITAARA Housing Finance Limited, in accordance with the applicable provisions of the Companies Act, 2013. The Company has also obtained the requisite approval/acknowledgement from the Reserve Bank of India (RBI) in respect of the aforesaid change of name.

Consequent to the change of name, the Company has initiated the process of updating its name across all statutory records, registrations, licenses, agreements, and other relevant documents.

The aforesaid change is administrative in nature and does not have any material impact on the financial position of the Company. Apart from the above, no other material changes or commitments affecting the financial position of the Company have occurred during the said period.

23. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company, being a Non-Banking Finance Company - Housing Finance Company registered with the National Housing Bank and engaged in the business of granting home loans in the ordinary course of its business, is exempt from complying with the provisions of Section 186 of the Act, in respect of loans and guarantees.

Accordingly, the disclosures of the loans as required under the aforesaid section have not been given in this report.

24. RELATED PARTY TRANSACTIONS

During the financial year under review, the Company has not entered into any related party transactions within the meaning of Section 188 of the Companies Act, 2013. Further, there were no materially significant related party transactions entered into by the Company with its Promoters, Directors, Key Managerial Personnel, or other designated persons that may have a potential conflict with the interest of the Company at large except payment of remuneration to KMPs as per the employment terms and grant of ESOPs after taking necessary approvals.

The Company has in place a Policy on Related Party Transactions, including determination of materiality of such transactions, which has been duly approved by the Board. The said policy is available on the website of the Company at: https://www.sgrlimited.in.

Apart from payment of sitting fees to Independent Directors and reimbursement of expenses, if any, in accordance with the terms of their appointment, there were no pecuniary relationships or transactions between the Independent/Non-Executive Directors and the Company.

Details of related party disclosures, as required under the applicable accounting standards, are provided in the notes to the audited financial statements for the financial year ended March 31, 2026.

25. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188

The relevant particulars and details of the Company in respect of contracts or arrangements with related parties referred to in section 188(1) of the Act are attached herewith in Board's Report in **Form AOC-2 as Annexure-D**.

26. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO

Statement giving the details of conservation of energy, technology absorption and foreign exchange earning & outgo in accordance with requirements of Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, is as follows:

26.1 Conservation of energy
Disclosures regarding conservation of energy are not required as the Company is not energy intensive and requires electricity for general office purposes.
26.2 Technology absorption, adoption and innovation
Particulars required under Rule 8(3)(B) Companies (Accounts) Rules, 2014, have not been given since the Company has no Research & Development activity; the point regarding technology absorption, adoption or innovation is not applicable to our Company.

26.3 Foreign exchange earnings and outgo
The foreign exchange earnings and outgo during the year as follows: -

(In ₹ Crores)

Foreign Exchange Earning	0.00
Foreign Exchange Outgo	39.28

27. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to the provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the requirement to constitute a Corporate Social Responsibility (CSR) Committee and undertake CSR activities is applicable only to companies meeting the prescribed financial thresholds.

During the financial year under review, the Company did not meet the criteria specified under Section 135 of the Act, in terms of net worth, turnover, or net profit. Accordingly, the provisions relating to the constitution of a CSR Committee, formulation of a CSR Policy, and undertaking CSR expenditure were not applicable to the Company.

Hence, the Company was not required to incur any expenditure towards Corporate Social Responsibility activities during the year under review. However, as per the audited financial statements for the year ended March 31, 2026, the net worth of the Company has exceeded the threshold limit prescribed under Section 135 of the Companies Act, 2013. Accordingly, the provisions relating to Corporate Social Responsibility shall become applicable to the Company from the subsequent financial year, and the Company shall take necessary steps towards constitution of the CSR Committee and formulation of the CSR Policy in compliance with the applicable provisions.

28. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Pursuant to the provisions of Section 177(9) and 177(10) of the Companies Act, 2013, read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Company has established a robust Vigil Mechanism and adopted a Whistle Blower Policy to promote ethical conduct, transparency, and accountability.

The mechanism enables directors and employees to report genuine concerns, including unethical practices, suspected fraud, or violation of the Company's code of conduct, without fear of retaliation. Adequate safeguards have been incorporated to protect whistle blowers from any form of victimization, and confidentiality of disclosures is strictly maintained.

The policy provides direct access to the Chairman of the Audit Committee for reporting concerns. All complaints are reviewed and investigated in a fair and timely manner, and appropriate actions are taken based on the findings. The Audit Committee also periodically reviews the effectiveness of the vigil mechanism.

During the year under review, one complaint was received under the Vigil Mechanism/Whistle Blower Policy. The complaint was duly examined and investigated in accordance with the policy, and appropriate action was taken based on the outcome of the investigation. No instances of retaliation against the complainant were reported.

The Whistle Blower Policy is disseminated across the organization and is also available on the Company's website. Accordingly, the Company has complied with the applicable provisions of the Companies Act, 2013 and the relevant guidelines/directions issued by the Reserve Bank of India (RBI) and National Housing Bank (NHB).

29. HUMAN RESOURCE MANAGEMENT

As on March 31, 2026, the Company's total number of employees stands at 1,405. The women represent 10% of the total workforce. Sitara implemented several strategic initiatives aimed at enabling career growth, encouraging stability and enhancing productivity of its employees, especially its front-line sales workforce.

During the year, the Company continued to strengthen its people practices by focusing on structured capability building, performance-driven culture, and leadership development across levels. Key interventions included targeted training programs, enhanced onboarding frameworks, and the introduction of role-based development pathways to support career progression.

Recognizing the critical role of front-line teams in driving business outcomes, specific initiatives were undertaken to improve productivity, engagement, and retention, including sharper performance management practices and focused incentive structures. The Company also placed emphasis on fostering a culture of accountability, collaboration, and customer-centricity across the organization.

Going forward, Sitara remains committed to building a diverse and inclusive workforce, enhancing gender representation, and investing in scalable people practices that support sustainable growth and long-term value creation.

30. INTERNAL COMPLAINTS COMMITTEE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company ensures prevention, prohibition and Redressal of Sexual Harassment complaints at workplace, as per the policy and procedure with the approval of Nomination & Remuneration Committee (NRC) pursuant to provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and has duly implemented the NRC approved Anti-Sexual Harassment Policy. The Company has set up an

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Internal Complaints Committees approved by the board with a majority of Women Employees for looking into any such complaints or reports. These Committees will conduct the inquiry and determine the sanctions, if any, and report to the next level authority.
During the FY 2025–26, the Company has not received any complaint under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Further pursuant to the Section 134 of Companies Act, 2013 read with Clause X of Sub rule 5 of rule 8 of Companies (Accounts) Rules, 2014a statement that the company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 [14 of 2013]along with the following details:-

(a) number of complaints of sexual harassment received in the year;- NIL
(b) number of complaints disposed off during the year; and- NIL
(c) number of cases pending for more than ninety days- NIL

31. COMPLIANCE WITH THE MATERNITY BENEFIT ACT, 1961

Pursuant to Section 134 of the Companies Act, 2013 read with Clause XII of Sub-rule (5) of Rule 8 of the Companies (Accounts) Rules, 2014, the Company confirms that it has complied with all applicable provisions of the Maternity Benefit Act, 1961 during the financial year 2025–26. The Company has ensured adherence to the statutory requirements prescribed under the Act and has duly filed all applicable returns with the relevant authorities within the stipulated timelines.

There were no instances of non-compliance reported during the year under review

32. STRATEGIC ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG) INTEGRATION AND MILESTONE ACHIEVEMENTS (FY 2025-26)

I. Introduction

During the financial year 2025-2026, Sitaara successfully transitioned its ESG framework from high-level alignment to deep-rooted operational integration, directly advancing seven key United Nations Sustainable Development Goals (SDGs). Our portfolio continues to drive profound social impact, with 86 % of total lending directed toward the Economically Weaker Section (EWS) and Low-Income Group (LIG) segments. This focus reinforces our core commitment to No Poverty (SDG 1) and the development of Sustainable Cities and Communities (SDG 11) wherein we have supported 19299 families who have accessed affordable housing.

Central to our mission is the advancement of Gender Equality (SDG 5). We are proud to report that approximately 45% of our portfolio now comprises women-owned properties, and 97% of our loan disbursals have been towards women as borrowers & Co-borrowers, fundamentally shifting the landscape of female asset ownership within the informal sector. This empowerment is further bolstered by the Sitaara Mudra Initiative, our flagship Financial Literacy Program. By securing a prestigious grant from Women's World Banking, Sitaara is providing specialized training to ensure sustained financial independence and Decent Work and Economic Growth (SDG 8) for our women borrowers.

On the environmental front, we have taken significant strides toward Climate Action (SDG 13) and Clean Water and Sanitation (SDG 6) by initiating climate-risk screening for property valuations and mandating the need for rigorous sanitation standards (mandatory for Home Construction Loan). Furthermore, we reduced our operational carbon footprint by digitizing our Loan Onboarding workflows, ensuring that our growth is both technologically advanced and ecologically responsible. These developments underscore our commitment to sustainable credit access while ensuring the long-term resilience of the communities we serve.

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II. Elevating Governance through ESG Lifecycle Integration

Governance remains the cornerstone of Sitaara's strategy. During the ESG Committee meeting held on September 26, 2025, the Board formalized the integration of ESG protocols within the end-to-end loan lifecycle. The Committee reviewed the Environmental and Social Action Plan (ESAP) and the corresponding ESAP Progress Report, ensuring that our Environmental and Social Management System (ESMS) remains robust, functional, and aligned with best practices.

To fortify our "Compliance-First" culture, the Committee highlighted the importance of effective dispersal of mandatory compliance training—including AML & KYC, POSH, and the Code of Conduct—delivered through our integrated Learning Management System (LMS). By anchoring leadership growth to transparency and ethical conduct, we have created a governance framework that protects both the borrower and the institution's long-term integrity.

III. The Way Forward: Strengthening the ESG Framework

As we move into FY 2026-27, Sitaara is committed to further deepening its ESG protocols, with a specific focus on enhancing the E&S Risk Management Process for all new loan sanctions. Our roadmap includes the full digitization of ESG Loan Lifecycle Integration across all operational tiers to ensure a standardized, data-driven governance framework.

As we aim to expand our reach in Tier 2, 3, and 4 markets and the informal sector, we remain dedicated to bridging the credit gap for the underserved. By empowering families through sustainable homeownership, Sitaara continues to build a future that is inclusive, resilient, and ethically grounded.

33. BOARD EVALUATION

FORMAL ANNUAL EVALUATION OF THE BOARD, ITS COMMITTEES AND OF INDIVIDUAL DIRECTORS UNDER SECTION 134(3)(P) AND RULE 8(4) OF THE COMPANIES (ACCOUNTS) RULES, 2014:

The Performance Evaluation of the Board as a whole, as well as that of its Committees, Independent Directors and Non-Independent Directors was done in accordance with the relevant provisions of the Act read with relevant rules made thereunder.

The evaluation of the performance of the Board is based on the approved criteria which includes effectiveness of the Board and its committees, decision making process, Directors/members participation, governance, independence, quality and content of agenda papers, teamwork, frequency of meetings, discussions at meetings, corporate culture, contribution, role of the Chairman and management of conflict of interest.
The manner in which formal annual evaluation of the Board, its Committees and individual Directors are conducted includes:

- The Independent Directors, at their separate Meeting review the performance of Non-Independent Directors, the Board as a whole and Chairperson.
- In light of the criteria prescribed for the evaluation, the Board analyses its own performance, that of its Committees and each Director during the year and suggests changes or improvements, if required.
- The performance evaluation of Independent Directors of the Company is carried out by the Board of Directors of the Company excluding the Director being evaluated.

The Board of Directors has expressed their satisfaction with the evaluation process.

34. REPORTING ON VARIOUS CORPORATE GOVERNANCE REGULATIONS & COMPLIANCES UNDER THE COMPANIES ACT, 2013:

Company's Philosophy on Code of Governance

The company's philosophy on code of governance is to ensure fairness, transparency, accountability, credibility and responsibility to all stakeholders. The Company is committed to good corporate governance i.e., to achieve business excellence and add shareholder value following desired disclosure practices and sound decision-making achieved through harmonious interactions amongst the board of directors and senior management. Transparency is the key guiding principle for all decisions, transactions and policy matters.

The Reserve Bank of India (RBI) vide its Notification No. RBI/DOR/2025-26/344 DOR.GOV.REC.No.263/18-10-013/2025-26 November 28, 2025 prescribed Master Direction – Non- Banking Financial Company – Governance Directions, 2025 requires all the Housing Finance Companies to put in place Internal Guidelines on Corporate Governance. The Company has Internal Guidelines on Corporate Governance and the same is placed on the website of the Company.

A. Filing the Annual Return as per section 134(3)(a):

As required under Section 92(3) of the Companies Act, 2013, and rules made thereunder and amended from time to time, , the Annual Return of the Company in prescribed Form MGT-7 is available on the website of the Company at https://www.sgrlimited.in.

B. Director's Responsibility Statement

In terms of Section 134(5) of the Companies Act, 2013, the directors hereby state that:

I. In the preparation of the annual accounts, the applicable accounting standards issued by Institute of Chartered Accountants of India had been followed along with proper explanation relating to material departures;

II. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit/ loss of the Company for that period under review;

III. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

IV. The directors had prepared the annual accounts on a going concern basis;

V. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively and;

VI. During the financial year, material weaknesses have been identified in the internal financial controls of the Company and the same were acknowledged by the Board of Directors.

C. Details of fraud reporting to NHB/ RBI & as per provisions of Section 134(3) (ca), read with Section 143 (12) of the Companies Act, 2013.

During the financial year 2025-26, there were two fraud reported by the Company amounting to Rs. 28.62 Lacs. These frauds were identified. Other than the above frauds no cases detected and reported as per the provisions of Section 134(3) (ca), read with section 143(12) of the Companies Act, 2013 to the regulatory authorities.

The Statutory Auditors Report for the financial year ended 31st March 2026 provided unmodified opinion on adequacy and operating effectiveness of the internal financial controls over financial reporting.

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D. Statement on declaration given by Independent Directors under sub-section (6) of section 149 of Companies Act, 2013

The Company has received declarations from Independent Directors of the Company confirming that they continue to meet the criteria of independence, as prescribed under Section 149(6) of the Companies Act, 2013.

E. Pursuant to provisions of Reserve Bank of India (Housing Finance Companies) Directions, 2025 read with Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions 2025

The Company has obtained Fit & Proper declarations and various other declarations duly signed by all the Directors of the Company. The aforesaid policy is available on the website of the Company i.e. https://www.sgrlimited.in.

F. Policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director, key managerial personnel and other employees

The Company shall have such person on the Board who complies with the requirements of the Companies Act, 2013, Memorandum of Association and Articles of Association of the Company and all other statutory provisions and guidelines as may be applicable from time to time. Majority of the Directors shall have specialized knowledge/ experience in the areas like Finance sector, Strategic management, Legal, Risk Management, Accountancy, Finance, etc. Except for the Managing Director, no other directors are paid remuneration. Independent Directors are being paid only sitting fees. The Managing Director is paid remuneration as recommended by the Nomination & Remuneration Committee, approved by the Board & shareholders in the General meeting but are not paid sitting fees. Managing Director, Chief Financial Officer and Company Secretary shall be the Key Managerial Personnel (KMPs) of the Company. All persons who are Directors / KMPs, members of Senior Management and all other employees shall abide by the Code of Conduct.

Directors/KMPs shall not acquire any disqualification and shall be persons of sound integrity and honesty, apart from knowledge, experience, etc. in their respective fields. The aforesaid policy is available on the website of the Company, i.e. https://www.sgrlimited.in

G. Independent Director

Independent Director is a director who has no direct or indirect material relationship with the Company or any of its officers. Independent Director shall meet all criteria specified in Section 149(6) of the Companies Act, 2013 and rules made thereunder. Remuneration to Independent Directors is mentioned below:

i. Payment of Remuneration:

None of the independent directors shall be entitled to any remuneration as stated in Section 197(1)(ii)(a) and (b) of the Companies Act, 2013.

ii. Payment of Sitting Fees:

All the Independent Directors shall be entitled to receive sitting fees for attending Board Meetings and/ or Committee Meetings as may be decided by the Board from time to time within the limits as per Companies Act 2013.

At present, the Board has approved the payment of a sitting fee to Independent Directors for Board and Committee meetings. The amount of sitting fee for Board and Committee meetings is INR 1,00,000 and INR 50,000/- respectively.

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iii. Reimbursement of out-of-pocket expenditure, if any:

Besides sitting fees as stated above, the independent directors shall also be entitled for reimbursement of out-of-pocket expenditure, if any incurred for attending the Board / committee meetings.

H. As per section 134(3)(f) of the Companies Act, 2013, your management states that during the year under review and also during the previous year 2025-26.

The Statutory Auditor's Report on the Internal Financial Controls for the financial year ended 31 March, 2026 does not contain any qualified opinion on IFCs and were found to be adequately maintained.

There were no adverse qualification, reservation or adverse remarks or disclaimer made by the Statutory Auditors of the Company during the course of their audits, as per their Auditors' Report, hence there is no clarification required to be provided by the Company for the FY 2025-26.

I. In terms of section 134(3)(g) of the Companies Act, 2013, Company has not made any Investment through two or more layers of Investment Companies, pursuant to provisions of section 186(1) of the Companies Act, 2013. Further, the Company being Housing Finance Company, all loans & guarantees are in the ordinary course of business and details of the same along with the Investment made by the Company are disclosed in Financial Statements and Notes to Accounts, thereto, which is forming part of Annual Report.

J. Statement regarding opinion of the Board with regard to integrity, expertise and experience (including the proficiency) of the Independent Directors appointed during the year, in terms of rule 8 (5) (iii a) of Companies (Accounts) rules, 2014 as amended:-

The Independent Directors are selected as per the applicable provisions of Companies Act, 2013, Non Banking Finance Companies – Governance, Directions, 2025 read with Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2025 based upon the qualification, expertise, track record, integrity and other "fit and proper" criteria and Company obtains the necessary information and declaration from the Directors. All the Independent Directors of the Company have strong academic background and have long stint experience with renowned Government and private Organizations/Corporates. The integrity/ expertise of the Directors have been evaluated by the Board and NRC at the time of appointment and every year evaluated at the respective meetings.

K. Risk Management under section - 134(3)(n):

The Board of Directors of the Company has formulated and implemented a comprehensive Risk Management Policy in accordance with applicable laws and regulatory requirements. The Policy provides a structured framework for identification, assessment, monitoring, and mitigation of various risks that may impact the Company's operations and objectives.

The Policy, inter alia, identifies key elements of risks including strategic, operational, financial, regulatory, and reputational risks, and lays down appropriate measures to manage and mitigate such risks. The Board periodically reviews the effectiveness of the risk management framework to ensure that all material risks are adequately addressed.

In the opinion of the Board, there are no such elements of risk identified which may threaten the existence of the Company.

L. Internal Financial Controls and their Adequacy

The Company's internal control system is designed to ensure operational efficiency, protection and conversation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. To fulfil the requirements of the Section 138 of the Companies Act, 2013, other applicable provisions of Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014, the Company has appointed Mr. Balakrushna panda as Head of Internal audit.

With a view to ensure and review the effectiveness and implementation of the systems and operations, the Audit Committee regularly reviews them. The Internal Auditors regularly attend Audit Committee meetings and convey their views on the adequacy of internal control systems. The Audit Committee is briefed about the corrective actions taken by the management on the audit observations.

The Audit scope is regularly reviewed by the Audit Committee for enhancement/modification of scope and coverage of specific areas.

The Company has put in place adequate policies and procedures to ensure that the system of internal financial control commensurate with the size and nature of the Company's business. These systems provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company, prevention and detection of frauds, accuracy and completeness of accounting records and ensuring compliance with Company's policies.

On review of the internal audit observations and action taken on audit observations, the Company can state that there are no adverse observations having material impact on financials, commercial implications or material non-compliances which have not been acted upon.

During the financial year ended on March 31, 2026, the Statutory Auditors of the Company have provided unmodified opinions on the Internal Financial Controls outlined in the Auditors Report.

M. Statement on compliance with Secretarial Standards

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and such systems are adequate and operating effectively.

N. Details of Application made or any proceeding pending under IBC, 2016 during the year as per Rule 8 of Companies (Account of Companies) Rules, 2014

No applications have been made and no proceedings are pending against the Company under the Insolvency and Bankruptcy Code, 2016.

O. Details of difference between amount of the valuation done at the time of One-time settlement and the valuation done while taking loan from the banks or financial institutions along with the reasons thereof.

During the review period, there was no instance of one-time settlement with Banks or Financial Institutions. Therefore, as per rule 8(5)(xii) of Companies (Accounts) Rules, 2014, reasons of difference in the valuation at the time of one-time settlement and valuation done while taking loan from the Banks or Financial Institutions are not reported.

P. Details of Significant and material orders were passed by the regulators or courts or tribunals, impacting the going concern status and Company's operations in future.

During the year review, no significant and material orders were passed by the regulators or courts or tribunals, impacting the going concern status and Company's operations in future. There are no penalties, fines, or strictures levied by any regulatory or statutory authority during the last financial year.

Q. Details of non-compliance with requirements of Companies Act, 2013.

During the review period, The Company has complied with all applicable legal requirements of the Companies Act, 2013 including accounting and secretarial standards.

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R. Details of penalties and strictures

During the review period, there was no penalty or strictures imposed on the Company by the Reserve Bank of India, National Housing Board or ROC or any other statutory authority during FY 2025-26.

35. ACKNOWLEDGEMENTS

The Company expresses gratitude for the guidance and cooperation extended by the Board, Regulators, Reserve Bank of India, National Housing Bank, Registrar of Companies, Ministry of Corporate Affairs statutory authorities and regulators. The Company appreciates the excellent co-operation and assistance received from Banks and Financial Institutions. The Company is thankful to its auditors. The Company is pleased to record its appreciation for the enthusiasm, commitment and dedicated efforts of its employees at all levels. Without the team on ground, the Company would not have achieved its presence. The Company is also deeply grateful for the continued confidence and faith reposed in the Company by the shareholders and debt funders.

FOR AND ON BEHALF OF BOARD OF DIRECTORS OF
SITAARA Housing Finance Limited
(Formerly Known as SEWA Grih Rin Limited)

SITAARA HOUSING FINANCE LIMITED

Ajesh Appukuttan	**Vishakha RM**
Managing Director and CEO	**Director**
DIN: 10988270	**DIN: 07108012**
Place: Mumbai	**Place: Mumbai**
Date: April 17, 2026	**Date: April 17, 2026**

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Annexure-A
Corporate Governance Report
Financial Year 2025-26

Corporate Governance denotes the framework of systems, principles, and processes through which a company is directed and managed. It establishes the foundation for achieving the Company's objectives, covers all aspects of management, and ensures a balanced alignment of interests among shareholders, management, customers, regulators, and the broader community. It is fundamentally anchored in ethical practices, transparency, accountability, and compliance with applicable laws and established best practices.

At **Sitaara Housing Finance Limited** (formerly known as SEWA Grih Rin Limited) ("Sitaara" or "the Company"), corporate governance is embedded in the Company's business philosophy and is considered essential for sustainable growth and long-term stakeholder value creation. The Company is committed to maintaining the highest standards of governance through robust internal controls, transparent disclosures, and responsible decision-making. The Board of Directors leads the governance framework of the Company and provides strategic direction and oversight through duly constituted Board and Committee structures, in accordance with applicable regulatory requirements and sound governance standards. This Corporate Governance Report is presented pursuant to Reserve Bank of India (Housing Finance Companies) Directions, 2025, issued by the Reserve Bank of India ("RBI Directions for HFCs")

1. BOARD

Composition of the Board

The Board is composed of 8 (eight) Directors, comprising 1 (one) Executive Director, 4 (four) Non-Executive Directors, and 3 (three) Independent Directors, including 2 (two) Women Independent Directors. This structure ensures an optimal blend of expertise, experience, and diversity, in line with applicable regulatory and governance norms. The Board is chaired by a Non-Executive Independent Director.

The composition of the board of directors as on March 31, 2026 are as follows:

(In Absolutes)

Name of Director	Director Since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	DIN	No. of other Directorships	Remuneration			No. of shares held in and convertible instruments held in the NBFC
					Salary and other compensation (includes perquisites)	Sitting Fee	Commission	
Ms. Renana Jhabvala	July 18, 2011	Non-Executive Director	01106825	2	-	-	-	502
Ms. Manjiree Jaitly	November 26, 2014	Nominee Director, Non-Executive	05222441	0	-	-	-	-
Mr. Amol Jain	November 13, 2024	Nominee Director, Non-Executive	00334710	5	-	-	-	-
Mr. Vishal Thakkar	November 13, 2024	Nominee Director	10646734	1	-	-	-	-
Mr. Ajesh Appukuttan	March 26, 2025	Managing Director &	10988270	0	4,40,50,000	-	-	54,25,000

		Chief Executive Officer						
Ms. Smita Affinwalla	July 18, 2025	Independent Director Non-Executive	07106628	2	-	5,00,000	-	-
Mr. Pravin Raghavendra	August 22, 2025	Independent Director Non-Executive	09686944	4	-	8,50,000	-	-
Ms. Vishakha RM	October 17, 2025	Independent Director Non-Executive	07108012	3	-	3,00,000	-	-

During the year FY 2025-26, the following changes has taken place in the composition of Board of Directors given below:

S. No	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment,)	Effective date	Remuneration paid during the Financial Year
1.	Mr. Raj Vikas Verma	Independent Director, Non-Executive	Resignation	June 06, 2025	1,80,000
2.	Mr. Vishal Thakkar	Whole Time Director	He stepped down from the position of Whole Time Director and continue the capacity of Nominee Director	June 20, 2025	-
3.	Mr. Sanjay Kaul	Independent Director, Non-Executive	Resignation	August 15, 2025	3,20,000
4.	Mr. Rajeev Gupta	Nominee Director	Resignation	March 05, 2026	-
4.	Ms. Smita Affinwalla	Additional Director	Appointment	July 18, 2025	Same as above
5.	Ms. Smita Affinwalla	Independent Director Non-Executive	Regularization	July 22, 2025	Same as above
6.	Mr. Pravin Raghavendra	Additional Director	Appointment	August 22, 2025	Same as above
7.	Mr. Pravin Raghavendra	Independent Director Non-Executive	Regularization	September 01, 2025	Same as above
8.	Ms. Vishakha RM	Additional Director	Appointment	October 17, 2025	Same as above
9.	Ms. Vishakha RM	Independent Director Non-Executive	Regularization	December 19, 2025	Same as above

The following directors are holding shares in the Company as on March 31, 2026 are as follows:

S. No.	Name of Directors	No. of shares	Type of Shares	Partly paid/Fully paid
1.	Ms. Renana Jhabvala	502	Equity Shares	Fully paid
2.	Mr. Ajesh Appukuttan	54,25,000	Equity Shares	Partly paid

Directors and Key Managerial Personnel

The Board of Directors of the Company has a healthy blend of executive and non-executive directors, which ensures the desired level of independence in functioning and decision-making. The Key Managerial Personnel (KMP) of the Company are qualified and experienced professionals, possessing domain expertise in the housing finance sector, thereby contributing effectively to the Company's strategic growth and operational efficiency.

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Retirement by rotation

In accordance with the provisions of section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Amol Jain (DIN:00334710) retire by rotation at the ensuing Annual General Meeting of the Company. Your directors recommend the re–appointment of above-mentioned Directors.

Changes in Key Managerial Person (KMP)

During the year FY 2025-26, there has been changes in the Key Managerial Personnel of the Company, which are as follows:

Sr. No.	Name	Designation	DIN/PAN	Date of Appointment	Date of Cessation
1.	Mr. Vishal Thakkar	Chief Financial Officer	AKPPT1640J	03/12/2024	25/05/2025
2.	Mr. Vishal Thakkar	Whole Time Director	AKPPT1640J	03/12/2024	20/06/2025
3.	Mr. Udit Kariwala	Chief Financial Officer	BAHPK8728F	25/05/2025	-

The Key Managerial Personnel as on March 31, 2026 are as follows:

Sr. No.	Name	Designation	DIN/PAN	Date of Appointment
1	Mr. Ajesh Appukuttan	Managing Director and Chief Executive Officer	AIHPA0939M	26/03/2025
2	Mr. Udit Kariwala	Chief Financial Officer	BAHPK8728F	25/05/2025
3	Mr. Ayush Jindal	Company Secretary	BFKPJ4950E	07/02/2025

Remuneration to Directors
During the year under review, the Company has not paid any remuneration to Non-Executive Directors.

Fit & Proper Declarations
During the review period, the Company has obtained Fit & Proper declarations and various other declarations duly signed by all the Directors of the Company, as per NHB Directions / applicable RBI directions.

Board Meetings
The Board conducts regular meetings to discuss and make decisions regarding business strategies, policies, and review the Company's financial performance. Prior to each Board Meeting, a notice is provided to all Directors. The agenda, along with relevant notes and other necessary information, is also shared separately in advance with each Director. In exceptional cases, these materials may be presented at the meeting. This approach ensures that the Board is equipped with timely and informed information to make effective decisions.

During the year under review, the board meet 9 (Nine) on April 22, 2025, May 09, 2025, June 20, 2025, July 18, 2025, August 13, 2025, August 25, 2025, October 17, 2025, December 08, 2025 and January 27, 2026, as per the provisions of the Companies Act, 2013. The maximum gap between any two consecutive Meetings was less than 120 days, as stipulated under Section 173 of

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Companies Act 2013 and Secretarial Standards - 1 as issued by the Institute of Company Secretaries of India (ICSI).

The details of Board Meetings and attendance of directors are as follows:

S. No	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Meetings		No. of shares held in the NBFC
			No. of Meetings which director was entitled to attend	No. of Meeting Attended	
1.	Ms. Renana Jhabvala	Nominee Director, Non-Executive Director	9	8	502
2.	*Mr. Sanjay Kaul	Independent Director, Non-Executive	5	5	0
3.	*Mr. R.V. Verma	Independent Director, Non-Executive	2	2	0
4.	Ms. Smita Affinwalla	Independent Director Non-Executive	5	3	0
5.	Mr. Pravin Raghavendra	Independent Director Non-Executive	4	4	0
6.	Ms. Vishakha RM	Independent Director Non-Executive	2	2	0
7.	Ms. Manjiree Jaitly	Nominee Director, Non-Executive	9	7	0
8.	Mr. Ajesh Appukuttan	Managing Director & CEO; Executive	9	9	54,25,000
9.	Mr. Amol Jain	Nominee Director, Non-Executive	9	7	0
10.	Mr. Vishal Thakkar	Nominee Director, Non-Executive	9	9	0
11.	*Mr. Rajeev Gupta	Nominee Director, Non-Executive	9	0	0

**These individuals ceased to be directors during the financial year 2025–26.*

10.2 AUDIT COMMITTEE

Pursuant to the requirement of the NBFC Regulations and the Act, the Company has constituted a qualified and independent Audit Committee. The Audit Committee's composition and terms of reference are in compliance with the provisions of Companies Act, 2013.

The meetings of the Audit Committee are also attended by the Auditors, if required as special invitees. The minutes of each Audit Committee meeting are placed and confirmed in the next meeting of the Committee.

The TOR of Audit Committee inter-alia provides for the following key responsibilities of Committee:

1. To review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, and recent professional and regulatory pronouncements, and understand their impact on the financial statements.

2. To Review with management and the statutory auditors the results of the audit, including any difficulties encountered.

3. Review the annual financial statements, and consider whether they are complete, consistent with information known to committee members, and reflect appropriate accounting principles.

4. To consider the effectiveness of the Company's internal control system, including information technology security and control.

5. To understand the scope of internal and statutory auditors' review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses.

6. To review with management and the chief audit executive the charter, plans, activities, staffing, and organizational structure of the internal audit function.

During the year under review, the Committee met 7 (Seven) times on April 22, 2025, May 09, 2025, June 09, 2025, August 11, 2025, October 17, 2025, December 08, 2025 and January 27, 2026. The composition of the Committee and attendances of the Members at the meetings of the Committee held during the year are as follows:

S. No	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Meetings		No. of shares held in the NBFC
				No. of Meetings which director was entitled to attend	No. of Meetings Attended	
1	*Mr. Sanjay Kaul	March 13, 2019	Independent Director, Non-executive	4	4	0
2	*Mr. Raj Vikash Verma	August 13, 2021	Independent Director, Non-executive	3	3	0
3	Mr. Amol Jain	November 13, 2024	Nominee Director, Non-executive	7	7	0
4	*Ms. Smita Affinwala	July 18, 2025	Independent Director, Non-executive	2	1	0
5.	Mr. Pravin Raghavendra	August 22, 2025	Independent Director, Non-executive	3	3	0
6.	Ms. Vishakha RM	October 17, 2025	Independent Director, Non-executive	2	2	0

**Individuals ceased to be a member during the financial year 2025–26.*

10.3 NOMINATION & REMUNERATION COMMITTEE

Pursuant to the requirement of the NBFC-HFC Regulations and the Act, the Company has constituted a Nomination & Remuneration Committee. The Nomination and Remuneration Committee's composition and terms of reference are in compliance with the provisions of the Companies Act, 2013.

The TOR of Nomination & Remuneration Committee inter-alia provides for the following key responsibilities of Committee:

1. To make recommendations to the Board on the Company's policy on executive remuneration, including determining specific remuneration packages and terms of employment (including pension rights) and determining performance incentive arrangements for executive directors and certain other senior executives.

2. To nominate, for approval by the Board, candidates for appointment to the Board.

3. The Committee will, on an annual basis, review the performance of individual executive directors and senior executives in achieving their agreed personal objectives.

4. To review the design of, and determine targets for, any performance-related pay schemes operated by the Company and approve total annual payments made under such schemes.

5. To consider any other matters related to the remuneration of Directors which the Board may ask it to consider.

During the year under review, the Committee met 4 (Four) times on April 02, 2025, June 09, 2025, August 25, 2025, October 17, 2025. The composition of the Committee and attendances of the Members at the meetings of the Committee held during the year are as follows:

S. No	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Meetings		No. of shares held in the NBFC
				No. of Meetings which director was entitled to attend	No. of Meetings Attended	
1	*Mr. Sanjay Kaul	March 13, 2019	Independent Director, Non-executive	2	1	0
2	*Mr. Raj Vikash Verma	August 13, 2021	Independent Director, Non-executive	2	2	0
3	Mr. Amol Jain	November 13, 2024	Nominee Director, Non-Executive	4	4	0
4	Ms. Smita Affinwala	July 18, 2025	Independent Director, Non-executive	2	2	0

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5.	*Mr. Pravin Raghavendra	August 22, 2025	Independent Director, Non-executive	2	2	0
6.	Ms. Vishakha RM	October 17, 2025	Independent Director, Non-executive	0	0	0

These individuals ceased to be a member during the financial year 2025–26.

10.4 RISK MANAGEMENT COMMITTEE

Risk Management is an integral part of a company's business strategy. In line with RBI/NHB Regulations, the Company has a Board approved Risk Management Policy and a Board Level Committee, i.e. Risk Management Committee to oversee the Risk management function.

Pursuant to the requirement of the NBFC-HFC Regulations and the Act, the Company has constituted a Risk Management Committee. The Board reviews the terms of reference and working of the Committee from time to time. This Committee reports to the Board of Directors of the Company.

The TOR of Risk Management Committee inter-alia provides for the following key responsibilities of Committee:

1. To consider the Company's risk management strategies.

2. To monitor and discuss the status and results of implemented asset/ liability management strategies and tactics.

3. To review the current and prospective liquidity positions and monitor alternative funding sources.

4. To review the measurement reports on various risks that can be measured with a reasonable degree of effort. Compare simulated exposures of these risks to policy limits. Discuss and report on the impact of major funding shifts and changes in overall investment and lending strategies.

5. To review the current and prospective capital levels risk based as well as net worth) to determine sufficiency in relation to: expected growth, interest rate risk, price risk and asset mix/quality.

6. To review the outlook for interest rates and economy at local, regional and international levels.

7. To review the maturity/repricing schedules with particular attention to the maturity distribution of large amounts of assets and liabilities maturing (i.e. jumbo CD's, large investments, etc.).

8. To Coordinate with an ongoing appropriate education program on the subject of ALM for the ALCO members, senior management, and the Board of Directors.

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During the year under review, the Committee met 2 (twice) times on September 25, 2025 and January 22, 2026. The composition of the Committee and attendances of the Members at the meetings of the Committee held during the year are as follows:

S. No	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Meetings		No. of shares held in the NBFC
				No. of Meetings which director was entitled to attend	No. of Meetings Attended	
1.	Mr. Pravin Raghavendra	August 22, 2025	Independent Director, Non-executive	2	2	0
2.	Mr. Vishal Thakkar	July 18, 2025	Nominee Director, Non-Executive	2	2	0
3.	Ms. Manjiree Jaitly	November 26, 2014	Nominee Director, Non-Executive	2	2	0
4.	Mr. Ajesh Appukuttan	July 18, 2025	Managing Director & CEO Executive	2	2	54,25,000

10.5 INFORMATION TECHNOLOGY STRATEGY COMMITTEE

Pursuant to the requirement of the NBFC-HFC Regulations and the Act, the Company has constituted an IT Strategy Committee. The Board reviews the terms of reference and working of the Committee from time to time.

The TOR of IT Strategy Committee inter-alia provides for the following key responsibilities of Committee:

1. Approving IT Strategy and Policy Documents and ensuring that the management has put an effective strategic planning process in place.

2. Ascertaining that management has implemented processes and practices that ensure that IT delivers value to the business.

3. Ensuring IT investments represent a balance of risks and benefits, and the budgets are acceptable.

4. Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources.

5. Ensuring proper balance of IT investments for sustaining the Company's growth and becoming aware about exposure towards IT risks and controls.

During the year under review, the Committee met 3 (Three) times on June 27, 2025, September 26, 2025 and January 22, 2026. The composition of the Committee and attendances of the Members at the meetings of the Committee held during the year are as follows:

S. No	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Meetings		No. of shares held in the NBFC
				No. of Meetings which director was entitled to attend	No. of Meetings Attended	
1.	*Mr. Sanjay Kaul	May 21, 2019	Independent Director, Non-executive	1	1	0
2.	Mr. Pravin Raghavendra	August 22, 2025	Independent Director, Non-executive	2	2	0
3.	Mr. Vishal Thakkar	July 18, 2025	Nominee Director, Non-executive	2	2	0
4.	*Mr. Amol Jain	November 18, 2024	Nominee Director, Non-executive	1	0	0
5.	Ms. Manjiree Sureshchandra Jaitly	August 13, 2021	Nominee Director, Non-executive	3	3	0
6.	Mr. Vinod Kumar Singh	November 18, 2024	Chief information Security Officer	3	3	0

** These individuals ceased to be a member during the financial year 2025-26.*

10.6 ASSET AND LIABILITY COMMITTEE

The Company has duly implemented the NHB's Asset Liability Management (ALM) Guidelines applicable to HFCs. The ALCO Committee ensures that the liquidity and interest-rate risks are contained within the limits laid down by the NHB.

Pursuant to the requirement of the NBFC-HFC Regulations and the Act, the Company has constituted an ALCO Committee. The Board reviews the terms of reference and working of the Committee from time to time.

The TOR of Asset and Liability Committee inter-alia provides for the following key responsibilities of Committee:

1. To consider, review and make recommendations, at least annually, on the Investment Policy.

2. To monitor activity and controls underpinning the Investment Policy to ensure adherence to set policies and limits.

3. To review Company's balance sheet, including necessary changes and achievement of strategic objectives in relation to growth or shrinkage.

4. To recommend types of products and treasury instruments with an appropriate duration and interest rate to manage the overall balance sheet structure. Product recommendations are subject to Investment Policy.

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5. To monitor, in accordance with the Investment Policy, the use of interest rate derivatives used in the management of interest rate risk including any periodic restructuring to the interest rate derivative portfolio.

6. To monitor compliance with limits in the Investment Policy for the management of market value risk and earning risk in relation to the agreed interest rate view.

7. To review on an annual basis the authorised list of treasury investment counterparties or more regularly where market conditions require.

8. To review sources of funding (funding includes short term debt, long term debt and equity), identify and assess the impact of new sources of funding, change the profile of sources of funding and review all funding limits for compliance with the Investment Policy.

9. To review and consider the impact on the Company's funding position of any "market news" or ratings agency action in relation to the Company.

10. To review changes in the profile of liquidity and compliance with all liquidity limits set out in the Investment Policy, ensuring that full consideration is given to items that may have become less liquid in more volatile treasury markets;

During the year under review, the Committee met 5 (Five) times on April 30, 2025, June 27, 2025, August 28, 2025, October 14, 2025 & January 22, 2026. The composition of the Committee and attendances of the Members at the meetings of the Committee held during the year are as follows:

S.No	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Meetings	
				No. of Meetings which director was entitled to attend	No. of Meetings Attended
1.	Mr. Ajesh Appukuttan	March 26, 2025	Managing Director & CEO	5	5
2.	Mr. Udit Kariwala	April 25, 2025	Chief Financial Officer	4	4
3.	Mr. Manish Singh Payal	October 17, 2025	Chief Compliance Officer	2	2
4.	Mr. R Ramasubramanian	May 09, 2025	Chief Operating Officer	4	4
5.	Mr. Nikhilesh Jain	May 09, 2025	Treasury Head	4	4
6.	*Ms. Kashvi Malhotra	November 18, 2024	Chief Compliance Officer	2	2
7.	*Mr. Chetan Modani	November 18, 2024	Human Resources-Business Partner	1	1

8.	*Mr. Shubham Garg	November 18, 2024	Senior manager Finance	1	1
9.	*Mr. Amol Jain	November 18, 2024	Nominee Director	1	0
10.	*Mr. Bhavesh Patel	November 18, 2024	Chief Operating Officer	1	0
11.	*Mr. Vimal Kant Arora	August 13, 2021	Chief Information Officer	1	0
12.	*Ms. Manjiree Jaitly	November 18, 2024	Nominee Director	1	0
13.	*Mr. Mohd Shakil Khan	May 09, 2025	Chief credit and risk officer	2	1

**These individuals ceased to be a member during the financial year 2025-26.*

10.7 SEPARATE MEETINGS OF INDEPENDENT DIRECTORS

In compliance with Schedule IV of the Act, the Independent Directors held their separate meeting on March 30, 2026 inter alia, for the following:

- To review the performance of Non-Independent Directors and the Board as a whole, as per the provisions of Companies Act, 2013.
- To review the performance of the Chairperson of the Company.
- To assess the quality, quantity and timeliness of flow of information between the Company management and the Board that it is necessary for the Board to effectively and reasonably perform their duties.

All Independent Directors were present at the meeting. The Independent Directors present at the meeting elected Ms. Smita Affinwala as the Chairperson for the meeting, deliberated on the above and expressed their satisfaction on all matters.

10.8 ENVIRONMENTAL SOCIAL AND GOVERNANCE COMMITTEE

Pursuant to the Share Subscription and Shareholders Agreement "SS &SHA" dated May 26, 2022 and resolution passed by the Board of Directors of SITAARA Housing Finance Limited (Formerly known as SEWA Grih Rin Limited) in its meeting dated March 16, 2023 established the Environmental, Social and Governance ("ESG") Committee.

The ESG Committee ensures to protect the Company's social mission, financial sustainability and contributing towards environmental goals. The Board reviews the terms of reference and working of the Committee from time to time.

The TOR of ESG Committee inter-alia provides for the following key responsibilities of Committee:

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1. The Environment, Social and Governance (ESG) Committee is created pursuant to the SS& SHA dated May 26, 2022 to assist the Board in protecting the Company's social mission, while ensuring financial sustainability and contributing towards environmental goals. The creation of the ESG Committee aims at formalizing the Company's social mission and environmental performance into governance.

2. Approve Company's ESG Strategy and provide oversight related to ESG strategy execution and activities.

3. Provide advice and direction to the management on implementation of ESG strategy, action plan, identification of ESG opportunities and risks vis-à-vis Sitara's mission and growth plans.

4. Monitor Sitara's ESG performance based on the metrics identified and reported internally by the management and based on the external rating reports received.

5. Monitor, review and consider stakeholder engagement in ESG activities and review key external disclosures, if any.

6. The ESG Committee shall be provided with sufficient resources to perform its duties and shall have access, at the Company's expense, to independent advice if necessary.

7. The Committee shall formulate, implement, and adopt the Gender Action Plan to better serve women in our society and improve gender diversity within the organization. The Committee shall on a continuous basis monitor the progress of the Gender Action Plan and undertake gap analysis to identify the progress.

During the year under review, the Committee met once in a year on September 26, 2025. The composition of the ESG Committee as on date are as follows:

S. No	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)
1	Ms. Renana Jhabvala	Nominee Director
2.	Mr. Vishal Thakkar	Nominee Director
3.	Ms. Smita Affinwala	Independent Director

10.9 REVIEW COMMITTEE

In pursuant to the RBI Master Direction -Wilful Defaulters & Large Defaulters Directions, 2024 the Company needs to put in place a system to assess disseminate credit Information pertaining to wilful defaulters for cautioning lenders to ensure that further institutional finance is not made available to them. The Board of Directors at their meeting held on January 22, 2024, constituted the Review Committee.

During the review period, the board of directors reconstituted the Review Committee on August 25, 2025. The Composition of Review Committee is as follows:

Sr No.	Name	Designation
1	Mr. Ajesh Appukuttan	Managing Director & Chief Executive Officer
2	Mr. Vishal Thakkar	Nominee Director
3	Mr. Pravin Raghavendra	Independent Director

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4	Mr. Smita Affinwalla	Independent Director
5	Ms. Renana Jhabvala	Director

10.10 GENERAL MEETINGS

The Company convened the following General Meetings during the financial year 2025-26 in compliance with the applicable provisions of the Companies Act, 2013 and the Secretarial Standards issued by the Institute of Company Secretaries of India. Required quorum was present throughout for all meetings.

S. No	Type of Meeting	Date and Place	Resolutions passed in the General Meeting	Total Numbers of Members entitled to attend Meeting	Attendance	
					Numbers of Members Attended	% of Total Shareholding
1	Annual General Meeting	June 03, 2025 through Video Conferencing	1. Adoption of the audited financial statements of the Company for the financial year ended March 31, 2025, the reports of the directors and the auditors thereon. 2. To appoint a director in place of Ms. Renana Jhabvala (DIN: 01106825), who retires by rotation and being eligible, offers himself for re-appointment. 3. To appoint a director in place of Ms. Manjiree Sureshchandra Jaitly (DIN: 05222441), who retires by rotation and being eligible, offers herself for re-appointment. 4. To approve the appointment of Mr. Vishal Visanji Thakkar (DIN: 10646734) as Whole Time Director of the Company. 5. Approval for waiver of excess remuneration paid to Ms. Shruti Savio Gonsalves (DIN: 07160748), erstwhile-Managing Director & Chief Executive Office of the Company in the financial year 2024-25. 6. To approve the appointment of Mr. Ajesh Appukuttan (DIN: 10988270) as Managing Director (MD) & Chief Executive Officer (CEO) of the Company.	10	9	90.00 %
2	Extra Ordinary General Meeting	July 22, 2025 through Video Conferencing	1. To consider and approve the appointment of Ms. Smita Affinwalla as an Independent Director of the Company. 2. To consider and approve the issuance of series I1 shares to the series I1 investors on a private placement basis ("Preferential issue") such shares being	10	8	90.00 %

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			issued on a fully paid-up basis. 3. To consider and approve the issuance of series I2 shares to the series I2 investors on a private placement basis ("Preferential issue") such shares being issued on a partly paid up basis.			
3	Extra Ordinary General Meeting	September 01, 2025 through Video Conferencing	1. To consider and approve the appointment of Mr. Pravin Raghavendra (DIN: 09686944) as an Independent Director of the Company. 2. To consider and approve the modification in the ESOP Scheme 2018 and ESOP Scheme 2024. 3. To consider and approve the issuance of partly paid up shares of Series H2 shares to investors on private placement basis ("Preferential issue").	13	10	76.92 %
4	Extra Ordinary General Meeting	December 19, 2025 through Video Conferencing	1. To consider and approve the appointment of Ms. Vishakha Rajesh Maheshwari (DIN: 07108012) as an Independent Director and Chairperson of the Board of the Company. 2. To consider and approve the name change of Company and consequential amendment to Memorandum of Association and Articles of Association of the Company. 3. To consider and approve the alteration of the Articles of Association of the Company for the purpose of removing the requirement of Common seal. 4. To consider and approve the remuneration of M/S S.N. Dhawan & Co., Chartered Accountants, Statutory Auditors of the Company considering the expanded scope of half yearly audit.	13	11	76.92 %

All meetings were conducted in accordance with the applicable regulatory framework, and the proceedings were duly recorded and signed as per statutory requirements.

FOR AND ON BEHALF OF BOARD OF DIRECTORS OF
SITAARA Housing Finance Limited
(Formerly Known as SEWA Grih Rin Limited)

SITAARA HOUSING FINANCE LIMITED

Ajesh Appukuttan
Managing Director and CEO
DIN: 10988270
Place: Mumbai
Date: April 17, 2026

Vishakha RM
Director
DIN: 07108012
Place: Mumbai
Date: April 17, 2026

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Annexure-B

ANNEXURES TO DIRECTORS' REPORT

The information of employees as per provisions of rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Particulars of employees (Year ended at 31.03.2026)	Not Applicable
Name	NA
(a) Designation of the employee.	
(b) Remuneration received (Yearly CTC)	
(c) Nature of employment, whether contractual or otherwise.	
(d) Other terms and conditions.	
(e) Nature of duties of the employee.	
(f) Qualifications and experience of the employee.	
(g) Date of commencement of employment.	
(h) The age of such employee.	
(i) The last employment held by such employee before joining the company.	

Notes:

i. No employee of the company was employed for part of the financial year and was in receipt of remuneration, at a rate which, in the aggregate, was not less than INR 8.50 lakh per month.

ii. No employee of the Company was employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees.

iii. Pursuant to the Companies, (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the list containing names of the top ten employees in terms of remuneration drawn is being maintained at the Registered Office of the Company.

The Report and Accounts as set out therein are being sent to all Members of the Company, excluding the aforesaid information. Any Member, who is interested in obtaining these, may write to the Company Secretary at the Registered Office of the Company.

FOR AND ON BEHALF OF BOARD OF DIRECTORS OF
SITAARA Housing Finance Limited
(Formerly Known as SEWA Grih Rin Limited)

SITAARA HOUSING FINANCE LIMITED

Ajesh Appukuttan	**Vishakha RM**
Managing Director and CEO	**Director**
DIN: 10988270	**DIN: 07108012**
Place: Mumbai	**Place: Mumbai**
Date: April 17, 2026	**Date: April 17, 2026**

FORM No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026

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

To,
The Members,
SITAARA HOUSING FINANCE LIMITED
(Formerly known as SEWA GRIH RIN LIMITED)
CIN: U65923DL2011PLC222491

Registered Office:	**Corporate Office:**
1st Floor, 216/C-12, Old No. C-12, Plot No. 13-B, Guru Nanak Pura, Laxmi Nagar, East Delhi, Delhi – 110092	Shree Sawan Knowledge Park, 2nd Floor, D-507, TTC Industrial Area, MIDC Industrial Area, Turbhe, Navi Mumbai, Thane – 400705 (Maharashtra)

SITAARA HOUSING FINANCE LIMITED (CIN: U65923DL2011PLC222491) formerly known as **SEWA Grih Rin Limited** ("the Company") is an unlisted public limited company incorporated under the provisions of the Companies Act, 1956 (as amended by the Companies Act, 2013) on 18th July, 2011. The Company obtained a fresh Certificate of Incorporation on 07th April, 2014 pursuant to its name change and conversion into a public limited company. The Company is registered as a Housing Finance Company under Section 29A of the National Housing Bank Act, 1987 bearing registration number 01.0118.15 dated 24th January, 2015. It operates across India through a network of branches located in various states including Delhi, Haryana, Gujarat, Bihar, Rajasthan, Madhya Pradesh, Uttar Pradesh, Chhattisgarh, Uttarakhand and Maharashtra. The Company is not permitted to accept and/or hold public deposits. The registered office of the Company is located at 1st Floor, 216/C-12 (Old No. C-12), Plot No. 13B, Guru Nanak Pura, Laxmi Nagar, East Delhi – 110092, India. The corporate office is situated at Shree Sawan Knowledge Park, 2nd Floor, D-507, TTC Industrial Area, MIDC Industrial Area, Turbhe, Navi Mumbai – 400705,

A. CHATURVEDI & ASSOCIATES COMPANY SECRETARIES
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Maharashtra, India. The Financial Statements of the company comply with the Ind AS specified under section 133 of the Companies Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended and the format prescribed under the Division III of Schedule III of the Companies Act, 2013.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SITAARA HOUSING FINANCE LIMITED (CIN: U65923DL2011PLC222491)** formerly known as **SEWA Grih Rin Limited** ("the Company") for the Financial Year ended 31st March, 2026. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts /statutory compliances and expressing our opinion thereon.

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

We have examined the books and papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2026 according to the provisions of:

(1) The Companies Act, 1956 (the Old Act) and The Companies Act, 2013 (the Existing Act) including the amendments thereof and the rules made there under.

(2) The Securities Contracts (Regulations) Act, 1956 ('SCRA') and the rules made thereunder; (Not Applicable during the Audit period);

(3) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

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(4) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (as applicable during the audit period);

(5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') including amendments thereof:-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (Not Applicable during the Audit period);

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (Not Applicable during the Audit period);

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable during the Audit period);

d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not Applicable during the Audit period);

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable during the Audit period);

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not Applicable during the Audit period);

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable during the Audit period);

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable during the Audit period);

i) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Not Applicable during the Audit period);

j) The Securities and Exchange Board of India (Investment Advisors) Regulations, 2013; (Not Applicable during the Audit period); and

k) The Securities and Exchange Board of India (Stock Brokers and Sub-brokers) Regulations, 1992. (Not Applicable during the Audit period);

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(6) Other laws specifically applicable to the company namely:

a) National Housing Bank Act, 1987 and the Guidelines and Circulars issued thereunder time to time;

b) Reserve Bank of India (Housing Finance Companies) Directions, 2025 dated November 28, 2025 and amended time to time.

c) Scale Based Regulation (SBR): A revised regulatory framework for NBFCs read with other applicable circulars issued thereunder.

d) Fair Practice Code for NBFCs as per RBI Guidelines;

e) The Company's Policy & Procedures on Know Your Customer (KYC) Guidelines, Anti Money Laundering (AML) Standards and Obligations under the Prevention of Money Laundering Act, 2002 guidelines issued by the Reserve Bank of India; Master Directions on KYC, RBI

f) RBI, Master Direction on IT Governance, Risk, Controls and Assurance Practices, November 07, 2023.

g) Any other regulations, master directions or advisory or notifications issued by the RBI /NHB as applicable to the company.

We have also examined compliance for the Financial Year 2025-26, with the applicable clauses of the following:

(i) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India with respect to board meetings and general meetings; and

(ii) The Listing Agreements entered into by the Company with the Stock Exchange: Not Applicable to the Company because it is not listed on any stock exchange.

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors (including the appointment of Women Director under section 149(1) of the Companies Act, 2013). The changes in the

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composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

During the financial year under review:

1. Mr. Vishal Visanji Thakkar (DIN: 10646734) resigned from his position as Chief Financial Officer effective 25th May 2025 and continued as a Whole-time Director on the Board. Subsequently, on 20th June, 2025 he also resigned from the position of Whole-time Director and continues to serve as a Nominee Director of the Company.

2. The Board has appointed Mr. Udit Rajiv Kariwala as the Chief Financial Officer of the Company with effect from 25th May, 2025.

3. The Board of Directors of the Company appointed Ms. Smita Cawas Affinwalla (DIN: 07106628) as an Additional Director (Independent) on 18th July, 2025. Subsequently, the Members of the Company regularized her appointment by passing an Ordinary Resolution at the Extra-Ordinary General Meeting held on 22nd July, 2025.

4. The Board of Directors of the Company appointed Mr. Pravin Raghavendra (DIN: 09686944) as an Additional Director (Independent) on 22nd August, 2025. Subsequently, the Members of the Company regularized his appointment by passing an Ordinary Resolution at the Extra-Ordinary General Meeting held on 01st September, 2025.

5. The Board of Directors of the Company appointed Ms. Vishakha RM (DIN: 07108012) as an Additional Director (Independent) on 17th October, 2025. Subsequently, the Members of the Company regularized her appointment by passing an Ordinary Resolution at the Extra-Ordinary General Meeting held on 19th December, 2025.

6. After completion of his second term, the Independent Director of the Company Mr. Sanjay Kaul (DIN: 01729695) is not eligible for reappointment. Accordingly, he ceased to hold the position of Independent Director of the Company with effect from 15th August, 2025.

7. Mr. Raj Vikas Verma (DIN: 03546341), Independent Director of the Company has resigned from his position with effect from 12th June, 2025.

Adequate notice is given to all directors to schedule the Board Meetings, Agenda and Detailed Notes on Agenda were sent at least seven days in advance and/or shorter notice and a system

A. CHATURVEDI & ASSOCIATES COMPANY SECRETARIES FCS - 11048 C.P. - 15990 MUMBAI exist for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in place in the Company which is commensurate with its size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that that during the financial year 2025–26 under review:

1. The name of the Company was changed from *Sewa Grih Rin Limited* to *Sitaara Housing Finance Limited* pursuant to the passing of a special resolution by the members at the Extra-Ordinary General Meeting held on 19th December, 2025. Consequently, the Memorandum of Association (MOA) and Articles of Association (AOA) were amended accordingly. Further the Ministry of Corporate affairs (MCA) has provided a new certificate of incorporation on 23rd January 2026.

2. The Company obtaining the consent of its shareholders through a special resolution passed at the Extra-Ordinary General Meeting held on 19th December 2025, has removed the requirement of maintaining a Common Seal and has adopted the amended and restated Articles of Association.

We further report that during the financial year 2025-26 under review, there were no instances of:

i) Public/ Rights/ Debentures / Sweat Equity.
ii) Redemption / buy-back of securities.
iii) Merger / Amalgamation / reconstruction etc.
iv) Foreign technical collaborations.

Except, the Company has allotted followings equity shares:

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S. No	Series	No. of Equity Shares	Issue Price (Including premium)	Date of Allotment
1	Series I1	75,000	23.32	13.08.2025
2	Series I2 (Partly Paid)	90,75,000	23.32	13.08.2025
3	Series H2 (Partly Paid)	3,37,97,930	27.9	20.09.2025

Further, the Company has received call monies on the below series:

S. No	Series	No. of Equity Shares	Price Received per shares (Including premium)	Date of Allotment
1	Series G	1,07,20,412	17.38	18.11.2025
2	Series H1	92,85,491	17.38	18.11.2025
3	Series F1	14,57,97,599	5.87	24.03.2026 & 27.03.2026

For **A. CHATURVEDI & ASSOCIATES**
(Company Secretaries)

A. CHATURVEDI & ASSOCIATES
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Anshuman Chaturvedi
FCS No. - 11048
C.P. No. - 15990

UDIN: F011048H000059239

Unique Identification No. : S2016MH370800
Peer Review Certificate No.: 2830/2022

Date: 10th April, 2026
Place: Mumbai

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

ANNEXURE – A

To,
The Members,
SITAARA HOUSING FINANCE LIMITED
(Formerly known as SEWA GRIH RIN LIMITED)
CIN: U65923DL2011PLC222491

Registered Office:	Corporate Office:
1st Floor, 216/C-12, Old No. C-12, Plot No. 13-B, Guru Nanak Pura, Laxmi Nagar, East Delhi, Delhi – 110092	Shree Sawan Knowledge Park, 2nd Floor, D-507, TTC Industrial Area, MIDC Industrial Area, Turbhe, Navi Mumbai, Thane – 400705 (Maharashtra)

Our report of even date for the financial year ended 31st March, 2026 is to be read along with this letter.

1. It is the responsibility of the company to maintain secretarial records, devise proper systems to ensure compliance with the provision of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.
2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We have conducted the audit as per the applicable auditing standards issued by the Institute of Company Secretaries of India.
4. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, audit evidence and information obtained from the company's management is adequate and appropriate for us to provide a reasonable basis for our opinion.
5. Whenever required, we have obtained reasonable assurance about whether the statements prepared, documents or records, in relation to secretarial audit, maintained by the auditee, are free from misstatement.

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6. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations, happening of events and applicability's of other laws etc.
7. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
8. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards, is the responsibility of the management. Our examination was limited to the verification of procedure on test basis / sample basis.
9. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **A. CHATURVEDI & ASSOCIATES**
(Company Secretaries)

A. CHATURVEDI & ASSOCIATES FCS - 11048 C.P. - 15990 MUMBAI COMPANY SECRETARIES

Anshuman Chaturvedi

Anshuman Chaturvedi
FCS No. - 11048
C.P. No. - 15990

UDIN: F011048H000059239

Unique Identification No. : S2016MH370800
Peer Review Certificate No.: 2830/2022

Date: 10th April, 2026
Place: Mumbai

Sitaara

Annexure-D

FORM NO. AOC -2
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

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

1. Details of contracts or arrangements or transactions not at Arm's length basis: Not Applicable

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NA
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of contracts or arrangements or transactions at Arm's length basis: Not Applicable

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NA
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Date of approval by the Board	
f)	Amount paid as advances, if any	

FOR AND ON BEHALF OF BOARD OF DIRECTORS OF
SITAARA Housing Finance Limited
(Formerly Known as SEWA Grih Rin Limited)

SITAARA HOUSING FINANCE LIMITED

Ajesh Appukuttan
Managing Director and CEO
DIN: 10988270

Place: Mumbai
Date: April 17, 2026

Vishakha RM
Director
DIN: 07108012

Place: Mumbai
Date: April 17, 2026

MANAGEMENT DISCUSSION AND ANALYSIS

Sitaara Housing Finance Limited
(Erstwhile SEWA Grih Rin Limited)

A Year of Transition, Discipline and Direction

FY2025–26 has been a defining year for Sitaara Housing Finance Limited. The year represents a clear transition from a build-out phase to a more structured, disciplined and institutionally oriented operating model.

The strengthening of the management team has brought in experience across retail lending, credit underwriting and scaling of housing finance platforms. This has been complemented by the continued support of institutional shareholders with a long-term orientation towards governance and sustainable value creation.

<u>Against this backdrop, the Company anchored its efforts around three priorities:</u>

- establishing operating discipline
- strengthening the balance sheet
- building a scalable foundation for growth

While the sector continues to offer significant headroom, the Company has consciously prioritised quality of growth over pace of growth. The growth delivered during the year reflects improved execution, expanding distribution and the Company's current stage of scale, while maintaining discipline in underwriting and portfolio construction.

Global Backdrop: Growth Holds, Risks Reconfigure

The global economy through calendar year 2026 continues to exhibit resilience, with growth expected to remain around 3%. However, the underlying drivers of the cycle have shifted in a meaningful way.

Inflation, which had moderated through 2024 and early 2025, is now expected to remain moderately elevated, with supply-side factors playing a more prominent role. The re-emergence of geopolitical tensions, particularly in energy-sensitive regions, has introduced volatility in crude oil prices and altered inflation expectations.

<u>This has two important implications:</u>

First, monetary easing across major economies is likely to be gradual and contingent, rather than broad-based.

Second, cost-led inflation tends to transmit unevenly across economies and sectors, with lagged effects on consumption and credit behaviour.

For emerging markets, including India, this creates a more nuanced operating environment where macro stability coexists with pockets of pressure.

India: Strong Headline Growth, More Nuanced Ground Reality

India continues to stand out as one of the fastest growing major economies, with GDP growth for FY2025–26 estimated in the range of 7.3% to 7.6%, and a moderation expected in FY2026–27.

Inflation remains within the Reserve Bank of India's tolerance band, supported in part by stable domestic fuel prices and policy calibration.

At a headline level, the macroeconomic environment remains supportive. However, the underlying experience across segments is more varied.

A meaningful part of economic activity, particularly in semi-urban markets and informal segments, remains sensitive to:

- fuel and logistics costs
- input price volatility
- working capital cycles

This divergence between macro strength and micro variability is central to understanding credit behaviour in the current cycle.

Fuel, Elections and Inflation: Timing Matters as Much as Direction

One of the more defining features of the current environment has been the stability of domestic fuel prices despite elevated global crude prices.

This has helped contain inflation and support consumption during FY2025–26. However, this stability reflects calibrated policy positioning during a sensitive economic and electoral phase, and needs to be viewed in that context.

Historically, fuel pricing in India has shown a tendency to align with underlying cost structures over time, with adjustments often occurring gradually once conditions permit.

<u>This creates a forward-looking dynamic:</u>

- near-term inflation remains contained
- medium-term inflation may see gradual adjustment depending on crude trends
- the transmission, if it occurs, is likely to be phased rather than abrupt

For credit markets, this distinction is important. A gradual transmission allows both borrowers and lenders to adjust, reducing the risk of sharp dislocation.

Sectoral Transmission: Where Cost Pressures Surface

The impact of fuel and input cost movements is not uniform across the economy.

It is most visible in sectors with limited pricing power and higher operating leverage, including transportation, construction-linked activities, small businesses and parts of the agricultural value chain.

Across these segments, the impact is typically reflected in:

- margin compression rather than demand contraction
- variability in cash flows rather than income erosion
- longer working capital cycles

This distinction is important when assessing borrower risk.

Borrower Behaviour: Variability Over Stress

The Company's borrower base, largely comprising self-employed households in emerging markets, operates within this layer of the economy.

In this segment, macroeconomic shifts tend to manifest as variability rather than disruption.

Income levels generally sustain, but predictability reduces. Cash flows become uneven, leading to:

- timing mismatches in repayment
- temporary stress in early delinquency buckets
- gradual rather than immediate impact on asset quality

This reinforces an important operating principle:

Asset quality is a lagging indicator. Borrower behaviour is a leading one.

The ability to read early signals and respond proactively becomes critical.

Housing Finance Sector: Structural Depth, Cyclical Reset and Emerging Differentiation

India's housing finance sector continues to be supported by strong structural fundamentals. Mortgage penetration remains low, urbanisation continues to expand the addressable market, and home ownership remains a core aspiration across income segments.

Over the past 12 to 18 months, however, the sector has moved through a phase of cyclical normalisation following a period of strong growth.

This shift has been driven by:

- the lagged impact of the interest rate cycle
- gradual pressure on borrower cash flows due to input cost inflation
- normalisation of repayment behaviour after a liquidity-supportive phase

As a result, sector trends have reflected:

- a measured increase in early-stage delinquencies in certain segments
- greater sensitivity to income variability
- increasing divergence in performance across lenders

Importantly, this does not indicate structural stress. Credit costs remain contained and collateral quality remains strong.

What it does indicate is a return to more representative credit conditions.

In this environment, outcomes are increasingly determined by:

- discipline in underwriting
- consistency in credit filters
- strength of collections
- ability to identify and respond to emerging stress

The current phase is therefore less about the resilience of the sector and more about the quality of execution within it.

Affordable Housing: Demand Intact, Conversion Selective

The affordable housing segment remains central to the sector's growth.

Demand continues to be supported by first-time home ownership and expansion into Tier 2 and Tier 3 markets. At the same time, supply-side constraints, including construction costs and developer economics, influence the pace at which this demand translates into disbursements.

This creates an environment where opportunity remains strong, but realisation requires selectivity.

Sitaara: Aligning the Operating Model to the Segment

Within this environment, the Company has focused on aligning its operating model with the realities of its borrower segment.

The emphasis has been on:

- strengthening underwriting frameworks with a focus on cash flow assessment
- improving alignment between origination, credit and collections
- enhancing field-level feedback and early warning mechanisms
- building consistency in processes across geographies

The management team's experience in scaling similar businesses has helped bring sharper execution discipline, while the presence of institutional investors has strengthened governance and long-term orientation.

The focus has been on building a platform that delivers predictability and resilience, rather than episodic growth.

Business Performance: Growth with Strengthening Fundamentals

During FY2025–26, the Company delivered strong growth alongside improvement in key operating parameters.

Assets Under Management grew by approximately 50% year-on-year to ₹ 1,609 crore. This growth reflects the Company's stage of development and improved execution capability, while remaining aligned with its calibrated approach.

Disbursements stood at ₹ 743 crore, with a focus on borrower quality and portfolio stability. The branch network expanded to 102 locations, improving market reach.

The portfolio continues to reflect:

- a granular and fully retail book
- focus on self-employed borrowers in emerging markets
- stable ticket sizes aligned with the affordable segment
- conservative collateral-backed lending

In addition to growth, there has been progress across operating metrics:

- yields on incremental business have been maintained
- cost of funds has reduced meaningfully
- operating efficiency has improved with scale
- portfolio behaviour has become more stable and predictable

On the liability side, the Company secured approximately ₹ 605 crore in debt sanctions during the year, reflecting increasing lender confidence and improving institutional positioning.

Overall, the year reflects not just growth, but improvement in the quality and sustainability of that growth.

Asset Quality: Strengthening Through Process and Discipline

In a period where the sector has seen a degree of normalisation, the Company's asset quality has remained stable with signs of improvement.

This has been driven by deliberate strengthening of core processes rather than favourable external conditions.

Key areas of focus have included:

- tighter and more consistent underwriting
- deeper borrower assessment with emphasis on income stability
- stronger integration between credit and collections
- improved monitoring and early identification of stress

The portfolio remains granular and diversified, with no material concentration risks.

The approach has been to build resilience into the system, ensuring that performance remains stable across varying macro conditions.

Liability and Capital: Building the Right Foundation

The Company has made meaningful progress in strengthening its liability profile.

The reduction in cost of funds reflects:

- improved operating performance
- stronger governance and transparency

- increasing confidence among lenders

The Company has focused on diversifying its lender base and further improving its borrowing structures with the nature of its assets.

As the business scales, access to capital on competitive terms will remain a key enabler, and the progress made during the year provides a strong foundation for this.

ESG and Inclusion: Scaling with Purpose

Sitaara's origins are closely linked to expanding access to housing finance for underserved segments, and this continues to remain integral to its approach.

The portfolio includes a meaningful presence of:

- first-time homeowners
- women borrowers
- households transitioning into the formal credit ecosystem

The Company's approach to lending remains anchored in:

- responsible credit assessment
- focus on long-term affordability
- avoidance of over-leveraging

Governance continues to be central, with emphasis on transparency, accountability and alignment with stakeholder interests.

As the Company scales, ESG considerations are being embedded into its operating framework, ensuring that growth remains aligned with broader social and governance objectives.

Outlook: Moving into the Next Phase

The long-term opportunity in affordable housing finance remains significant.

At the same time, the operating environment requires a disciplined and measured approach, with greater attention to borrower behaviour and macro transmission.

The Company is now positioned to move into the next phase of its journey, supported by:

- strengthened management depth
- improving portfolio quality
- enhanced funding access
- a more structured operating model

The focus going forward will be on calibrated growth with consistency in outcomes.

Closing Perspective

FY2025–26 has been a year of building the core.

The Company has focused on strengthening the foundations required for sustainable growth, with an emphasis on discipline, governance and execution.

There is confidence in the direction of the business, supported by improving fundamentals and a clear strategic approach.

The foundation is in place.

The next phase is about scaling it with discipline.

51-52, Sector 18, Phase-IV, Udyog Vihar,
Gurugram, Haryana 122015, India
Tel +91 124 481 4444

INDEPENDENT AUDITOR'S REPORT

To the Members of Sitaara Housing Finance Limited (formerly known as SEWA Grih Rin Limited)

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Sitaara Housing Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2026, Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its profit and total comprehensive income (including other comprehensive income), changes in equity 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 ("the ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder. 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

S N DHAWAN & CO LLP CHARTERED ACCOUNTANTS GURUGRAM 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 management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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.

S N DHAWAN & CO LLP * GURUGRAM * CHARTERED ACCOUNTANTS

Report on Other Legal and Regulatory Requirements

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

2. As required by Section 143(3) of the Act, we report to the extent applicable that:

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

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 and in respect of books of account maintained in cloud server for Oracle application, the Company yet to receive the service organisation report for the period October 1, 2025 to March 31, 2026 confirming the daily data back-up.

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

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

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

(f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

(g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(h) 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 of the Act.

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

(i) The Company does not have any pending litigations which would materially 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 it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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.

S N DHAWAN & CO LLP GURUGRAM CHARTERED ACCOUNTANTS (b). The Management has represented, that, to the best of it's knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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.

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

(v) No dividend is declared or paid by the Company during the year and until the date of this audit report.

(vi) Based on our examination which included test checks, the Company has used multiple accounting software for maintaining its books of account for the financial year ended March 31, 2026, which has a feature of recording audit trail (edit log) facility and the same has been operating throughout the year for all relevant transactions recorded in the respective software except that Company yet to receive the service organisation control report from service provider confirming that audit trail (edit log) facility was enabled at the database layer for Oracle accounting application during the period October 1, 2025 to March 31, 2026. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

Additionally, the audit trail to the extent it was enabled as stated above, has been preserved by the Company as per the statutory requirements for record retention.

For **S N Dhawan & CO LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

(Rahul Singhal)
Partner
Membership No.: 096570
UDIN No.: 26096570FYTBVC3047

S N DHAWAN & CO LLP GURUGRAM CHARTERED ACCOUNTANTS

Place: Mumbai
Date: 17 April 2026

Annexure A to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date to the members of Sitaara Housing Finance Limited on the financial statements as of and for the year ended March 31, 2026)

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

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

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

(b) The Company has a regular program of physical verification of its Property, Plant and Equipment and Right of Use Assets, under which these assets are verified once in 2 years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, no assets were verified during the year and we are therefore unable to comment on the discrepancies, if any.

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

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year, being under cost model. Accordingly, the provisions of clause 3(i)(d) of the Order are not applicable.

(e) There are no proceedings which have been initiated or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and Rules made thereunder.

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

(b) During the year, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, from banks and financial institutions on the basis of security of current assets. As represented by the Company, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company for the respective quarters.

(iii) (a) The Company's principal business is to give loans. Accordingly, the provisions of clause 3(iii)(a) of the Order are not applicable.

(b) In our opinion, security given and the terms and conditions of grant of all loans and advances in the nature of loans are not, prima facie, prejudicial to the Company's interest. The Company has not made any investments in, and or provided any guarantee during the year.

(c) In our opinion, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and in our opinion the repayments/receipts of the principal amount and the interest are regular, except for below mentioned cases, wherein the repayment(s)/receipt(s) of the principal amount and the interest are not regular. The details of such cases are as follows (Refer note 40 to the financial statements).

Category of loan	Extent of delay	Amount (Rs. In million)
Term Loans	1-30 Days	397.80
	31-90 Days	755.33
	More than 90 Days	341.39
Total		**1,494.52**

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(d) In respect of loans or advances in the nature of loans granted by the Company, (the total amount which is overdue for more than 90 days as at the balance sheet date is given as under). As explained to us, reasonable steps have been taken by the Company for the recovery of principal/ interest amounts (Refer note 40 to the financial statements).

(Amount Rs. in million)

Category of Loan	No. of Cases	Principal Amount Overdue	Interest Overdue	Total Overdue
Term Loan	1,088	341.39	68.28	409.67

(e) The Company's principal business is to give loans. Accordingly, the provisions of clause 3(iii)(e) of the Order are not applicable.

(f)The Company has not granted any loans or advances in the nature of loans which are either repayable on demand or without specifying any terms or period of repayment. Accordingly, the provisions of clause 3(iii)(f) of the Order are not applicable.

(iv) The Company has not undertaken any transactions in respect of loans, guarantees, and securities covered under section 185 of the Companies Act, 2013. The Company has not made any investment as referred to in section 186(1) of the Act and other requirements relating to section 186 do not apply to the Company.

(v) The Company has neither accepted any deposits nor the amounts which are deemed to be deposits during the year and further the Company had no unclaimed deposits at the beginning of the year within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

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

(vii) (a) The undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income tax and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable. We are informed that the operations of the Company during the year did not give rise to any liability for sales-tax, service tax, value added tax and duty of excise.

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

(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).

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

(b) We report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The term loans were applied for the purposes for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the provisions of clause 3(ix)(e) & 3(ix)(f) of the Order are not applicable.

S N DHAWAN & CO LLP * GURUGRAM * CHARTERED ACCOUNTANTS

(ix) (a) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable.

(b) During the year, the Company has made preferential allotment/ private placement of shares. In respect of such allotment, in our opinion, the Company has complied with the requirement of Section 42 and Section 62 of the Act and the Rules framed there under. In our opinion, the funds raised have been utilized for the purposes for which the funds were raised though funds which were not required for immediate utilisation were temporarily invested in liquid funds, however these funds were ultimately utilized for the stated end-use. The Company has not made any preferential allotment or private placement of convertible debentures (fully, partially or optionally) during the year

(x) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) Considering the principles of materiality outlined in the Standards on Auditing, we have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

(xi) The Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii)(a)-(c) of the Order are not applicable.

(xii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.

(xiii) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date, for the period under audit.

(xiv) During the year the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

(xv) (a) The Company is not required to be registered under Section 45-IA of the RBI Act, 1934. Accordingly, provisions of clause 3 (xvi) (a) of the order are not applicable.

(b) The Company is a Housing Finance Company registered with the National Housing Bank and is not required to obtain a Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act,1934.

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

(d)The Group (as per the provisions of the Core investment Companies (Reserve Bank) Directions, 2016) does not have any CIC as part of the Group. Accordingly, provisions of clause 3 (xvi)(d) of the Order are not applicable.

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

(xviii) There has been no resignation of the statutory auditors during the year.

S N DHAWAN & CO LLP * GURUGRAM * CHARTERED ACCOUNTANTS

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

(xx) The provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3 (xx) (a) and (b) of the order is not applicable for the year.

For **S N Dhawan & CO LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

(Rahul Singhal)
Partner
Membership No.: 096570
UDIN No.: 26096570FYTBVC3047

S N DHAWAN & CO LLP * GURUGRAM * CHARTERED ACCOUNTANTS

Place: Mumbai
Date: 17 April 2026

Annexure B

Independent Auditor's report on the Internal Financial Controls with reference to financial statements 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 financial statements of Sitaara Housing Finance Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the 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 financial control with reference to financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to Financial Statements

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

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Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, and to the best of our information and according to the explanations given to us the Company has, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, based on the internal financial control with reference to 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 **S N Dhawan & CO LLP**
Chartered Accountants
Firm's Registration No.:000050N/N500045

(Rahul Singhal)
Partner
Membership No.: 096570
UDIN No.: 26096570FYTBVC3047

Place: Mumbai
Date: 17 April 2026

S N DHAWAN & CO LLP
GURUGRAM
CHARTERED ACCOUNTANTS

Auditor's Additional Report

The Board of Directors,
Sitaara Housing Finance Limited
(formerly SEWA Grih Rin Limited)
2nd Floor, Shree Sawan Knowledge Park,
Turbhe, Navi Mumbai,
Maharashtra – 400705

1. This report is issued in accordance with the requirements of Chapter IX paragraph 123 of Reserve Bank of India (Housing Finance Companies) Directions, 2025 vide Ref. No. RBI/DoR/2025-26/365 DoR.FIN.REC.284/03-10-119/2025-26 dated 28 November 2025, as updated (hereinafter referred to as "the Directions") issued by the Reserve Bank of India ("the RBI").

2. We have audited the financial statements of Sitaara Housing Finance Limited (formerly SEWA Grih Rin Limited) ("the Company"), which comprise the balance sheet as at 31 March 2026, statement of profit and loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information. (hereinafter referred to as "the Financial Statements"), on which we have issued our unmodified opinion vide our Audit report dated 17 April 2026.

Management's Responsibility for the Financial Statements

3. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("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 Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

4. The Management is also responsible for compliance with the Reserve Bank of India (Housing Finance Companies) Directions, 2025, the National Housing Bank Act, 1987 ('the NHB') and other relevant RBI/ NHB Circulars, Directions, Notifications, and Guidelines as amended from time to time pertaining to Housing Finance Companies (HFC) and for providing all the required information to the RBI and the NHB.

Auditor's Responsibility

5. Pursuant to the requirements of the Directions referred to in paragraph 1 above it is our responsibility to examine the audited books and records of the Company for the year ended 31 March 2026 and report on the matters specified in the directions to the extent applicable to the Company.

6. The audited financial statements referred to in paragraph 2 above have been audited by us on which we have issued an unmodified opinion vide report dated 17 April 2026. Our audits of these financial statements were conducted in accordance with the Standards on Auditing, as specified under Section 143(10) of the Companies Act, 2013 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ("ICAI"). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements.

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

8. We have complied with the relevant applicable requirements of Standards on Quality Control (SQC) I quality control for Firms that perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

9. Based on our examination of the books and records of the Company as produced for our examination, the information and explanations given to us and our Independent Auditor's Report dated, we report that:

   9.1 The Company is engaged in the business of housing finance and has obtained a certificate of registration ("**CoR**") no. 0009/2026 dated 15 April 2026 (in lieu of CoR no. 01.0118.15 dated 24 January 2015) under section 29A of the National Housing Bank Act, 1987 and the Company has complied with Principal Business Criteria as at 31 March 2026 as specified in Paragraph 10(9) of the Directions.

   9.2 The Company is meeting the required Net Owned Fund (NOF) requirement as prescribed under Section 29A of the National Housing Bank Act, 1987.

   9.3 The Company has complied with the provisions of Section 29C of the National Housing Bank Act, 1987.

   9.4 Total borrowings of the Company are within the limits prescribed under paragraph 79 of the Directions.

   9.5 The Company has complied with the prudential norms on income recognition, accounting standards, asset classification, loan-to-value ratio, provisioning requirements, disclosure in balance sheet, investment in real estate, exposure to capital market and engagement of brokers, and concentration of credit/ investments as specified in the Directions.

   9.6 The capital adequacy ratio as disclosed in the Schedule-II return for the period ended 31 March 2026 is due to be submitted to the National Housing Bank on 12 May 2026. Till the date of this audit report, the Company has not filed the return and therefore we are unable to comment in this respect.

   9.7 Based on explanation provided by the Company, it has to furnish half yearly returns i.e. Schedule II and ALM II to the National Housing Bank. The Schedule II and ALM II Return for the half year ended 30 September 2025 is required to be filed by 12 November 2025 and 20 October 2025 and for the half year ended 31 March 2026, is required to be filed by 12 May 2026 and 20 April 2026 respectively. Provisional Schedule II return for half year ended 30 September 2025 has been filed on 12 November 2025 and Final Schedule II return for half year ended 30 September 2025 has been filed on 09 January 2026; Schedule II return for the half year ended 31 March 2026 is due to be filed on 12 May 2026. Provisional ALM II return for half year ended 30 September 2026 has been filed on 20 October 2025 and final return has been filed on 30 December 2025; Final ALM II return for the half year ended 31 March 2026 is due to be filed on 20 April 2026.

   9.8 The Company is non-deposit taking HFCs and has not accepted any public deposits during the year ended 31 March 2026. The requirement of filing Schedule-III Return on Statutory Liquid Assets is not applicable.

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9.9 Based on information made available for our review of CRAMIS NHB Portal as applicable, in the case of opening of new branches/ offices or in the case of closure of existing branches/ offices, the Company has complied with the requirements contained in the Directions.

9.10 The Company has complied with the provisions contained in paragraph 56 of the directions and paragraph 105 of the Reserve Bank of India (Non-Banking Financial Companies – Credit Facilities) Directions, 2025. The guidelines issued on 'Loans against security of shares' and 'Loans against security of single product - gold jewellery' are not applicable on the Company.

9.11 The Board of Directors of the Company have passed a resolution on 22 April 2025 for non-acceptance of any public deposits and accordingly the Company has not accepted any public deposits during the year ended 31 March 2026.

Restriction on Use

10. This report is issued pursuant to our obligations under the directions to submit a report on additional matters as stated in the above Directions, to the Board of Directors, for submission to the RBI / NHB pursuant to RBI / NHB Directions and should not be used by any other person or for any other purpose. S N Dhawan & Company LLP neither accepts nor assumes any duty or liability for any other purpose or to any other party to whom our report is shown or into whose hands it may come without our prior consent in writing.

For **S N Dhawan & CO LLP**
Chartered Accountants
Firm's Registration No.:000050N/N500045

S N DHAWAN & CO LLP * GURUGRAM * CHARTERED ACCOUNTANTS

(Rahul Singhal)
Partner
Membership No.: 096570
UDIN No.: 26096570PQFVKB3392

Place: Gurgaon
Date: 17 April 2026

Sitaara Housing Finance Limited (formerly known as SEWA Grih Rin Limited)
Corporate Identification Number CIN: U65923DL2011PLC222491
Balance Sheet as at March 31, 2026
(All amounts are in INR millions, unless otherwise stated)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
(1) Financial Assets			
Cash and cash equivalents	3	1,335.35	947.92
Bank balance other than cash and cash equivalents	4	233.48	361.42
Derivative financial instruments	5	224.23	105.46
Receivables	6	36.53	8.50
Loans	7	14,136.79	9,591.77
Investments	8	-	2,196.91
Other Financial Assets	9	454.94	271.01
Total Financial assets		**16,421.32**	**13,482.99**
(2) Non-financial assets			
Current tax assets (net)	10	17.29	6.88
Deferred tax assets (net)	11	114.68	131.91
Property, Plant & Equipment	12	81.50	120.83
Intangible assets under development	12	0.67	-
Other intangible assets	12	52.41	73.29
Right of use assets	43	125.83	148.62
Other non-financial assets	13	37.64	63.02
Total Non-Financial assets		**430.02**	**544.55**
Total Assets (1+2)		**16,851.34**	**14,027.54**
LIABILITIES AND EQUITY			
Liabilities			
(1) Financial liabilities			
Derivative financial instruments	5	-	-
Trade payables:	14		
- Total outstanding dues of micro enterprises and small enterprises		12.11	3.70
- Total outstanding dues of creditors other than micro enterprises and small enterprises		36.97	35.68
Debt securities	15	425.19	507.40
Borrowings (other than debt securities)	16	9,599.22	8,227.90
Lease liabilities	43	141.11	162.21
Other financial liabilities	17	169.19	97.34
Total Financial liabilities		**10,383.79**	**9,034.23**
(2) Non-financial liabilities			
Provisions	18	16.96	22.81
Other non- financial liabilities	19	25.49	29.37
Total Non- financial liabilities		**42.45**	**52.18**
Total Liabilities (3 = 1+2)		**10,426.24**	**9,086.41**
(4) Equity			
Equity share capital	20	3,131.39	2,747.11
Other equity	21	3,293.71	2,194.02
Total Equity		**6,425.10**	**4,941.13**
Total Liabilities and Equity (3+4)		**16,851.34**	**14,027.54**

Material accounting policies 1,2

The accompanying notes referred to above form an integral part of the financial statements
As per our report of even date

For S N Dhawan & CO LLP
Chartered Accountants
Firm Registration Number: 000050N/N500045

Rahul Singhal
Partner
Membership Number: 096570

Place: Mumbai
Date: April 17, 2026

S N DHAWAN & CO LLP * GURUGRAM * CHARTERED ACCOUNTANTS

SITAARA HOUSING FINANCE LIMITED *

For and on behalf of Board of Directors
Sitaara Housing Finance Limited
(formerly known as SEWA Grih Rin Limited)

Ajesh Appukuttan
Managing Director & CEO
DIN: 10988270

Place: Mumbai
Date: April 17, 2026

Vishakha Rajesh Maheshwari
Director
DIN: 07108012

Place: Mumbai
Date: April 17, 2026

Udit Kariwala
CFO

Place: Mumbai
Date: April 17, 2026

Ayush Jindal
Company Secretary
M. No.: A-60494
Place: Mumbai
Date: April 17, 2026

Sitaara Housing Finance Limited (formerly known as SEWA Grih Rin Limited)
Corporate Identification Number CIN: U65923DL2011PLC222491
Statement of Profit and Loss for the year ended March 31, 2026
(All amounts are in INR millions, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2026	For the year ended March, 31 2025
(1) Revenue from operations:			
(i) Interest income on financial assets measured at amortised cost	22	1,874.04	1,766.00
(ii) Fees and commission Income	23	234.79	58.36
(iii) Net gain on fair value changes	24	70.55	93.54
(iv) Income on derecognised (assigned) loans	25	239.75	113.50
Total revenue from operations		2,419.13	2,031.40
(2) Other income	26	15.41	17.01
(3) Total income (1+2)		**2,434.54**	**2,048.41**
(4) Expenses			
Finance costs	27	827.28	918.99
Impairment on financial instruments	28	87.70	(14.34)
Employee benefits expenses	29	1,080.62	752.38
Depreciation and amortisation expense	30	98.81	95.71
Other expenses	31	305.12	271.71
Total expenses		**2,399.53**	**2,024.45**
(5) Profit before tax (3-4)		**35.01**	**23.96**
(6) Tax expenses	45		
Current tax		-	-
Tax adjustment relating to prior years		7.13	(0.38)
Deferred tax charge / (credit)		10.50	18.19
Total tax expenses		**17.63**	**17.81**
(7) Profit for the year (5-6)		**17.38**	**6.15**
(8) Other Comprehensive Income			
Items that will not to be reclassified to profit or loss			
Re-measurement gains/ (losses) on defined benefit plan		(1.57)	(1.91)
Income tax relating to items that will not be reclassified to profit or loss		0.40	0.48
Other comprehensive income		**(1.17)**	**(1.43)**
(9) Total comprehensive income for the year (7+8)		**16.21**	**4.72**
Earnings per equity share			
[nominal value of share Rs. 10 (March 31, 2025: Rs. 10)]			
Basic (in Rs. per share)	32	0.06	0.04
Diluted (in Rs. per share)	32	0.05	0.04
Material accounting policies	1,2		

The accompanying notes referred to above form an integral part of the financial statements
As per our report of even date

For S N Dhawan & CO LLP
Chartered Accountants
Firm Registration Number: 000050N/N500045

Rahul Singhal
Partner
Membership Number: 096570

Place: Mumbai
Date: April 17, 2026

S N DHAWAN & CO LLP * GURUGRAM * CHARTERED ACCOUNTANTS

SITAARA HOUSING FINANCE LIMITED

For and on behalf of Board of Directors
Sitaara Housing Finance Limited
(formerly known as SEWA Grih Rin Limited)

Ajesh Appukuttan
Managing Director & CEO
DIN: 10988270

Place: Mumbai
Date: April 17, 2026

Vishakha Rajesh Maheshwari
Director
DIN: 07108012

Place: Mumbai
Date: April 17, 2026

Udit Kariwala
CFO

Place: Mumbai
Date: April 17, 2026

Ayush Jindal
Company Secretary
M. No.: A-60494
Place: Mumbai
Date: April 17, 2026

Sitaara Housing Finance Limited (formerly known as SEWA Grih Rin Limited)
Corporate Identification Number CIN: U65923DL2011PLC222491
Statement of Cash Flows for the year ended March 31, 2026
(All amounts are in INR millions, unless otherwise stated)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A. Cash flow from operating activities		
Profit before tax	35.01	23.96
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation, amortisation and impairment	98.81	95.71
Interest expense on borrowings and debt securities	738.33	836.45
Interest expense on leases	15.22	15.34
Impairment on financial Instruments	10.56	(339.86)
Interest on unwinding of security deposits	(1.04)	(1.74)
Employee share option expense	29.81	(1.27)
Loss on sale of property, plant & equipment	9.44	-
Gain on Lease termination	(5.97)	-
Property, plant & equipment written off	-	0.64
Income on derecognised (assigned) loans	(239.75)	(113.50)
Net gain on fair value changes	(70.55)	(93.54)
Operating profit before working capital changes	**619.87**	**422.19**
Changes in working capital:		
Adjustments for (increase)/ decrease in operating assets:		
(Increase)/decrease in receivables	(28.03)	8.98
(Increase)/decrease in other financial assets	59.77	42.43
(Increase)/decrease in other non -financial assets	19.41	11.38
(Increase)/decrease in derivative financial asset	(119.50)	(53.57)
(Increase)/decrease in loan	(4,552.43)	1,151.32
(Increase)/decrease in other bank balance	127.94	13.51
Adjustments for increase/ (decrease) in operating liabilities:		
Increase/(decrease) in trade payables	9.70	(2.15)
Increase/(decrease) in derivative financial liability	-	(1.17)
Increase/(decrease) in provisions	(7.42)	(1.30)
Increase/(decrease) in other financial liabilities	71.85	21.94
Increase/(decrease) in other non-financial liabilities	(3.88)	(114.57)
Cash used in operations	(3,802.72)	1,498.99
Net income tax paid	(10.41)	34.23
Net cash flows/(used) in operating activities (A)	**(3,813.13)**	**1,533.22**
B. Cash flow from investing activities		
Purchase of Property, Plant & Equipment	(5.90)	(27.35)
Capital expenditure on intangible assets including under development	(8.76)	(34.32)
Purchase of Mutual funds	(16,720.14)	(9,467.28)
Sale of Mutual funds	18,988.33	7,364.55
Sale of Property, Plant & Equipment	0.31	0.01
Sale of investment	-	-
Net cash from/(used) investing activities (B)	**2,253.84**	**(2,164.39)**
C. Cash flow from financing activities		
Proceeds from borrowings	3,900.00	650.00
Repayment of borrowings	(2,528.68)	(1,625.42)
Proceeds/(Repayment) of debt securities	(82.21)	(92.26)
Share issue expenses paid	(42.18)	(133.90)
Interest paid	(738.33)	(836.45)
Proceeds from issue of CCPS	-	-
Proceeds from issue of equity shares	1,480.13	2,617.06
Dividend paid on CCPS	-	(0.04)
Payment of lease liabilities	(42.01)	(51.63)
Net cash generated from financing activities (C)	**1,946.72**	**527.36**
Net increase in cash and cash equivalents (A)+(B)+(C)	387.43	(103.81)
Cash and cash equivalents at the beginning of the year	947.92	1,051.73
Cash and cash equivalents at the end of the year	**1,335.35**	**947.92**
Components of cash and cash equivalents (refer note 3)		
Cash on hand	5.66	3.89
Balances with banks	1,179.64	293.49
Deposits with original maturity of less than 3 months	150.05	650.54
Total	**1,335.35**	**947.92**

S.N. DHAWAN & CO LLP * GURUGRAM * CHARTERED ACCOUNTANTS

SITAARA HOUSING FINANCE LIMITED

Sitaara Housing Finance Limited (formerly known as SEWA Grih Rin Limited)
Corporate Identification Number CIN: U65923DL2011PLC222491
Statement of Cash Flows for the year ended March 31, 2026
(All amounts are in INR millions, unless otherwise stated)

The above cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7 (Ind AS-7) on "Statements of Cash Flows".

Reconciliation of liabilities from financing activities:

Particulars	**As at March 31, 2025**	**As at March 31, 2025**
Opening balance of share capital (incl. premium) and borrowings	14,043.29	12,627.81
Non cash movement:		
Accrual of Interest	738.33	836.45
Cash movement:		
Issue of shares (including premium)	1,480.13	2,617.06
Proceeds from borrowings including debts (net)	3,817.79	557.74
Repayment of borrowings (net)	(2,528.68)	(1,625.42)
Payment of share issue expenses	(42.18)	(133.90)
Interest paid	(738.33)	(836.45)
Closing balance of share capital (incl. premium) and borrowings	**16,770.35**	**14,043.29**

Material accounting policies 1,2
The accompanying notes referred to above form an integral part of the financial statements
As per our report of even date

For S N Dhawan & CO LLP
Chartered Accountants
Firm Registration Number: 000050N/N500045

Rahul Singhal
Partner
Membership Number: 096570

Place: Mumbai
Date: April 17, 2026

S N DHAWAN & CO LLP
GURUGRAM
CHARTERED ACCOUNTANTS

For and on behalf of Board of Directors
Sitaara Housing Finance Limited
(formerly known as SEWA Grih Rin Limited)

Ajesh Appukuttan
Managing Director & CEO
DIN: 10988270

Place: Mumbai
Date: April 17, 2026

Vishakha Rajesh Maheshwari
Director
DIN: 07108012

Place: Mumbai
Date: April 17, 2026

Udit Kariwala
CFO

Place: Mumbai
Date: April 17, 2026

Ayush Jindal
Company Secretary
M. No.: A-60494
Place: Mumbai
Date: April 17, 2026

SITAARA HOUSING FINANCE LIMITED

Sitaara Housing Finance Limited (formerly known as SEWA Grih Rin Limited)
Corporate Identification Number CIN: U65923DL2011PLC222491
Balance sheet as at March 31, 2026
(All amounts are in INR millions, unless otherwise stated)

Statement of Changes in Equity

(A) Equity Share Capital

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of Shares	Amount	Number of Shares	Amount
Balance at the beginning of the year	41,54,38,110	2,747.11	6,59,49,342	659.49
Changes in equity share capital during the year	4,36,22,930	427.48	34,94,88,768	2,087.62
Closing balance as at the end of the year	**45,90,61,040**	**3,174.59**	**41,54,38,110**	**2,747.11**

(B) Other Equity

Particulars	Reserves & Surplus					Total
	Share Based Payment Reserve	Retained Earnings	Securities premium	Statutory reserve	Other comprehensive income	
Balance at the beginning of April 1, 2024	17.54	(428.54)	1,786.46	42.30	(1.57)	1,416.19
Profit / (Loss) for the year	-	6.15	-	-	(1.43)	4.72
Transfer to statutory reserve	-	(1.23)	-	1.23	-	-
Securities premium on issuance of equity shares	-	-	908.32	-	-	908.32
Payment of dividend on compulsory convertible preference shares	-	(0.04)	-	-	-	(0.04)
Share issue expenses	-	-	(133.90)	-	-	(133.90)
Transfer on cancellation of ESOPs		7.90	-	-	-	7.90
Cost of ESOPs granted during the year	(9.17)	-	-	-	-	(9.17)
Balance at the end of March 31, 2025	**8.37**	**(415.76)**	**2,560.88**	**43.53**	**(3.00)**	**2,194.02**
Profit / (Loss) for the year	-	17.38	-	-	(1.17)	16.21
Transfer to statutory reserve	-	(3.48)	-	3.48	-	-
Securities premium on issuance of equity shares	-	-	1,095.85	-	-	1,095.85
Share issue expenses	-	-	(42.18)	-	-	(42.18)
Cost of ESOPs granted during the year	29.81	-	-	-	-	29.81
Balance at the end of the current reporting period	**38.18**	**(401.86)**	**3,614.55**	**47.01**	**(4.17)**	**3,293.71**

Material accounting policies 1,2
The accompanying notes referred to above form an integral part of the financial statements
As per our report of even date

For S N Dhawan & CO LLP
Chartered Accountants
Firm Registration Number: 000050N/N500045

Rahul Singhal
Partner
Membership Number: 096570

Place: Mumbai
Date: April 17, 2026

S N DHAWAN & CO LLP GURUGRAM CHARTERED ACCOUNTANTS

For and on behalf of Board of Directors
Sitaara Housing Finance Limited
(formerly known as SEWA Grih Rin Limited)

Ajesh Appukuttan
Managing Director & CEO
DIN: 10988270

Place: Mumbai
Date: April 17, 2026

Vishakha Rajesh Maheshwari
Director
DIN: 07108012

Place: Mumbai
Date: April 17, 2026

Udit Kariwala
CFO

Place: Mumbai
Date: April 17, 2026

Ayush Jindal
Company Secretary
M. No.: A-60494
Place: Mumbai
Date: April 17, 2026

SITAARA HOUSING FINANCE LIMITED

1. Company overview

Sitaara Housing Finance Limited ("the Company") is a Company incorporated on July 18, 2011 under the provisions of the Companies Act, 1956, and obtained a fresh certificate of incorporation on April 07, 2014 upon change of name on conversion to a Public Limited Company. It is a Housing Finance Company registered under section 29A of The National Housing Bank Act, 1987 vide Registration Certificate No. 01.0118.15 dated January 24, 2015. The Company is engaged in providing secured retail home loans, home equity loans and loans against property to women borrowers for a period up to twenty years. The Company operates in India through branches spread across various Indian States viz. Delhi, Rajasthan, Madhya Pradesh, Uttar Pradesh, Maharashtra, Bihar, Haryana, Gujarat, etc. These loans are primarily to be used by the women borrowers for home purchase, home improvements, home extension and for construction of dwelling units on plots owned by borrowers. The Company is not allowed to accept/ hold public deposits. The Company has changed its name from SEWA Grih Rin Limited to Sitaara Housing Finance Limited with effect from January 23, 2026.

1.1 Basis of preparation

Statement of Compliance

The financial statements of the Company as at and for the year ended March 31, 2026 are prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India. These financial statements have been approved by the board of directors in its meeting held on April 17, 2026.

Indian Accounting Standards issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the time these financial statements have been adopted by the Board of Directors, have been considered in preparing these financial statements.

The material accounting policies adopted under Ind AS by the Company are disclosed in note 2.

1.2 Basis of preparation, measurement and presentation

These financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities that are measured at fair value (refer to accounting policies in note 2) in accordance with the accounting principles generally accepted in India.

The Balance Sheet, the Statement of Change in Equity and the Statement of Profit and Loss are presented in the format prescribed under Division III of Schedule III of the Act, 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.

1.3 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional and presentation currency. All amounts have been denominated in million and rounded off to the nearest two decimals, except as stated otherwise.

2. Material accounting policies

2.1 Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements, assumptions and estimation uncertainties

In the process of applying the Company's accounting policies, management has made the following estimates and judgments, which have a significant impact on the carrying amount of assets and liabilities at each balance sheet date:

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Business model assessment - Classification of financial assets: Assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

Classification and measurement of financial assets depends on the results of the 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. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Impairment of financial assets

The Company establishes criteria for determining whether credit risk on the financial assets has increased significantly since initial recognition, determines methodology for incorporating forward looking information into measurement of expected credit loss ('ECL') and selection of models used to measure ECL. The inputs used and process followed by the Company in determining the ECL has been detailed in note 41.

Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is carried out in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

Impairment of financial instruments: Determining inputs into the ECL measurement model, including incorporation of forward looking information including key assumptions used in estimating recoverable cash flows

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. The Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The Company's 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 ECL ('LTECL') basis and the qualitative assessment;
- The segmentation of financial assets when their ECL is assessed on a collective basis;
- Development of ECL models, including the various formulas and the choice of inputs;
- Determination of associations between macroeconomic scenarios and, economic inputs and collateral values, and the effect on PDs, EADs and LGDs
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models

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

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Effective Interest Rate (EIR) method

The Company's EIR methodology, recognises interest income/ expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges). This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument

Measurement of defined benefit obligations: key actuarial assumptions

The measurement of obligations related to defined benefit plans makes it necessary to use several statistical and other factors that attempt to anticipate future events. These factors include assumptions about the discount rate, the rate of future compensation increases, withdrawal, mortality rates etc. The management has used the past trends and future expectations in determining the assumptions which are used in measurements of obligations. Refer to note 35.

Recognition of deferred tax assets

The Company has recognised deferred tax assets/ (liabilities) and concluded that the deferred tax assets will be recoverable using the estimated future taxable income based on the experience and future projections. The Company is expected to generate adequate taxable income for liquidating these assets in due course of time.

Recognition and measurement of provisions and contingencies

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in statutory litigation in the ordinary course of the Company's business. Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgment is required to conclude on these estimates.

Useful lives and expected residual value of assets

Depreciation and amortisation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically. The lives are based on useful life of the assets as prescribed in Schedule II of the Companies Act, 2013 except intangible assets which are amortised over the period of 3-5 years.

2.2 Measurement of fair value

The Company's accounting policies and disclosures require/ may require measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

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2.3 Financial Instruments

Initial recognition and measurement

Financial assets and liabilities are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

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

Financial assets – Classification

On initial recognition, a financial asset is classified as measured at either of:
- Amortized cost
- Fair value through other comprehensive income (FVTOCI)
- Fair value through profit or loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset being 'debt instrument' is measured at the amortised cost, only if both of the following conditions are met and is not designated as at FVTPL:

- The financial asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

A financial asset being 'debt instrument' is measured at the FVTOCI if both of the following criteria are met and is not designated as at FVTPL:

- The asset is held within the business model, whose objective is achieved both by collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by- investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;

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- how the performance of the portfolio is evaluated and reported to the Company's management;

- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

If cash flows after initial recognition are realized in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest:

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows; ,
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non- recourse features)

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of Profit and Loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Statement of Profit and Loss.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to Statement of Profit and Loss.

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Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to Statement of Profit and Loss.

Collateral Repossession

In its normal course of business whenever default occurs, the Company on the satisfaction of some internal logics initiate the Arbitration process and after getting the order from the Arbitral Tribunal takes the possession of two-wheeler in its secured portfolio and generally disposes such assets through auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors. The Company generally does not use the assets repossessed for the internal operations. As a result of this practice, assets under legal repossession processes are not recorded on the balance sheet as it does not meet the recognition criteria in other standards and consequently the Company also does not derecognise the underlying financial asset immediately on repossession. The Company does not record repossessed assets on its Balance Sheet as non–current assets held for sale.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Derecognition

Financial asset – derecognition due to substantial modification of terms and conditions

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be POCI.

If the modification is such that the instrument would no longer meet the SPPI criterion

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

Financial asset – derecognition other than due to substantial modification

A financial asset, such as a loan to a customer, is derecognised only when:

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

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

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Derecognition - Financial liability

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in Statement of Profit and Loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.4 Impairment of financial assets

Impairment of financial instruments:

The Company applies the ECL model in accordance with Ind AS 109 for recognising impairment loss on financial assets. The ECL allowance is based on the credit losses expected to arise from all possible default events over the expected life of the financial asset ('lifetime ECL'), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12-month ECL. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is calculated on a collective basis, considering the nature of the underlying portfolio of financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. When determining whether the risk of default on a financial asset has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on a provision matrix which takes into account the Company's historical credit loss experience, current economic conditions, forward looking information and scenario analysis.

The expected credit loss is a product of exposure at default ('EAD'), probability of default ('PD') and loss given default ('LGD'). The Company has devised an internal model to evaluate the PD and LGD based on the parameters set out in Ind AS 109. Accordingly, the financial assets have been segmented into three stages based on the risk profiles. The three stages reflects the general pattern of credit deterioration of a financial assets. The Company categories financial assets at the reporting date into stages based on the days past due ('DPD') status as under:

- Stage 1: Low credit risk, i.e. 0 to 30 days past due
- Stage 2: Significant increase in credit risk, i.e. 31 to 90 days past due
- Stage 3: Impaired assets, i.e. more than 90 days past due

LGD is an estimate of loss from a transaction given that a default occurs. PD is defined as the probability of whether the borrowers will default on their obligations in the future. For assets which are in Stage 1, a 12-month PD is required. For Stage 2 assets a lifetime PD is required while Stage 3 assets are considered to have a 100% PD. EAD represents the expected exposure in the event of a default and is the gross carrying amount in case of the financial assets held by the Company.

The Company incorporates forward looking information into both assessments of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL. Based on the consideration of external actual and forecast information, the Company forms a 'base case' view of the future direction of relevant economic variables. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. The base case represents a most likely outcome while the other scenarios represent more optimistic and more pessimistic outcomes.

The measurement of impairment losses across all categories of financial assets requires judgment, in particulars, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. The Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. The Company regularly reviews its models in the context of actual loss experience and make adjustments when such differences are significantly material.

The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in profit or loss.

After initial recognition, trade receivables are subsequently measured at amortized cost using the effective interest method, less provision for impairment. The Company follows the simplified approach required by Ind AS 109 for recognition of impairment loss allowance on trade receivables, which requires lifetime ECL to be recognised at each reporting date, right from initial recognition of the receivables.

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charged to Statement of Profit and Loss and is recognised in OCI.

Write-offs

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

2.5 Property, plant and equipment

Initial recognition and measurement

The cost of an item of Property, plant and equipment is recognised as an asset if, and only if:

- it is probable that future economic benefits associated with the item will flow to the entity; and
- the cost of the item can be measured reliably.

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located.

Gains or losses arising from the retirement or disposal of a property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.
The cost of fixed assets not ready for their intended use is recorded as capital work-in-progress before such date. Cost of construction that relate directly to specific fixed assets and that are attributable to construction activity in general and can be allocated to specific fixed assets are included in capital work-in-progress

Company has policy to do verification of property, plant and equipment once in two years effective from FY 2526.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation methods, estimated useful lives and residual value

The Company depreciates its property, plant and equipment on the straight line method based on the useful lives as specified in Part 'C' of Schedule II to the Act, except intangible assets which are amortised over the period of 3-5 years.

Depreciation on additions is being provided on pro rata basis from the date of such additions. Similarly, depreciation on assets sold / disposed off during the period is being provided up to the dates on which such assets are sold / disposed off. Modification or extension to an existing asset, which is of capital nature and which becomes an integral part thereof is depreciated prospectively over the remaining useful life of that asset.

Leasehold improvements are amortised on a straight line basis over the non-cancellable period of lease or management estimates to useful life, whichever is lower.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

2.6 Intangible assets

Initial recognition and measurement

Intangible assets acquired by the Company are carried at cost of acquisition less amortisation. The cost of an item of intangible assets comprises its purchase price, including non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset is recognised in profit or loss when the asset is de-recognised.

Amortization methods, estimated useful lives and residual value

Intangible assets, comprising software, are amortised over the estimated useful life of 3 years to 5 years on a straight-line basis from the date of capitalization. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.7 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.8 Impairment of non-financial assets

The Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For assets that are not yet available for use, the recoverable amount is estimated at each reporting date. The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are reduced from the carrying amounts of the assets of the CGU. Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

2.9 Provisions and contingencies

A provision is recognised if, as a result of a past event, the Company has a present obligation (legal or constructive) that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle 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.

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred, and the amount can be estimated reliably. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the year in which the change occurs.

2.10 Revenue recognition

Interest income on loans

Interest income from financial assets is recognised using Effective Interest Rate ('EIR') method. The EIR is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate to the net carrying amount of the financial asset. The EIR is computed basis the expected cash flows by considering all the contractual terms of the financial instrument. The calculation includes all fees, transaction costs, and all other premiums or discounts paid or received between parties to the contract that are an integral part of the effective interest rate.

The interest revenue continues to be recognised at the original EIR applied on the gross carrying amount for financial assets (when the asset is not credit impaired) or to the amortised cost of the liability. However, for the financial assets that have become credit impaired subsequent to the initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Other financial charges

Cheque bouncing charges, late payment charges, foreclosure and other related charges are recognised on a point-in-time basis, and are recorded when realised since the probability of collecting such monies is established when the customer pays.

Other income

Service fees income is recognised over the time as services are rendered, per the terms of the contract.
Insurance commission income is recognised in the month of issuance / renewal of the policy.
All other items of income are accounted for on accrual basis.

Recovery from bad debts

Recovery from bad debts written off is recognised as income on the basis of actual realization from customers.

2.11 Employee benefits

Short term employee benefits

Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. Benefits such as salaries and bonus etc., are recognised in the Statement of Profit and Loss in the period in which the employee provides the related service.

Post-employment benefits

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

Provident fund is a defined contribution plan. The Company expenses its contributions towards provident fund which are being deposited with the Regional Provident Fund Commissioner.

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Defined benefit plans

The Company's gratuity scheme is an unfunded defined benefit plan. The Company pays gratuity to employees who retire or resign after a minimum period of five years of continuous service. The present value of obligations under such defined benefit plans are based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognise each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of estimated future cash flows. The discount rate used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity period approximating to the terms of related obligations.

The change in defined benefit plan liability is split into changes arising out of service, interest cost and re-measurements. Changes due to service cost and net interest cost / income is recognised in the statement of profit and loss. Re-measurements of net defined benefit liability / (asset) which comprise of actuarial gains and losses are recognised in other comprehensive income:

Gratuity payable to the employees on fixed term contract with the Company are accounted for on the basis of salary drawn and the period served as at the balance sheet date in accordance with the Payment of Gratuity Act, 1972.

Other long term employee benefits

Benefits under compensated absences constitute other employee benefits. Employee entitlements to annual leave are recognised when they accrue to the eligible employees. An accrual is made for the estimated liability for annual leave as a result of services provided by the eligible employees up to the Balance Sheet date. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

Leave encashment payable to the employees on fixed term contract with the Company are accounted for on the basis of salary drawn and the accumulated leave balance as at the balance sheet date in accordance with the other long term employee benefits plans of the company.

2.12 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 temporary differences between tax base and book base). It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in OCI.

Current tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the countries where the Company operates and generates taxable income.

Current tax is measured at the amount expected to be paid in respect of taxable income for the period in accordance with the Income Tax Act, 1961. Current tax comprises the tax payable on the taxable income or loss for the period and any adjustment to the tax payable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Minimum alternative tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognised as current tax in the statement of profit and loss.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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

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

Deferred tax

Deferred tax is provided in full, using the balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used.

Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

2.13 Leases

The Company has adopted Ind AS 116 on Leases and applied it to all lease contracts existing on April 1, 2023 using the modified retrospective method. Based on the same and as permitted under the specific transitional provisions in the standard, the Company is not required to restate the comparative figures.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:
- Leases of low value assets; and
- Leases with a duration of 12 months or less.

The following policies apply subsequent to the date of initial application, April 1, 2023.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Company's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:
- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Company if it is reasonably certain to assess that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:
- lease payments made at or before commencement of the lease; initial direct costs incurred; and
- the amount of any provision recognised where the Company is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Company revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in statement of profit and loss.

For contracts that both convey a right to the Company to use an identified asset and require services to be provided to the Company by the lessor, the Company has elected to account for the entire contract as a lease, i.e. it does allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract.

2.14 Foreign currency transactions

Transactions in foreign currency are translated into the functional currency of the Company at the exchange rates prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the period are recognised in the Statement of Profit and Loss of the period. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the exchange rates on that date; the resultant exchange differences are recognised in the Statement of Profit and Loss.

2.15 Earnings per share

Basic earnings per share are computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

2.16 Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. The Company is engaged in the business of financing. Accordingly, the Company's activities/ business is reviewed regularly by the Company's Chairman assisted by an executive committee from an overall business perspective, rather than reviewing its products/ services as individual standalone components. Based on the dominant source and nature of risks and returns of the Company, management has identified its business segment as its primary reporting format. Refer note 34 for details on segment information presented.

2.17 Statement of cash flows

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

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(All amounts are in INR millions, unless otherwise stated)

3 Cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents:		
Cash on hand	5.66	3.89
Balances with banks	1,179.64	293.49
Deposits with original maturity of less than 3 months	150.05	650.54
Total	**1,335.35**	**947.92**

4 Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Deposits held as margin money against borrowings from banks	233.30	268.57
Deposit accounts having balance maturity of less than 12 months	-	92.67
Earmarked balances with Banks	0.18	0.18
Total	**233.48**	**361.42**

5 Derivative financial instruments (at FVTPL)

The Company enters into derivatives for risk management purposes. Derivatives held for risk management purposes and includes option contracts entered into for hedging foreign currency payments only. The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts. The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

Particulars	As at March 31, 2026	
	Notional Amounts	Fair Value Asset
Currency derivatives		
Forwards and Swaps		
Mark-to-market gain on derivatives	2,165.61	224.23
Total derivative financial instruments	**2,165.61**	**224.23**

Particulars	As at March 31, 2025	
	Notional Amounts	Fair Value Asset
Currency derivatives		
Forwards and Swaps		
Mark-to-market gain on derivatives	2,356.03	105.46
Total derivative financial instruments	**2,356.03**	**105.46**

6 Receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables	36.53	8.50
	36.53	**8.50**

No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person, nor any trade receivable are due from firms or private companies respectively in which any of the director is a partner, a director or a member.

Trade receivables aging schedule at on 31 March, 2026

Particulars	Outstanding for following periods from due date of payment						
	Unbilled dues	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables — considered good	35.34	1.19	-		-	-	36.53
	35.34	**1.19**	**-**		**-**	**-**	**36.53**

Trade receivables aging schedule at on 31 March, 2025

Particulars	Outstanding for following periods from due date of payment						
	Unbilled dues	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables — considered good	8.50	-	-		-	-	8.50
	8.50	**-**	**-**		**-**	**-**	**8.50**

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7 Loans

Particulars	As at March 31, 2026	As at March 31, 2025
Term Loans (Gross)	14,406.33	9,853.90
Less: Impairment loss allowance	269.54	262.13
Total net	**14,136.79**	**9,591.77**
(i) Out of above:		
(a) Secured by tangible assets	14,136.79	9,591.77
(b) Loans in India:		
Public Sector	-	-
Others (gross)	14,406.33	9,853.90
	14,406.33	9,853.90
Less: Impairment loss allowance	269.54	262.13
Total net (b)	**14,136.79**	**9,591.77**
(c) Loans outside India	-	-
Less: Impairment loss allowance	-	-
Total net (c)	-	-
Total net (b+c)	**14,136.79**	**9,591.77**

(ii) Loans are non-derivative financial assets which generate a fixed or variable interest income for the Company. The carrying value may be affected by changes in the credit risk of the counterparties.
(iii) Loans granted by the Company are secured by equitable mortgage/registered mortgage of the property.
(iv) No loans and advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013).
(v) Refer note 40 for expected credit loss related disclosures on loan assets.

8 Investments

Particulars	As at March 31, 2026	As at March 31, 2025
Investment at fair value		
In mutual funds:		
Axis Liquid Fund - Dir Growth (Units - 124,660)	-	359.47
Bandhan Liquid Fund - Dir - Growth (Units - 100,288)	-	314.15
Edelweiss Liquid Fund - Dir - Growth (Units - 48,197)	-	161.52
HSBC Liquid Fund - Dir - Growth (Units - 122,012)	-	315.32
LIC MF Liquid Fund - Dir - Growth (Units - 70,899)	-	333.88
Nippon India Liquid Fund - Dir - Growth (Units - 56,095)	-	356.03
Sundaram Liquid Fund - Dir - Growth (Units - 155,579)	-	356.54
Total gross	-	**2,196.91**
Less: Allowance for impairment loss (c)	-	-
Total net (a+b-c)	-	**2,196.91**
(i) Out of above, Investments:		
In India	-	2,196.91
Outside India	-	-

9 Other financial assets

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured and considered good:		
Security deposits	10.65	20.12
Excess Interest Spread recievable	414.69	247.41
Receivable from online payment aggregator and gateways	11.58	10.25
Other receivables	22.44	0.47
Total gross	**459.36**	**278.25**
Less: Impairment loss allowance	4.42	7.24
Total net	**454.94**	**271.01**

10 Current tax assets (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Advance income taxes (net of provision for income tax)	17.29	6.88
Total	**17.29**	**6.88**

11 Deferred tax asset (Net)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax relates to the following:		
Depreciation on property, plant and equipment and amortisation of right of use assets and other intangible assets	(25.36)	(37.68)
Provision for employee benefits and other provisions	4.27	5.74
Impairment allowance for financial assets	70.45	67.80
Lease liabilities	35.51	40.83
Business loss	94.77	96.15
Other adjustment pursuant to Ind AS	(64.96)	(40.93)
Total	**114.68**	**131.91**

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(All amounts are in INR millions, unless otherwise stated)

12 Property, Plant & Equipment, Intangible asset under development and Other intangible assets

	Particulars	Tangible asset (A)					Other intangible assets (B)	Intangible asset under development (C)	Total (A+B+C)
		Furniture and fixtures	Office equipment	Computer equipment	Leasehold Improvements	Total	Computer software	Software under development	
(i)	**Gross Block**								
	Opening balance as at April 01, 2024	**32.14**	**18.88**	**65.26**	**46.16**	**162.44**	**1.54**	**47.96**	**211.94**
	Additions	6.28	4.12	2.62	14.33	27.35	82.28	28.59	138.22
	Disposals/Adjustment	1.25	1.42	1.48	-	4.15	-	76.55	80.70
	Balance as at March 31, 2025	**37.17**	**21.58**	**66.40**	**60.49**	**185.64**	**83.82**	**-**	**269.46**
	Additions	0.40	3.47	0.88	1.15	5.90	8.09	0.67	14.66
	Disposals/Adjustment	4.86	2.49	1.79	9.44	18.58	-	-	18.58
	Balance as at March 31, 2026	**32.71**	**22.56**	**65.49**	**52.20**	**172.96**	**91.91**	**0.67**	**265.54**
(ii)	**Accumulated depreciation/amortisation**								
	Opening balance as at April 01, 2024	**2.45**	**2.64**	**18.29**	**4.94**	**28.32**	**0.64**	-	28.96
	For the year	3.23	3.89	23.39	9.48	39.99	9.89	-	49.88
	Disposals/Adjustment	0.99	1.10	1.41	-	3.50	-	-	3.50
	Balance as at March 31, 2025	**4.69**	**5.43**	**40.27**	**14.42**	**64.81**	**10.53**	**-**	**75.34**
	For the year	3.43	4.34	16.86	10.85	35.48	28.97	-	64.45
	Disposals/Adjustment	1.06	1.32	1.69	4.76	8.83	-	-	8.83
	Balance as at March 31, 2026	**7.06**	**8.45**	**55.44**	**20.51**	**91.46**	**39.50**	**-**	**130.96**
(iii)	**Net Block**								
	Balance as at March 31, 2025	32.48	16.15	26.13	46.07	120.83	73.29	-	**194.12**
	Balance as at March 31, 2026	25.65	14.11	10.05	31.69	81.50	52.41	0.67	**134.58**

Ageing for intangible assets under development as at March 31, 2026 and March 31, 2025 are as follows :

Particulars		Amount in Intangible asset under development for a period of				
		Less than 1 Year	1 Year - 2 Year	2 Year - 3 Year	More than 3 Year	Total
Projects in Progress	As at March 31, 2026	0.67	-	-	-	0.67
	As at March 31, 2025	-	-	-	-	-

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13 Other non-financial assets

Particulars	As at March 31, 2026	As at March 31, 2025
Prepaid expenses	19.42	12.71
Imprest to branches	0.25	1.01
Advance to insurance company	9.58	6.97
Other advances	3.42	1.92
GST input credit	10.94	40.41
Total gross	**43.61**	**63.02**
Less: Impairment loss allowance	5.97	-
Total net	**37.64**	**63.02**

14 Trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprise	12.11	3.70
Total outstanding dues of creditors other than micro enterprises and small enterprises	36.97	35.68
Total	**49.08**	**39.38**

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.19	0.68
(b) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
(c) Principal amounts paid to suppliers registered under the MSMED Act, beyond the 45 days during the year	-	-
(d) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond 45 days during the year	-	-
(e) Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
(f) The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Except as disclosed above the Company has not received intimation from its suppliers regarding their status under the Micro,Small and Medium Enterprises Development Act,2006, accordingly disclosure has been made to the extent intimation received. The Company has not received any claims for interest from MSME suppliers. Based on management assessment, delays in payments, if any, do not result in material interest liability and hence no provision has been considered.

Trade payables ageing schedule as on March 31, 2026

Particulars	Unbilled	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	11.92	0.19	-	-	-
(ii) Others	35.92	1.05	-	-	-
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Trade payables ageing schedule as on March 31, 2025

Particulars	Unbilled	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	3.02	0.68	-	-	-
(ii) Others	26.74	8.94	-	-	-
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

15 Debt securities

Particulars	As at March 31, 2026	As at March 31, 2025
Measured at Amortised Cost		
Unsecured		
From financial institution		
Redeemable Non Convertible Debentures {(600 Debentures of Rs.7,14,400/- each) (March 31, 2025 :600 Debentures of Rs.8,57,200/- each)}	425.19	507.40
Total	**425.19**	**507.40**
Out of above:		
Debt Securities in India	-	-
Debt Securities outside India	425.19	507.40
Total	**425.19**	**507.40**

Debentures are unsecured and non-convertible with a tenure of 7 years from the date of allotment i.e, December 14, 2023. The principal repayments are made semi-annually and interest is paid on quarterly basis. The interest rate i.e., 9.90% is determined by adding a margin to the repo rate and is subject to revision every 18 months.

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16 Borrowings (other than debt securities)

Particulars	As at March 31, 2026	As at March 31, 2025
Measured at Amortised Cost		
Secured:		
National Housing Bank (refinance)	273.25	398.19
Term loan from banks	5,407.80	3,062.17
Term loan from others	1,534.03	2,348.64
External commercial borrowing	2,384.14	2,418.90
	9,599.22	8,227.90
Out of above:		
Borrowings in India	7,215.08	5,809.00
Borrowings outside India	2,384.14	2,418.90
Total	9,599.22	8,227.90

Loan from National Housing Bank

Secured against eligible individual Housing loans under various refinance schemes and bank guarantee by banks. These loans carrying interest rates in the range of 7.70% to 8.80% is determined by adding a margin to the Benchmark rate and is subject to revision on periodic basis. The loans are having remaining tenures ranging from 3 to 9 years from the date of disbursement and are repayable in quarterly instalments.

Loan from Banks

Secured by a first and exclusive charge on the standard receivables and carrying interest rates in the range of 8.20% to 12.15% for floating rate of loans is determined by adding a margin to the Benchmark rate and is subject to revision on periodic basis and The loans are having remaining tenures ranging from 5 months to 6 years from the date of disbursement and are repayable in monthly/quarterly instalments.

Loan from others and external commercial borrowing

Loans from various financial institutions are secured by a first and exclusive charge on the standard receivables and carrying interest rates in the range of 6.82% to 10.85% is determined by adding a margin to the Benchmark rate and is subject to revision on periodic basis. The loans are having remaining tenures ranging from 1 to 10 years from the date of disbursement and are repayable in monthly/quarterly instalments.

The borrowings have not been guaranteed by directors or others. Also, there are no defaults as on balance sheet date in repayment of borrowing & debt security and interest thereon.

Maturity profile of borrowings as on March 31, 2026

Repayment Schedule	Due within 1 year	Due 1 to 3 years	Due 3 to 5 years	Above 5 years	Total
	Amount	Amount	Amount	Amount	Amount
Loan from National Housing Bank (refinance)	54.11	201.19	17.95	-	273.25
Term loan from banks	1,315.17	3,193.53	800.11	116.33	5,425.14
Term loan from others	406.26	726.95	242.17	161.74	1,537.12
External commercial borrowing	303.47	825.06	379.34	881.97	2,389.84
Interest accrued & EIR Adjustments					(26.13)
Total	2,079.01	4,946.73	1,439.57	1,160.04	9,599.22

Maturity profile of borrowings as on March 31, 2025

Repayment Schedule	Due within 1 year	Due 1 to 3 years	Due 3 to 5 years	Above 5 years	Total
	Amount	Amount	Amount	Amount	Amount
Loan from National Housing Bank (refinance)	54.11	142.03	132.11	69.94	398.19
Term loan from banks	869.32	1,554.66	614.32	35.63	3,073.93
Term loan from others	552.15	1,052.82	366.68	381.40	2,353.05
External commercial borrowing	273.52	547.04	470.11	1,136.82	2,427.49
Interest accrued & EIR Adjustments					(24.76)
Total	1,749.10	3,296.55	1,583.22	1,623.79	8,227.90

17 Other financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Payable for capex	-	6.67
Amount refundable to customers	3.81	20.90
Amount payable to insurance company	30.55	-
Employee related payables	80.10	41.14
Expense payable	3.24	6.81
Amount payable on assigned loans	46.11	21.51
Servicing liability	0.68	0.31
Excess call money received from shareholders	1.17	-
Other payable	3.53	-
Total	169.19	97.34

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18 Provisions

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits:		
- Gratuity (refer note 35)	11.27	11.23
- Leave encashment	-	7.42
Others		
- Impairment allowance on undrawn commitment	5.69	4.16
Total	16.96	22.81

19 Other Non- financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Excess amount received pending adjustment	20.88	12.46
Statutory dues	4.61	16.91
Total	25.49	29.37

20 A. Equity share capital

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity share capital	50,00,00,000	5,000.00	50,00,00,000	5,000.00
	50,00,00,000	5,000.00	50,00,00,000	5,000.00
Issued, subscribed and paid up				
Equity share capital (fully paid up)	27,03,90,511	2,703.91	10,38,37,009	1,038.37
Equity share capital (partly paid up)	18,86,70,529	427.48	31,16,01,101	1,708.74
Total	45,90,61,040	3,131.39	41,54,38,110	2,747.11
Reconciliation of equity shares outstanding at the beginning and end of the year:				
Outstanding at the beginning of the year	41,54,38,110	2,747.11	6,59,49,342	659.49
Add:				
Issued during the year:				
- Partly paid at Rs. 6.98 per Series H2 share [refer note (v) below]	3,37,97,930	235.74	-	-
- Partly paid at Rs. 2.33 per Series I2 share [refer note (v) below]	90,75,000	21.16	-	-
- Fully paid at Rs. 10 per Series I1 share [refer note (v) below]	7,50,000	7.50	-	-
- Call money at Rs. 0.25 per Series F1 share (March 31, 2025: Partly paid at Rs. 9.75 per share) [refer note (vi) below]	-	36.45	14,57,97,599	1,421.53
- Partly paid at Rs. 1.17 per Series F2 share [refer note (vi) below]	-	-	14,57,97,599	170.58
- Call money at Rs. 4.17 per Series G & H1 share (March 31, 2025: Partly paid at Rs. 5.83 per share) [refer note (vi) below]	-	83.43	2,00,05,903	116.63
Conversion of compulsory convertible preference shares [refer note (vi) below]	-	-	3,78,87,667	378.88
Outstanding at the end of the year	45,90,61,040	3,131.39	41,54,38,110	2,747.11

(i) Details of shareholders holding more than 5% equity shares in the Company:

Particulars	As at March 31, 2026		As at March 31, 2025	
	% of Holding	Number	% of Holding	Number
Sewa Mutual Benefit Trust	4.53%	2,08,13,558	5.01%	2,08,13,558
Oikocredit Ecumenical Development Cooperative Society U.A	6.23%	2,85,99,038	4.99%	2,07,13,734
HDFC Bank Limited	5.64%	2,58,68,330	5.01%	2,08,13,810
Abler Nordic Fund IV KS	6.66%	3,05,63,590	4.73%	1,96,49,612
Vixar Fund I LLP (earlier known as Arpwood Partners Fund I LLP)	64.48%	29,59,82,473	71.25%	29,59,82,473
	87.53%	40,18,26,989	90.98%	37,79,73,187

(ii) Detail of equity shares held by promoters

Particulars	As at March 31, 2026		As at March 31, 2025	
	% of Holding	Number	% of Holding	Number
Sewa Mutual Benefit Trust	4.53%	2,08,13,558	5.01%	2,08,13,558
Renana Jhabvala*	0.00%	502	0.00%	502
Vixar Fund I LLP (earlier known as Arpwood Partners Fund I LLP)	64.48%	29,59,82,473	71.25%	29,59,82,473

* Reena Jhabvala ceased to be classified under the promoter category during the year ended March 31, 2026; however, she continues to hold equity shares in the Company.

% change in promoter shareholdings

Particulars	As at March 31, 2026	As at March 31, 2025
Sewa Mutual Benefit Trust	-0.48%	5.01%
Renana Jhabvala	0.00%	0.00%
Vixar Fund I LLP (earlier known as Arpwood Partners Fund I LLP)	-6.77%	71.25%

(iii) Terms/ rights attached to equity shares:

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive 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.

(iv) During the previous year ended March 31, 2025 vide board resolution dated November 5, 2024 and shareholder approval dated November 13, 2024, the Company has increased the authorised share capital to 500,000,000 shares divided into 461,000,000 equity shares of Rs. 10 each and 39,000,000 preference shares of Rs. 10 each which has been further classified into 500,000,000 equity shares of Rs. 10 each vide board resolution dated December 17, 2024 and shareholder approval dated December 20, 2024.

(v) The board of directors in their meeting held on June 20, 2025 and shareholders in their meeting held on July 22, 2025 approved the issuance of 7,50,000 Series I1 fully paid-up equity shares ("Series I1 Shares") of Rs. 10 each at a premium of Rs. 13.32 per share and 90,75,000 Series I2 equity shares ("Series I2 Shares") of Rs. 10 each at a premium of Rs. 13.32 per share, partly paid at Rs. 2.33 per (excluding premium) share to employees (including KMP) in accordance with the provisions of Companies Act, 2013 and share subscription agreement (SSA) between the shareholders and the Company.

Further, Pursuant to sections 23, 42, 62, 179(3) and other applicable provisions of the Companies Act, 2013 and rules made thereunder including Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and all other applicable rules and in accordance with the terms of the Shareholders Agreement (SHA) and share subscription agreement (SSA) dated May 17, 2024 and amendments to the Share Holders Agreement (SHA) entered into between the existing shareholders and the Company, and pursuant to the resolution of the board dated August 25, 2025 and Special resolution of the members dated September 01, 2025, approved the issuance of 3,37,97,930 Series H2 equity shares of Rs. 10 each at a premium of Rs. 17.90 per share, partly paid at Rs. 6.98 per share (excluding premium) to Oikocredit Ecumenical Development Cooperative Society U.A, Abler Nordic Fund IV KS, WWBCP II Non-SSA, LLC, HDFC Bank Limited and HDFC Life Insurance Company Limited.

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(vi) Pursuant to Sections 42 and 62(1)(c) of the Companies Act, 2013 and the rules made thereunder and in accordance with with the provisions of the Share Subscription Agreement dated May 17,2024 ('SSA') entered into between'Vixar Fund I LLP (earlier known as Arpwood Partners Fund I LLP), HDFC Bank Limited, HDFC Life Insurance Company Limited (together referred to as 'Investors') and the Company, the board of directors and shareholders in their meetings held on November 5, 2024 respectively approved the issuance of 291,595,198 series F partly paid- up equity shares ("Series F Shares") of the Company consisting of 145,797,599 Series F1 equity shares and 145,797,599 Series F2 equity shares and 10,720,412 Series G partly paid- up equity shares "Series G Shares") of Rs. 10 each at a premium of Rs. 13.32 per share. Further, the board of directors in their meeting held on December 17, 2024 and shareholders in their meeting held on December 20, 2024 approved the issuance of 9,285,491 Series H1 partly paid-up equity shares ("Series H1 Shares") of Rs. 10 each at a premium of Rs. 13.32 per share to HDFC Bank Limited and HDFC Life Insurance Company Limited in accordance with the provisions of Companies Act, 2013 and SSA.

During the current year, the Company vide board resolution November 18, 2025 has made the remaining call on Series G and H1 shares of Rs. 17.49 per shares (including premium of Rs. 13.32 per share). Further, the Company vide board resolution dated March 24, 2026 has made the call of remaining amount of Re. 0.25 per share and premium of Rs. 7.09 per share on Series F1 equity shares and has received Rs. 5.87 (including premium of Rs. 5.62 per share) till March 31, 2026 and the balance call of Rs. 1.47 per share is expected to be received by the Company during April 2026.

(vii) Pursuant to the requirement of SSA, the Company vide board approval dated November 13, 2024 has converted 23,701,872 Series D CCPS ('Compulsory Convertible Preference Shares) held by the Series D CCPS holders and 14,185,795 Series E1 CCPS held by Series E1 CCPS holders into fully paid-up equity shares of Rs. 10 each in the ration of 1:1 as per the terms of CCPS agreement.

B Instruments entirely equity in nature

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Non-Cummulative Compulsorily convertible preference shares (CCPS)	-	-	-	-
	-	-	-	-
Issued, subscribed and paid up				
Non-Cummulative Compulsorily convertible preference shares (CCPS)	-	-	-	-
Total	-	-	-	-
Reconciliation of CCPS outstanding at the beginning and end of the year:				
Outstanding at the beginning of the year	-	-	3,78,87,667	378.88
Add:				
Issued during the year	-	-	-	-
Less:				
Conversion of compulsory convertible preference shares (refer note 20 vi)	-	-	3,78,87,667	378.88
Outstanding at the end of the year	-	-	-	-

(i) **Rights, preferences and restrictions attached to 0.01% Compulsorily Convertible Preference Shares**
The Company has issued Non- Cummulative compulsorily convertible preference shares in Series D and Series E funding round with face value of INR 10 each.

The Series D and Series E Investors shall be entitled to receive on their respective Series D Series E CCPS, non-cumulative dividend in preference to any dividend on Equity Shares at the rate of 0.01% per annum, until converted into Equity Shares.

The Series D and Series E CCPS shall carry voting rights in accordance with the provisions of the Act and as agreed under the Agreement. The Series D and Series E CCPS Investors shall have the right, by providing a written notice to the Company, to sought the Company to convert the Series D and Series E CCPS into equity shares at any time until the conversion trigger event in accordance with the manner provided under Amended & Restated Share Subscription & Shareholders' Agreement dated May 26, 2022 and First Addendum to the Amended and Restated Share Subscription and Shareholders' Agreement dated June 30 2023.

Any Series D CCPS and Series E CCPS that have not been converted into equity shares shall compulsorily convert into equity shares on the immediately preceding business day of the date of expiry of twenty (20) years from the date of allotment of the Series D CCPS and Series E CCPS by the Company.

Series D and Series E CCPS shall be subject to transfer restrictions as set forth under Amended & Restated Share Subscription & Shareholders' Agreement dated May 26, 2022 and First Addendum to the Amended and Restated Share Subscription and Shareholders' Agreement dated June 30th 2023.

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21 Other Equity

Particulars	As at March 31, 2026	As at March 31, 2025
Securities premium		
Balance at the beginning of the year	2,560.88	1,786.46
Add: Securities premium on issue of euity shares and CCPS	1,095.85	908.32
Less:Share issue expenses	(42.18)	(133.90)
Balance at the end of the year	**3,614.55**	**2,560.88**
Share Option Outstanding Account		
Balance at the beginning of the year	8.37	17.54
Add/(less): Compensation options granted during the year net of cancellation	29.81	(9.17)
Balance at the end of the year	**38.18**	**8.37**
Statutory reserve		
Balance at the beginning of the year	43.53	42.30
Additions during the year	3.48	1.23
Balance at the end of the year	**47.01**	**43.53**
Retained earnings		
Balance at the beginning of the year	(415.76)	(428.54)
Add:		
Profit transferred from Statement of profit and loss	17.38	6.15
Transfer from ESOP reserve on cancellation after vesting	-	7.90
Less:		
Dividend on preference shares	-	(0.04)
Transfer to statutory reserve	(3.48)	(1.23)
Net surplus in the statement of profit and loss	**(401.86)**	**(415.76)**
Other Comprehensive Income		
Balance at the beginning of the year	(3.00)	(1.57)
Add/(Less):		
Remeasurment of defined benefit plans (net of taxes)	(1.17)	(1.43)
Balance at the end of the year	**(4.17)**	**(3.00)**
Grand Total	**3,293.71**	**2,194.02**

22.1 Nature and Purpose of reserves

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 such as issuance of bonus shares, share issue expenses, etc. in accordance with the provisions of the Companies Act, 2013.

Share Option Outstanding Account

This reserve is used to recognise the fair value of options issued to employees under Employee Stock Option Plan.

Statutory reserve

As per Section 45-IC of the RBI Act, 1934, every non-banking financial company shall create a reserve fund and transfer therein a sum not less than 20% of its net profit every year as disclosed in the Statement of Profit & Loss A/c before any dividend is declared. This ensures that the company does not appropriate the entire net profit as disclosed in the profit and loss account, but this percentage is either ploughed back into the business or is represented by a portion of the asset.

Retained earnings

Retained earnings are the profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Other comprehensive income

Other comprehensive income comprises remeasurement gain or loss on the post retirement benefits net of taxes.

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22 Revenue from operations

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest income on financial assets measured at amortised cost:		
Interest on loans	1,850.27	1,740.55
Interest on deposits with banks	23.77	25.45
	1,874.04	**1,766.00**

23 Fees and Commission Income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Processing fees	4.02	-
Prepayment charges	7.48	7.87
Login fees	46.15	26.69
Advertisement fee	-	0.70
Commisison income	135.39	10.03
Collection charges	41.75	13.07
Total	**234.79**	**58.36**

(a) Disclosures in relation to revenue from contract with customers:

(i) Geographical markets:		
India	234.79	58.36
Outside India	-	-
Total	**234.79**	**58.36**
(ii) Timing of revenue recognition		
Services transferred at a point in time	234.79	58.36
Services transferred over time	-	-
Total	**234.79**	**58.36**
(iii) Contract Assets		
Trade receivables	36.53	8.50
	36.53	**8.50**

(b) Details of segment wise income from insurance partners as required by Insurance Regulatory and Development Authority of India (IRDAI) are as below:

(i) Income from insurance intermediation		
Commission income - life insurance	112.84	8.06
Commission income - general insurance	22.55	1.97
	135.39	**10.03**

The Company received Corporate Agency (CA) license from the Insurance Regulatory and Development Authority of India (IRDAI) on January 22, 2025. The Company entered into agreements with various insurance partners as a Corporate Agent and received commission Income during the year as disclosed above.

24 Net gain on fair value changes

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Total net gain on fair value changes on financial instruments measured at fair value through profit and loss		
- On investment in units of mutual funds	71.28	94.18
- On derivatives	(0.73)	(0.64)
Fair value changes		
- Realised	60.37	62.45
- Unrealised	10.18	31.09
	70.55	**93.54**

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(All amounts are in INR millions, unless otherwise stated)

25 Income on derecognised (assigned) loans

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Income on derecognised (assigned) loans	239.75	113.50
	239.75	**113.50**

26 Other income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Other income	8.36	4.12
Interest on unwinding of security deposits	1.04	1.74
Liabilities and provisions no longer required write back	6.01	11.15
	15.41	**17.01**

27 Finance Cost

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
On Financial Liabilities measured at Amortised cost		
Interest expense on borrowings and debt securities	738.33	836.45
Other borrowing cost	2.45	3.09
Premium on forward contract	71.28	64.11
Interest expense on leases	15.22	15.34
	827.28	**918.99**

28 Impairment On Financial Instruments And Write Off

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
On financial instruments measured at Amortised cost		
Loan Assets	7.41	(341.43)
Loan commitment	1.53	(0.47)
Other receivables written off	(0.67)	3.66
Bad debts (net off recovery)	76.28	322.33
Impairment on other financial assets	(2.82)	1.57
Impairment on non-financial assets	5.97	-
	87.70	**(14.34)**

29 Employee benefits expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salary, allowances and incentives	989.40	696.95
Contribution to provident fund and other funds (refer note 35)	38.90	33.35
Gratuity expense (refer note 35)	3.46	3.01
Leave encashment	-	9.26
Staff welfare & insurance expenses	19.05	11.08
Employee share option expense (refer note 41)	29.81	(1.27)
	1,080.62	**752.38**

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(All amounts are in INR millions, unless otherwise stated)

30 Depreciation and amortisation expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation on property, plant and equipment	35.48	39.99
Amortization of intangible assets	28.97	9.89
Amortization of right to use assets	34.36	45.83
	98.81	**95.71**

31 Other Expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Electricity and water charges	12.36	9.91
Rent	15.71	11.65
Repair and maintenance - others	5.18	7.26
Advertisement and marketing expenses	7.39	0.43
IT/Computer maintainence charges	60.95	66.63
Staff recruitment and training	12.74	4.07
Office expenses	38.99	36.17
Director's sitting fees	2.34	1.78
Legal professional & consultancy expenses	85.70	66.92
Cash collection & bank charges	6.97	7.41
Travelling and conveyance	35.17	26.48
Rates fee and taxes	5.25	25.73
Remuneration to auditors*	6.40	6.63
Loss on sale of property, plant & equipment	9.44	-
Brokerage & Commission	0.53	-
Property, plant & equipment written off	-	0.64
	305.12	**271.71**
***Remuneration to auditors#:**		
- Audit fees#	4.62	4.75
-Tax audit fees	0.44	0.35
-Certification & other services#	1.21	1.53
-Out of pocket expenses	0.13	-
	6.40	**6.63**

Audit fees and other certification fees for the previous year includes Rs. 0.50 and Rs. 1.68 respectively paid to predecessor auditors.

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(All amounts are in INR millions, unless otherwise stated)

32 Earnings per share (EPS)

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

Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holder of the Company by the weighted average number of Equity shares outstanding during the period plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

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

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Profit attributable for basic earnings	17.38	6.15
Less: Dividend on convertible preference shares	-	(0.04)
Profit adjusted for the effect of dilution (a)	**17.38**	**6.11**
Weighted average number of equity shares for basic EPS* (b)	29,21,32,075	16,60,05,397
Basic EPS (a/b)	**0.06**	**0.04**
Weighted average number of equity shares (partly paid shares and ESOPs) for computation of Diluted EPS (c)	32,25,01,686	17,04,33,258
Diluted EPS (a/c)	**0.05**	**0.04**

33 Segment Information

The Company has only one reportable business segment, i.e. to provide loans against/ for purchase, construction, repairs & renovations of houses,which have similar nature of products and services, type/class of customers for the purpose of Ind AS 108 on 'Segment Reporting'. Accordingly, the amounts appearing in the financial statements relate to the Company's single business segment.

No revenue from transactions with a single external customer amounted to 10% or more of the Company's total revenue in year ended March 31, 2025 and March 31, 2026.

34 Transfer of Financial Assets

Assignment deal:

The Company has sold some loans and advances measured at amortised cost as per the assignment deals, as a source of finance. As per the terms of deal, since substantial risk and rewards (as per Ind AS 109) related to these assets were transferred to the buyer, the assets have been derecognised from the Company's balance sheet.

The management has evaluated the impact of assignment transactions done during the year for its business model. Based on the future business plan, the Company business model remains to hold the assets for collecting contractual cash flows.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognition :-

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Carrying amount of derecognised assets	1,037.60	795.20
Gain from derecgnition during the year	239.75	113.50

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(All amounts are in INR millions, unless otherwise stated)

35 Employee benefit obligations

(i) Defined contribution plan

The Company makes provident fund contributions to defined contribution plan for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes. The Company recognised Rs. 37.73 (March 31, 2025: Rs. 30.87) for provident fund contributions in the Statement of Profit and Loss.

(ii) Defined benefit plan

Gratuity

The Comapny has a defined benefit gratuity plan in India (unfunded). The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees, where in the benefit employee will receive on retirement is defined by reference to employee's length of service and last drawn salary. Under the defined benefit plan, the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognised in the statement of financial position for defined benefit plans is the present value of the Defined Benefit Obligation (DBO). Management estimates the DBO quarterly with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability/asset are included in other comprehensive income. 'The Company pays gratuity to employees who retire or resign after a minimum period of five years of continuous service.

Movement in the present value of defined benefit obligation recognised in the balance sheet

Particulars	As at March 31, 2026	As at March 31, 2025
Present value of benefit obligation at the beginning of the year	11.23	11.45
Interest cost	0.72	0.80
Current Service cost	2.74	2.21
Benefits Paid	(4.99)	(5.14)
Actuarial (Gains)/losses on obligations:		
- Change in financial assumptions	(0.09)	11.45
- Change in demographic assumptions	-	(60.89)
- Experience adjustment	1.66	51.35
Present value of benefit obligation at the end of the year	**11.27**	**11.23**

Reconciliation of present value of defined benefit obligation and the fair value of assets:

Particulars	As at March 31, 2026	As at March 31, 2025
Present value of obligation (A)	11.27	11.23
Fair Value of plan assets (B)	-	-
Present value of obligation (A- B)	**11.27**	**11.23**

Particulars	As at March 31, 2026	As at March 31, 2025
Obligation expected to be settled in the next 12 months	3.50	4.26
Obligation expected to be settled beyond next 12 months	7.77	6.97
Total Obligation	**11.27**	**11.23**

Expenses recognized in the Statement of Profit and Loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current service cost	2.74	2.21
Interest cost	0.72	0.80
Remeasurments	-	-
Total expense charged to profit and loss account	**3.46**	**3.01**

Actuarial (gain)/loss recognised in other comprehensive income:

Particulars	As at March 31, 2026	As at March 31, 2025
Opening amount recognized in OCI	3.68	1.77
Remeasurements during the period due to		
Change in financial assumptions	(0.09)	11.45
Change in demographic assumptions	-	(60.89)
Experience adjustments	1.66	51.35
Closing amount recognized in OCI	**5.25**	**3.68**

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(All amounts are in INR millions, unless otherwise stated)

Actuarial assumptions used for determination of the liability of the Company:

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Retirement Age	58 years	58 years
Discount Rate	6.52%	6.39%
Salary escalation rate	8%	8%
Mortality Table (100% of Indian Assured Lives Mortality)	2012-2014	2012-2014
Attrition rate		
Up to 30 Years	66.58%	66.58%
From 31 to 44 years	72.44%	72.44%
Above 44 years	40.28%	40.28%

Maturity profile of defined benefit obligation

Maturity profile of the defined benefit liabilities	**As at March 31, 2026**	**As at March 31, 2025**
0 to 1 Year	3.50	4.26
1 to 2 Year	3.60	3.35
2 to 3 Year	1.42	1.24
3 to 4 Year	0.59	0.68
4 to 5 Year	0.29	0.19
5 to 6 Year	0.15	0.09
6 Year onwards	1.72	1.42

Sensitivity analysis for gratuity liability

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
a) Impact of the change in discount rate		
Impact due to increase of 0.5%	(0.13)	(0.11)
Impact due to decrease of 0.5%	0.13	0.11
b) Impact of the change in salary increase		
Impact due to increase of 0.5%	0.13	0.11
Impact due to decrease of 0.5%	(0.12)	(0.11)

*We have used Projected Unit Credit (P.U.C method) as prescribed by Ind AS 19.

(iii) On November 21, 2025, the Government of India has implemented four new Labour Codes (the " Labour Codes"), including the Code on Wages, 2019, which amended the definition of "wages". Based on the best information available, the Company carried out the actuarial valuation of gratuity and assessed that there is no material impact on provision and employee benefit expense arising from the change in wages definition. The Company continues to monitor the finalization of the Central and State Rules, as well as any further clarifications issued by the Government on other aspects of the Labour Codes and will record appropriate accounting impact as and when such developments occur.

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36 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. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR. Issued debt reflect the contractual coupon amortisations:

Particulars	As at March 31, 2026		
	Within 12 Months	After 12 Months	Total
Assets			
Financial assets			
Cash and cash equivalents	1,335.35	-	1,335.35
Bank balance other than cash and cash equivalents	151.88	81.60	233.48
Derivative financial instruments	31.72	192.51	224.23
Receivables	36.53	-	36.53
Loans	856.11	13,280.68	14,136.79
Other financial assets	150.60	304.34	454.94
Non-financial assets			
Current tax assets (net)	-	17.29	17.29
Deferred tax assets (net)	-	114.68	114.68
Property, plant & equipment	-	81.50	81.50
Intangible assets under development	-	0.67	0.67
Other Intangible assets	-	52.41	52.41
Right of use assets	-	125.83	125.83
Other non-financial assets	37.06	0.58	37.64
Total assets	**2,599.25**	**14,252.09**	**16,851.34**
LIABILITIES			
Financial liabilities			
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	12.11	-	12.11
Total outstanding dues of creditors other than micro enterprises and small enterprises	36.97	-	36.97
Debt securities	86.22	338.97	425.19
Borrowings (other than debt securities)	2,080.67	7,518.55	9,599.22
Lease liabilities	23.43	117.68	141.11
Other financial liabilities	168.68	0.51	169.19
Non-financial liabilities			
Provisions	9.19	7.77	16.96
Other non- financial liabilities	25.49	-	25.49
Total liabilities	**2,442.76**	**7,983.48**	**10,426.24**

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Particulars	As at March 31, 2025		
	Within 12 Months	After 12 Months	Total
Assets			
Financial assets			
Cash and cash equivalents	947.92	-	947.92
Bank balance other than cash and cash equivalents	283.30	78.12	361.42
Derivative financial instruments	6.12	99.34	105.46
Receivables	8.50	-	8.50
Loans	759.85	8,831.92	9,591.77
Investments	2,196.91	-	2,196.91
Other financial assets	81.82	189.19	271.01
Non-financial assets			
Current tax assets (net)	-	6.88	6.88
Deferred tax assets (net)	-	131.91	131.91
Property, plant & equipment	-	120.83	120.83
Intangible assets under development	-	-	-
Other Intangible assets	-	73.29	73.29
Right of use assets	-	148.62	148.62
Other non-financial assets	62.00	1.02	63.02
Total assets	**4,346.42**	**9,681.12**	**14,027.54**
LIABILITIES			
Financial liabilities			
Derivative financial instruments	-	-	-
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	3.70	-	3.70
Total outstanding dues of creditors other than micro enterprises and small enterprises	35.68	-	35.68
Debt securities	83.76	423.64	507.40
Borrowings (other than debt securities)	1,750.75	6,477.15	8,227.90
Lease Liabilities	23.61	138.60	162.21
Other financial liabilities	97.05	0.29	97.34
Non-financial liabilities			
Provisions	11.36	11.45	22.81
Other Non- financial liabilities	29.37	-	29.37
Total liabilities	**2,035.28**	**7,051.13**	**9,086.41**

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37 Commitments and Contingencies

Particulars	As at March 31, 2026	As at March 31, 2025
Contingencies	-	-
Commitments:		
Undisbursed amount of loans sanctioned	1,160.56	630.13

38 Corporate Social Responsibility (CSR) expense:

The Ministry of Corporate Affairs has notified Section 135 of the Companies Act, 2013 on Corporate Social Responsibility with effect from April 1, 2014. The provisions of the said section are not applicable to the Company for the year ended March 31, 2026, as it does not meet the conditions mentioned under section 135(1) of the Companies Act, 2013.

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Sitaara Housing Finance Limited (formerly known as SEWA Grih Rin Limited)
Notes to financial statements for the year ended March 31, 2026
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39 Related Party disclosure

(i) List of Related Parties

(A) Entities whose control exists

Vixar Fund I LLP (earlier known as Arpwood Partnes Fund I LLP)	Entity having significant influence over the Company (w.e.f November 18, 2024)
Sewa Mutual Benefit Trust	Entity having significant influence over the Company (till November 17, 2024)
Oikocredit Ecumenical Development Cooperative Society U.A	Entity having significant influence over the Company (till November 17, 2024)
Abler Nordic Fund IV KS	Entity having significant influence over the Company (till November 17, 2024)
WWB CP II Non SSA, LLC	Entity having significant influence over the Company (till November 17, 2024)

(B) Key Managerial Personnel

Mr.Appukuttan Ajesh	Managing Director & Chief Executive Officer (w.e.f March 26, 2025)
Mr. Udit Kariwala	Chief Financial Officer (w.e.f May 25, 2025)
Mr.Ayush Jindal	Company Secretary (w.e.f February 7, 2025)
Ms.Shruti Savio Gonsalves	Managing Director & Chief Executive Officer (till September 09, 2024)
Ms.Jhummi Mantri	Chief Financial Officer (till June 26, 2024)
Ms.Kashvi Malhotra	Company Secretary (till February 6, 2025)
Mr.Vishal Visanji Thakkar	Chief Financial Officer (From December 3, 2024 till May 22, 2025)

(C) Non-Executive/Nominee Director

Mr.Rajeev Gupta	Director (From November 13, 2024 till March 5, 2026)
Mr.Amol Jain	Director (w.e.f November 13, 2024)
Mr.Vishal Visanji Thakkar	Director (w.e.f November 13, 2024)
Mr. R V Verma	Director (till June 12, 2025)
Mr. Sanjay Kaul	Director (till August 15, 2025)

(II) Related Party Transactions

Name of Related Party	Nature of Transaction	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Entities whose contol exist			
Vixar Fund I LLP (earlier known as Arpwood Partnes Fund I LLP)	Issuance of equity share capital	855.83	2,500.43
Key Managerial Personnel			
Issuance of partly paid and fully paid equity shares		35.39	-
Salary (includes perquisites)		42.76	25.00
Reimbursement of expenses		0.82	-
Director Sitting Fees (excluding GST)		2.15	1.60

*The remuneration to the key managerial personnel does not include the provisions made for gratuity, as they are determined on an actuarial basis for the company as a whole.

(III) Related Party Balance

Name of Related Party	Nature of Balances	Ast at March 31, 2026	Ast at March 31, 2025
Vishal Visanji Thakkar	Salary (includes perquisites)	-	0.03

(iv) Key Management personnel compensation

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Short term employee benefits	42.76	25.00
Termination benefits	-	2.83
Employee stock option compensation	4.67	-
Total compensation	**47.43**	**27.83**

(v) Terms and conditions of transaction with related parties

All Related Party Transactions entered during the year were in ordinary course of business and on arm's length basis.

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40 Financial Risk Management

a) Introduction and risk profile

Whilst risk is inherent in the Company's activities, it is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities. The Company is exposed to credit risk, liquidity risk, interest rate risk and market risk. It is also subject to various operating and business risks. The Company also has a system of internal controls to reduce the residual risk in each of these categories and the effectiveness of these controls is assessed periodically.

b) Risk management structure and policies

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles. The Risk Management Committee has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. The Risk Management Committee is responsible for managing risk decisions and monitoring risk levels and reports to the Board. The Risk Management Committee is responsible for implementing and maintaining risk related procedures to ensure an independent control process is maintained. The unit works closely with and reports to the Risk Management Committee, to ensure that procedures are compliant with the overall framework.The Unit is also responsible for monitoring compliance with risk principles, policies and limits across the Company, including monitoring the actual risk of exposures against authorised limits and the assessment of risks of new products and structured transactions. The Company's Treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Company.

c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

The table below summarises the maturity of the cash flows (excluding interest) of the Company's financial assets and liabilities:

As at March 31, 2026

Particulars	On Demand	Less than 3 months	3 to 12 Months	1-5 Years	Over 5 Years	Total
Cash and cash equivalents	1,185.30	150.05	-	-	-	1,335.35
Bank balance other than cash and cash equivalents	-	33.53	118.35	81.60	-	233.48
Derivative financial instruments	-	19.44	12.28	192.51	-	224.23
Receivables	-	36.53	-	-	-	36.53
Loans	-	313.39	542.72	3,402.32	9,878.36	14,136.79
Other financial assets	-	71.15	79.45	285.86	18.48	454.94
Total	**1,185.30**	**624.09**	**752.80**	**3,962.29**	**9,896.84**	**16,421.32**
Trade payables	-	49.08	-	-	-	49.08
Debt securities	-	43.88	42.34	338.97	-	425.19
Borrowings (other than debt securities)	-	572.69	1,507.98	6,363.03	1,155.52	9,599.22
Lease Liabilities	-	5.44	17.99	93.02	24.66	141.11
Other financial liabilities	-	168.55	0.13	0.48	0.03	169.19
Total	**-**	**839.64**	**1,568.44**	**6,795.50**	**1,180.21**	**10,383.79**

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As at March 31, 2025

Particulars	On Demand	Less than 3 months	3 to 12 Months	1-5 Years	Over 5 Years	Total
Cash and cash equivalents	297.38	650.54	-	-	-	947.92
Bank balance other than cash and cash equivalents	-	135.52	147.78	77.93	0.19	361.42
Derivative financial instruments	-	6.02	0.10	99.34	-	105.46
Receivables	-	8.50	-	-	-	8.50
Loans	-	251.38	508.47	2,845.74	5,986.18	9,591.77
Investments	-	2,196.91	-	-	-	2,196.91
Other Financial Assets	-	37.96	43.86	183.18	6.01	271.01
Total	**297.38**	**3,286.83**	**700.21**	**3,206.19**	**5,992.38**	**13,482.99**
Derivative financial instruments	-	-	-	-	-	-
Trade payables	-	39.38	-	-	-	39.38
Debt securities	-	42.32	41.44	337.96	85.68	507.40
Borrowings (other than debt securities)	-	499.90	1,250.85	4,857.54	1,619.61	8,227.90
Lease Liabilities	-	10.91	12.70	110.58	28.02	162.21
Other financial liabilities	-	97.04	0.01	0.25	0.04	97.34
Total	-	**689.55**	**1,305.00**	**5,306.33**	**1,733.35**	**9,034.23**

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(All amounts are in INR millions, unless otherwise stated)

d) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market factors. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of interest rate risk

Interest rate risk

The Company is subject to interest rate risk, primarily since it lends to customers at rates and for maturity periods that may differ from funding sources. 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 and Asset Liability Management Committee supervise an interest rate sensitivity report periodically for assessment of interest rate risks.

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:

Particulars	Basis Point	Effect on Profit before tax	
		For the year ended March 31, 2026	For the year ended March 31, 2025
Loans			
Increase in basis points	50	49.52	37.15
Decrease in basis points	-50	(49.52)	(37.15)
Borrowings			
Increase in basis points	50	(35.61)	(30.01)
Decrease in basis points	-50	35.61	30.01

Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates on foreign currency borrowings including debts. Foreign currency risk arise majorly on account of foreign currency borrowings. The Company manages its foreign currency risk by entering in to cross currency swaps and forward contract. When a derivative is entered in to for the purpose of being as hedge, the Company negotiates the terms of those derivatives to match with the terms of the hedge exposure.

The carrying amount of Company's foreign currency liability:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Liabilities	Assets	Liabilities	Assets
Hedged Position	2,384.14	-	2,418.90	-
Unhedged Position	-	-	-	-

Remittances during the year in foregin currency on account of dividends:
Remittance during FY 2025-26 and FY 2024-25

Pertains to Financial Year	Interim/Final	No. of Shareholder	No. of Shares	Amount
2025-26	Dividend on preference shares	-	-	-
2024-25		5	3,64,30,494	0.04

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e) Operational 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.

f) Credit Risk

Credit risk arises from loans, cash and cash equivalents, bank balance other than cash and cash equivalents, investments and other financial assets. Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company has established various internal risk management process to provide early identification of possible changes in the creditworthiness of counterparties. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions. The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk arises from loans financing, cash and cash equivalents, investments carried at amortised cost and deposits with banks and financial institutions, as shown below:

Particulars	As at March 31, 2026	As at March 31, 2025
Loans	14,406.33	9,853.90
Investments	0.00	2,196.91
Receivables	36.53	8.50
Cash and cash equivalents	1,335.35	947.92
Other bank balances	233.48	361.42
Other financial assets	459.36	278.25

The credit risk management policy of the Company seeks to have following controls and key metrics that allows credit risks to be identified, assessed, monitored and reported in a timely and efficient manner in compliance with regulatory requirements.

- Standardize the process of identifying new risks and designing appropriate controls for these risks
- Maintain an appropriate credit administration and loan
- Establish metrics for portfolio monitoring
- Minimize losses due to defaults or untimely payments by borrowers
- Design appropriate credit risk mitigation techniques

Expected credit loss for loans

In order to mitigate the impact of credit risk in the future profitability, the Company makes reserves basis the expected credit loss (ECL) model for the outstanding loans as balance sheet date. In addition to ECL output, the Company has taken conservative view through specific provisions.

The below discussion describes the Company's approach for assessing impairment as stated in the accounting policies.

Expected credit loss measurement

In determining whether credit risk has increased significantly since initial recognition, the Company uses the days past due data and forecast information to assess deterioration in credit quality of a financial asset for all the portfolios. The Company considers its historical loss experience and adjusts this for current observable data. Ind AS 109 requires the use of macroeconomic factors.

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Definition of default

The Company defines a financial instrument as in default, any borrower whose contractual payments are due for more than 90 days is termed as default, which is in line with RBI guidelines.

Probability of Default ('PD')
PD is defined as the probability of whether the borrower will default on their obligation in the future. For assets which are in Stage 1, a 12-month PD is required. For Stage 2 a lifetime PD is required while Stage 3 assets are considered to have a 100% PD.

Loss Given Default ('LGD')
Loss Given Default (LGD) represents the estimated financial loss that the Company expects to incur in the event of default, after considering recoveries, collateral value and other relevant factors. The Company estimates LGD based on historical recovery trends, nature of the asset, and underlying collateral.

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 client's ability to increase its exposure while approaching default and potential early repayments too.

The Company has considered cross default criteria while computing EAD i.e. If any customer defaults on one active loan then the customer has been marked as default on other loan (if any) as well.

The ECL is computed as a product of PD, LGD and EAD.

Quantitative and qualitative factors considered along with quantification i.r.t loss rates
Impact of specific risk factors was taken into account while staging of accounts and computation of PD. The forecasted point in time (PIT) PDs have been estimated by establishing a link between through the cycle (TTC) PDs and macroeconomic variables i.e. growth rate prescribed by Index of Industrial Production ('IIP'). The macro- economic variables were regressed using a logical regression against systemic default ratio out of the impact of macro-economic variables on the system wide default rates.
As per the guidelines laid under the standard, the company has done probability weighted scenarios to arrive at the final ECL. These scenarios reflect a baseline, upturn and downturn in economic activity basis which ECL requirements could vary. The final ECL has subsequently been discounted.

Credit risk exposure and impairment loss allowance

	As at March 31, 2026		As at March 31, 2025	
	Exposure	Impairment allowance	Exposure	Impairment allowance
Credit impaired loan assets (Default event triggered) (Stage 3)	341.39	109.21	258.03	135.60
Loan assets having significant increase in credit risk (Stage 2)	755.33	98.07	792.87	90.34
Other loan assets (Stage 1)	13,309.61	62.26	8,803.00	36.19
Total	**14,406.33**	**269.54**	**9,853.90**	**262.13**

An analysis of Expected credit loss rate* :

	As at March 31, 2026	As at March 31, 2025
Stage-1	0.47%	0.41%
Stage-2	12.98%	11.39%
Stage-3	31.99%	52.55%
Total weighted average	1.87%	2.66%

* Expected credit loss rate is computed ECL divided by EAD

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Specific Provision
Company reviews and monitors all cases and based on the recoverability and various other factors like client's situation, legal cases and others, makes provision in addition to ECL by using estimates and judgments in view of the inherent uncertainties and a level of subjectivity involved in measurement of items.

Reconciliation of gross carrying amount is given below:

Particulars	For the year ended March 31, 2026				For the year ended March 31, 2025			
	Stage-1	Stage-2	Stage-3	Total	Stage-1	Stage-2	Stage-3	Total
Gross carrying amount opening balance	**8,803.00**	**792.87**	**258.03**	**9,853.90**	**9,527.02**	**1,266.91**	**211.29**	**11,005.22**
New assets originated	7,781.48	-	-	7,781.48	1,614.81	-	-	1,614.81
Assets repaid (excluding write offs)	(2,929.66)	(141.57)	(59.63)	(3,130.86)	(2,197.05)	(213.09)	(74.91)	(2,485.05)
Transfers from Stage 1	(581.81)	375.22	206.59	-	(559.54)	374.02	185.52	-
Transfers from Stage 2	205.37	(289.13)	83.76	-	414.11	(635.87)	221.76	-
Transfers from Stage 3	31.23	17.94	(49.18)	(0.01)	3.65	0.90	(4.55)	-
Settlement loss and bad debts written off	-	-	(98.18)	(98.18)	-	-	(281.08)	(281.08)
Gross carrying amount closing balance	**13,309.61**	**755.33**	**341.39**	**14,406.33**	**8,803.00**	**792.87**	**258.03**	**9,853.90**

Reconciliation of ECL balance is given below:

Particulars	For the year ended March 31, 2026				For the year ended March 31, 2025			
	Stage-1	Stage-2	Stage-3	Total	Stage-1	Stage-2	Stage-3	Total
ECL allowance opening balance	**36.19**	**90.34**	**135.60**	**262.13**	**38.53**	**353.74**	**211.29**	**603.56**
New assets originated	36.40	-	-	36.40	6.64	-	-	6.64
				-				-
Assets repaid (excluding write offs)/change in ECL estimate	(44.26)	37.77	(15.41)	(21.90)	(55.78)	(192.96)	(26.00)	(274.74)
Transfers from Stage 1	(2.72)	1.76	0.97	0.01	(2.30)	1.54	0.76	-
Transfers from Stage 2	26.66	(37.54)	10.87	(0.01)	47.18	(72.45)	25.27	-
Transfers from Stage 3	9.99	5.74	(15.73)	-	1.92	0.47	(2.39)	-
Settlement loss and bad debts written off	-	-	(7.09)	(7.09)	-	-	(73.33)	(73.33)
ECL allowance closing balance	**62.26**	**98.07**	**109.21**	**269.54**	**36.19**	**90.34**	**135.60**	**262.13**

(All amounts are in INR millions, unless otherwise stated)

41 Employee Stock Option Plan

a) The Company established the Employees Stock Option Plan -"SGRL ESOP 2018" ('the plan') which was approved by the Members in the Extra Ordinary General Meeting held on June 04, 2018. Under the plan, the Company has issued/ granted 34,30,934 stock options under plan 1 to plan 9 (refer table below). Further, during the year 2024-25, the Company established SGRL-ESOS 2024 plan which was approved by shareholders on November 12, 2024 under which 3,72,02,882 shares will be granted in one or more tranches. Employees covered by the plan are granted an option to purchase shares of the Company subject to the requirements of the vesting.

Particulars	Plan 1	Plan 2	Plan 3	Plan 4	Plan 5	Plan 6	Plan 7	Plan 8
Date of Grant	28-03-2019	19-06-2020	21-09-2020	24-06-2022	16-08-2022	01-10-2022	06-12-2022	20-12-2022
Number of options granted	15,82,000	18,000	9,89,513	3,40,000	70,000	30,000	30,000	20,000
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity
Vesting Conditions	NRC may specify certain performance parameters based on time and/or on individual performance or Company's performance subject to which the Options would vest.	NRC may specify certain performance parameters based on time and/or on individual performance or Company's performance subject to which the Options would vest.	NRC may specify certain performance parameters based on time and/or on individual performance or Company's performance subject to which the Options would vest.	NRC may specify certain performance parameters based on time and/or on individual performance or Company's performance subject to which the Options would vest.	NRC may specify certain performance parameters based on time and/or on individual performance or Company's performance subject to which the Options would vest.	NRC may specify certain performance parameters based on time and/or on individual performance or Company's performance subject to which the Options would vest.	NRC may specify certain performance parameters based on time and/or on individual performance or Company's performance subject to which the Options would vest.	NRC may specify certain performance parameters based on time and/or on individual performance or Company's performance subject to which the Options would vest.
Exercise Period	7 years from the date of vesting							

Particulars	Plan 9	Plan 10	Plan 11	Plan 12	Plan 13	Plan 14	Plan 15
Date of Grant	27-09-2023	07-02-2025	02-04-2025	09-06-2025	22-07-2025	01-09-2025	01-12-2025
Number of options granted	3,51,421	72,85,000	1,05,41,500	45,28,500	12,29,650	17,68,000	11,54,700
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity	Equity
Vesting Conditions	NRC may specify certain performance parameters based on time and/or on individual performance or Company's performance subject to which the Options would vest.	Graded vesting	Graded vesting	Graded vesting	Graded vesting	Graded vesting	Graded vesting
Exercise Period	7 years from the date of vesting	the Exercise Period shall be 30 (thirty) days from the date of IPO in case Options Vest prior to the date of IPO, or 30 (thirty) days from the date of Vesting in case the Options Vest after the date of IPO					

b) **Summary of options granted under plan:**

Option movement	As at 31 March 2026							
	Type of arrangement							
	Plan 1	Plan 2	Plan 3	Plan 4	Plan 5	Plan 6	Plan 7	Plan 8
Opening balance as at March 31, 2025								
Number of Options	10,74,000	18,000	30,000	60,000	-	9,000	9,000	6,000
Avg. Exercise price per share option(in Rs)	17.68	18.56	18.56	37.13	-	37.13	37.13	37.13
Options Granted during the year								
Number of Options	-	-	-	-	-	-	-	-
Avg. Exercise price per share option(in Rs)	-	-	-	-	-	-	-	-
Options Exercised during the year								
Number of Options	-	-	-	-	-	-	-	-
Avg. Exercise price per share option(in Rs)	-	-	-	-	-	-	-	-
Options Forfeited during the year								
Number of Options	-	-	-	-	-	-	-	-
Avg. Exercise price per share option(in Rs)	-	-	-	-	-	-	-	-
Options Vested but not exercised during the year								
Number of Options	-	-	-	-	-	-	-	-
Avg. Exercise price per share option(in Rs)	-	-	-	-	-	-	-	-
Options Outstanding at March 31, 2026								
Number of Options	10,74,000	18,000	30,000	60,000	-	9,000	9,000	6,000
Avg. Exercise price per share option(in Rs)	17.68	18.56	18.56	37.13	-	37.13	37.13	37.13

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Option movement	As at 31 March 2026							
	Type of arrangement							
	Plan 9	Plan 10	Plan 11	Plan 12	Plan 13	Plan 14	Plan 15	Total
Opening balance as at March 31, 2025								
Number of Options	-	72,85,000	-	-	-	-	-	84,91,000
Avg. Exercise price per share option(in Rs)	-	23.32	-	-	-	-	-	28.33
Options Granted during the year								
Number of Options	-	-	1,05,41,500	45,28,500	12,29,650	17,68,000	11,54,700	1,92,22,350
Avg. Exercise price per share option(in Rs)	-	-	23.32	23.32	23.32	27.90	27.90	25.15
Options Exercised during the year								
Number of Options	-	-	-	-	-	-	-	-
Avg. Exercise price per share option(in Rs)	-	-	-	-	-	-	-	-
Options Forfeited during the year								
Number of Options	-	33,75,000	1,41,500	-	-	-	-	35,16,500
Avg. Exercise price per share option(in Rs)	-	23.32	23.32	-	-	-	-	23.32
Options Vested but not exercised during the year								
Number of Options	-	4,32,000	-	-	-	-	-	4,32,000
Avg. Exercise price per share option(in Rs)	-	23.32	-	-	-	-	-	23.32
Options Outstanding at March 31, 2026								
Number of Options	-	39,10,000	1,04,00,000	45,28,500	12,29,650	17,68,000	11,54,700	2,41,96,850
Avg. Exercise price per share option(in Rs)	-	23.32	23.32	23.32	23.32	27.90	27.90	27.11

Option movement	As at 31 March 2025										
	Type of arrangement										
	Plan 1	Plan 2	Plan 3	Plan 4	Plan 5	Plan 6	Plan 7	Plan 8	Plan 9	Plan 10	Total
Opening balance as at March 31, 2024											
Number of Options	13,54,000	18,000	5,83,883	3,40,000	70,000	30,000	30,000	20,000	3,51,421	72,85,000	1,00,82,304
Avg. Exercise price per share option(in Rs)	17.68	18.56	18.56	37.13	37.13	37.13	37.13	37.13	45.75	23.32	30.95
Options Granted during the year											
Number of Options	-	-	-	-	-	-	-	-	-	-	-
Avg. Exercise price per share option(in Rs)	-	-	-	-	-	-	-	-	-	-	-
Options Exercised during the year											
Number of Options	-	-	-	-	-	-	-	-	-	-	-
Avg. Exercise price per share option(in Rs)	-	-	-	-	-	-	-	-	-	-	-
Options Forfeited during the year											
Number of Options	2,80,000	-	5,53,883	2,80,000	70,000	21,000.00	21,000	14,000	3,51,421	-	15,91,304
Avg. Exercise price per share option(in Rs)	17.68	-	18.56	37.13	37.13	37.13	37.13	37.13	45.75	-	26.76
Options Vested but not exercised during the year											
Number of Options	-	-	-	-	-	-	-	-	-	-	-
Avg. Exercise price per share option(in Rs)	-	-	-	-	-	-	-	-	-	-	-
Options Outstanding at March 31, 2025											
Number of Options	10,74,000	18,000	30,000	60,000	-	9,000	9,000	6,000	-	72,85,000	84,91,000
Avg. Exercise price per share option(in Rs)	17.68	18.56	18.56	37.13	-	37.13	37.13	37.13	-	23.32	22.66

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c) Measurement of Fair Values

Equity-settled share-based payment arrangements

The fair value of the employee share options has been measured using Black-Scholes Option pricing model. The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment options granted during the year are as follows:

Plan 1	Tranche 1
Grant Date	28-03-2019
Exercise Price	17.68
Fair Value	
Expected Dividend Yield	0%
Year to expiration	5.5
Risk free rates	5.46%
Expected Volatility	53.10%

Plan 2	Tranche 1
Grant Date	19-06-2020
Exercise Price	18.56
Fair Value	6.37
Expected Dividend Yield	0%
Year to expiration	5.5
Risk free rates	5.46%
Expected Volatility	53.10%

Plan 3	Tranche 1
Grant Date	21-09-2020
Exercise Price	18.56
Fair Value	6.37
Expected Dividend Yield	0%
Year to expiration	5.5
Risk free rates	5.46%
Expected Volatility	53.10%

Plan 4	Tranche 1	Tranche 2	Tranche 3
Grant Date	24-06-2022	24-06-2022	24-06-2022
Exercise Price	37.13	37.13	37.13
Fair Value	20.67	22.51	23.79
Expected Dividend Yield	0%	0%	0%
Year to expiration	4.5	5.5	6.51
Risk free rates	7.12%	7.24%	7.32%
Expected Volatility	56.46%	55.81%	53.84%

Plan 5	Tranche 1	Tranche 2	Tranche 3
Grant Date	16-08-2022	16-08-2022	16-08-2022
Exercise Price	37.13	37.13	37.13
Fair Value	20.67	22.51	23.79
Expected Dividend Yield	0%	0%	0%
Year to expiration	4.5	5.5	6.51
Risk free rates	7.12%	7.24%	7.32%
Expected Volatility	56.46%	55.81%	53.84%

Plan 6	Tranche 1	Tranche 2	Tranche 3
Grant Date	01-10-2022	01-10-2022	01-10-2022
Exercise Price	37.13	37.13	37.13
Fair Value	20.81	22.45	23.89
Expected Dividend Yield	0%	0%	0%
Year to expiration	4.5	5.5	6.51
Risk free rates	7.19%	7.24%	7.26%
Expected Volatility	56.96%	55.51%	54.48%

Plan 7	Tranche 1	Tranche 2	Tranche 3
Grant Date	06-12-2022	06-12-2022	06-12-2022
Exercise Price	37.13	37.13	37.13
Fair Value	20.81	22.45	23.89
Expected Dividend Yield	0%	0%	0%
Year to expiration	4.5	5.5	6.51
Risk free rates	7.19%	7.24%	7.26%
Expected Volatility	56.96%	55.51%	54.48%

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Plan 8	Tranche 1	Tranche 2	Tranche 3
Grant Date	20-12-2022	20-12-2022	20-12-2022
Exercise Price	37.13	37.13	37.13
Fair Value	20.81	22.45	23.89
Expected Dividend Yield	0%	0%	0%
Year to expiration	4.5	5.5	6.51
Risk free rates	7.19%	7.24%	7.26%
Expected Volatility	56.96%	55.51%	54.48%

Plan 9	Tranche 1	Tranche 2	Tranche 3
Grant Date	27-09-2023	27-09-2023	27-09-2023
Exercise Price	45.75	45.75	45.75
Fair Value	25.13	27.93	29.86
Expected Dividend Yield	0%	0%	0%
Year to expiration	4.5	5.51	6.51
Risk free rates	7.09%	7.09%	7.10%
Expected Volatility	52.87%	54.41%	53.93%

Plan 10	Tranche 1
Grant Date	07-02-2025
Exercise Price	23.32
Fair Value:	
Graded vesting 1	2.29
Graded vesting 2	3.45
Graded vesting 3	4.85
Graded vesting 4	6.01
Graded vesting 5	6.01
Expected Dividend Yield	0%
Year to expiration	2
Risk free rates	6.50%
Expected Volatility	12.97%-15.28%

Plan 11	Tranche 1
Grant Date	02-04-2025
Exercise Price	23.32
Fair Value:	
Graded vesting 1	2.29
Graded vesting 2	3.45
Graded vesting 3	4.85
Graded vesting 4	6.01
Graded vesting 5	6.01
Expected Dividend Yield	0%
Year to expiration	2
Risk free rates	6.50%
Expected Volatility	12.97%-15.28%

Plan 12	Tranche 1
Grant Date	09-06-2025
Exercise Price	23.32
Fair Value:	
Graded vesting 1	2.29
Graded vesting 2	3.45
Graded vesting 3	4.85
Graded vesting 4	6.01
Graded vesting 5	6.01
Expected Dividend Yield	0%
Year to expiration	2
Risk free rates	6.50%
Expected Volatility	12.97%-15.28%

Plan 13	Tranche 1
Grant Date	22-07-2025
Exercise Price	23.32
Fair Value:	
Graded vesting 1	2.29
Graded vesting 2	3.45
Graded vesting 3	4.85
Graded vesting 4	6.01
Graded vesting 5	6.01
Expected Dividend Yield	0%
Year to expiration	2
Risk free rates	6.50%
Expected Volatility	12.97%-15.28%

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Plan 14	Tranche 1
Grant Date	01-09-2025
Exercise Price	27.9
Fair Value:	
Graded vesting 1	4.52
Graded vesting 2	5.21
Graded vesting 3	5.96
Graded vesting 4	7.25
Expected Dividend Yield	0%
Year to expiration	2
Risk free rates	5.90%
Expected Volatility	15.33%-16.85%

Plan 15	Tranche 1
Grant Date	01-12-2025
Exercise Price	27.9
Fair Value:	
Graded vesting 1	4.52
Graded vesting 2	5.21
Graded vesting 3	5.96
Graded vesting 4	7.25
Expected Dividend Yield	0%
Year to expiration	2
Risk free rates	5.90%
Expected Volatility	15.33%-16.85%

d) Expense arising from share-based payment transactions

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Employee option plan	29.81	(1.27)
Total expense	**29.81**	**(1.27)**

There were no cancellations or modifications to the awards in year ending 31 March 2026 or 31 March 2025

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42 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.

Valuation Principles

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:
a) In the principal market for the asset or liability, or
b) 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 valuation are adjusted quoted market price from active markets for identical instruments that the Company can access 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. The Company does not have any financial instruments in Level 2.

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

Financial instrument by category & Fair Value of Financial Instruments

Particulars	Measurement Category	Fair Value Hierarchy	As at March 31, 2026		As at March 31, 2025	
			Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets						
Cash and cash equivalents	Amortised Cost	*	1,335.35	-	947.92	-
Bank balance other than cash and cash equivalents	Amortised Cost	*	233.48	-	361.42	-
Derivative financial instruments	FVTPL	Level 2	224.23	224.23	105.46	105.46
Receivables	Amortised Cost	*	36.53	-	8.50	-
Loans	Amortised Cost	Level 3	14,136.79	14,136.79	9,591.77	9,591.77
Investments	FVTPL	Level 1	-	-	2,196.91	2,196.91
Other Financial Assets	Amortised Cost	*	454.94	-	271.01	-
Total Financial Assets			**16,421.32**	**14,361.02**	**13,482.99**	**11,894.14**
Financial liabilities						
Derivative financial instruments	FVTPL	Level 2	-	-	-	-
Trade payables						
Total outstanding dues of micro enterprises and small enterprises	Amortised Cost	*	12.11	-	3.70	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	Amortised Cost	*	36.97		35.68	-
Debt securities	Amortised Cost	Level 3	425.19	425.19	507.40	507.40
Borrowings (other than debt securities)	Amortised Cost	Level 3	9,599.22	9,599.22	8,227.90	8,898.51
Lease Liabilities	Amortised Cost	Level 3	141.11	141.11	162.21	162.21
Other financial liabilities	Amortised Cost	*	169.19	-	97.34	-
Total Financial Liabilities			**10,383.79**	**10,165.52**	**9,034.23**	**9,568.12**

*Cash and cash equivalents, other bank balances, Receivables, other financial assets, trade payables, other payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Transfer between Level 1, Level 2 & Level 3

There have been no transfers between Level 1, Level 2 and Level 3 for the year ended March 31, 2026 and March 31, 2025.

Valuation Techniques

Loans

The fair values of loans and receivables are estimated by discounted cash flow models that incorporate assumptions for credit risks, foreign exchange risk, probability of default and loss given default estimates. Credit risk for large corporate and a subset of the small business lending, when appropriate, is derived from market observable data. Where such information is not available, the Company uses historical experience and other information used in its collective impairment models. Fair values of consumer lending and mortgage portfolios are calculated using a portfolio-based approach, grouping loans as far as possible into homogenous groups based on similar characteristics. The Company then calculates and extrapolates the fair value to the entire portfolio, using discounted cash flow models that incorporate interest rate estimates considering all significant characteristics of the loans. The credit risk is applied as a top-side adjustment based on the collective impairment model incorporating probability of defaults and loss given defaults.

Borrowings

The fair value of certain fixed rate borrowings is determined by discounting expected future contractual cash flows using discount rate that reflects the issuer's borrowing rate at the end of the reporting period.The fair value of floating rate borrowings are deemed to be equivalent to the carrying value.

Debt Securities

The Company uses active market prices when available, or other observable inputs in discounted cash flow models to estimate the corresponding fair value including CDS data of the issuer to estimate the relevant credit spreads. Municipal bonds and bonds issued by financial institutions are generally Level 1 and corporate bonds are generally Level 2 instruments as well as convertible bonds where usually there is not sufficient third party trading data to justify Level 1 classification. Level 3 instruments are those where significant inputs cannot be referenced to observable data and, therefore, inputs are adjusted for relative tenor and issuer quality.

Lease liabilities

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

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and balances, Receivables, Contract assets, balances other than cash and cash equivalents, trade payables and contract liability without a specific maturity. Such amounts have been classified as Level 3 on the basis that no adjustments have been made to the balances in the balance sheet.

Derivative financial instruments

Foreign exchange contracts include foreign exchange forward and swap contracts . These instruments are valued by either observable foreign exchange rates, observable or calculated forward points and option valuation models. With the exception of contracts where a directly observable rate is available which are disclosed as Level 1, the Company classifies foreign exchange contracts as Level 2 financial instruments when no unobservable inputs are used for their valuation or the unobservable inputs used are not significant to the measurement (as a whole).

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43 Leases

(i) Company as a Lessee

The Company's lease asset classes primarily consist of leases for office spaces. The Company has entered into lease transactions mainly for leases of corporate office & branches for a period between 1 and 9 years.The Company assesses whether a contract contains a lease, at inception of a contract.

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:(i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. . For these short-term leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment off whether it will exercise an extension or a termination option.

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

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning	**148.62**	**153.94**
Additions during the year	45.86	40.51
Deletions during the year	(34.29)	-
Depreciation charge for the year	(34.36)	(45.83)
Balance at the end	**125.83**	**148.62**

(iii) Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning	**162.21**	**159.93**
Additions during the year	44.82	38.57
Deletions during the year	(39.13)	-
Finance cost accrued on lease liabilities	15.22	15.34
Payment of lease liabilities	(42.01)	(51.63)
Balance at the end	**141.11**	**162.21**

*The effective interest rate for lease liabilities is 9.62% and 10.7% for the year ended March 31, 2026 and March 31, 2025 respectively

(iv) 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, 2026	As at March 31, 2025
Within one year	36.17	50.86
Later than one year but not later than five years	119.50	95.86
Later than five years	26.54	60.80
Total undiscounted lease liabilities	**182.21**	**207.52**

(v) Current / Non-current classification

Particulars	As at March 31, 2026	As at March 31, 2025
Current	23.43	23.61
Non- Current	117.68	138.60
Lease liabilities included in the statement of financial position	**141.11**	**162.21**

(vi) Amounts recognised in the Statement of Profit and Loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation on right of use assets	34.36	45.83
Interest expense on lease liability	15.22	15.34
Total	**49.58**	**61.17**

(vii) Amounts recognised in the Statement of Cash Flows

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Total Cash Outflow for leases	42.01	51.63
Total	**42.01**	**51.63**

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44 Capital

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the local banking supervisor, Reserve Bank of India (RBI) of India. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI.

Capital management

The primary objectives of the Company's capital management policy 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.

Regulatory capital

Particulars	As at March 31, 2026	As at March 31, 2025
Common Equity Tier1 (CET1) capital	5,603.42	4,377.59
Other Tier 2 capital instruments	62.26	36.18
Total capital	5,665.68	4,413.77
Risk weighted assets	9,838.14	8,686.20
CET1 capital ratio	56.96%	50.40%
Total capital ratio	57.59%	50.81%

Regulatory capital consists of CET 1 capital, which comprises share capital, share premium, retained earnings including current year profit and non-controlling interests less accrued dividends and goodwill. Certain adjustments are made to Ind AS–based results and reserves, as prescribed by the Reserve Bank of India. The other component of regulatory capital is other Tier 2 Capital Instruments, which includes contingent convertible bonds.

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45 Income Tax

The components of income tax expense for the years ended March 31, 2026 and 2025 are:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Current Tax		
Current Tax on Profit for the Year	-	-
Tax adjustment relating to prior years	7.13	(0.38)
	7.13	**(0.38)**
Deferred Tax		
Deferred tax charge / (credit)	10.50	18.19
	10.50	**18.19**

Reconciliation of the total tax charge

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Accounting profit before tax **(A)**	35.01	23.96
Applicable Income Tax Rate	25.17%	25.17%
Expected Income Tax Expense **(B)**	8.81	6.03
Differences:		
Recognition of deferred tax (asset) on losses	1.38	(86.28)
Recognition of deferred tax (asset)/liabilities on other temporary differences	(22.56)	(6.14)
Reversal of deferred tax asset on other temporary differences (ECL, FV gain, etc.)	22.87	104.58
Income tax expense/(credit) reported in the statement of profit and loss	**10.50**	**18.19**

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46 Disclosures as required under the Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025, read with the Reserve Bank of India (Housing Finance Companies) Directions, 2025 including relevant circulars issued during the year

46.1 Principal Business Criteria (PBC)

	As at March 31, 2026	As at March 31, 2025
Total assets	16,851.34	14,027.54
Less: Intangible assets	(821.68)	(563.54)
Total assets (netted off by intangible assets)	**16,029.66**	**13,464.00**
Total Housing loans	9,707.26	6,873.51
Total Housing loans as a % of total assets (netted off by intangible assets)	**60.56%**	**51.05%**
Total Individual Housing loans	9,707.26	6,873.51
Total Individual Housing loans as a % of total assets (netted off by intangible assets)	**60.56%**	**51.05%**

46.2 Disclosures

46.2.1 Capital

Particulars	As at March 31, 2026	As at March 31, 2025
(i) CRAR (%)	57.59%	50.81%
(ii) CRAR - Tier I Capital (%)	56.96%	50.40%
(iii) CRAR - Tier II Capital (%)	0.63%	0.42%
(iv) Amount of subordinated debt raised as Tier – II Capital	-	-
(v) Amount raised by issue of Perpetual Debt Instruments	-	-

46.2.2 Reserve Fund u/s 29C of NHB Act, 1987

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	43.53	42.30
b) Amount of Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the	-	-
Addition / Appropriation / Withdrawal during the year		
Add:		
a) Amount transferred u/s 29C of the NHB Act, 1987	3.48	1.23
b) Amount of Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the		
Less:		
a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act,	-	-
b) Amount withdrawn from the Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 which has	-	-
Balance at the end of the year		
a) Statutory Reserve u/s 29c of the National Housing Bank Act, 1987	**47.01**	**43.53**
b) Amount of Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into Account for the purpose of Statutory Reserve u/s 29c of the NHB Act, 1987	-	-
Total	**47.01**	**43.53**

Statutory reserve is the reserve created by transferring the sum not less than 20% of its profit in terms of Section 29C of the National Housing Bank Act, 1987.

46.2.3 Investments

Particulars	As at March 31, 2026	As at March 31, 2025
Value of Investments		
Gross value of investments		
(i) In India	-	2,196.91
(ii) Outside India	-	-
Provisions for Depreciation		
(i) In India	-	-
(ii) Outside India	-	-
Net value of investments		
(i) In India	-	2,196.91
(ii) Outside India	-	-
Movement of provisions held towards depreciation on investments		
Opening balance	-	-
Add: Provisions made during the year	-	-
Less: Write-off / Written-bank of excess provisions during the year	-	-
Closing balance	-	-

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46.2.4 Derivatives

Particulars	As at March 31, 2026	As at March 31, 2025
Forward Rate Agreement (FRA) / Principal only swap/cross currency swap		
(i) The notional principal of Forward rate agreements/Interest Rate Swap#	2,165.61	2,356.03
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements*	224.23	105.46
(iii) Collateral required by the HFC upon entering into swaps	-	-
(iv) Concentration of credit risk arising from the swaps **	2,389.84	2,461.49
(v) The fair value of the swap book	224.23	105.46

* The losses which would be incurred if the counterparties failed to fulfil their obligations under the agreements would depend on the future rate of USD at which the Company shall purchase USD from an authorised dealer for fulfilling its obligation.

**Concentration arising from swaps is with banks

Forward Contracts includes Principal only swap and cross currency swap.

Exchange Traded Interest Rate (IR) Derivative

	-	-
(ii) Notional principal amount of exchange traded IR derivatives outstanding	-	-
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective"	-	-
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective"	-	-

Disclosures on Risk Exposure in Derivatives

A. Qualitative Disclosure: The Company does not have any Exchange Traded Interest Rate (IR) Derivative and Interest Rate Swap (IRS). The Company has Principal only swap/cross currency swap for the External Commercial Borrowings.

B. Quantitative Disclosure	Currency Derivatives	Interest Rates Derivatives
(i) Derivatives (Notional Principal Amount):		
For Hedging	2,165.61	2,356.03
(ii) Marked to Market Positions		
(a) Assets (+)	224.23	105.46
(b) Liability (-)	-	-
(iii) Credit Exposure#	2,384.14	2,418.90
(iv) Unhedged Exposures	-	-

#The credit exposure relates to the principal outstanding of the Foreign Currency Loans.

6.2.5 Asset Liability Management Maturity Pattern of certain items of Assets and liabilities as at March 31, 2026

Particulars	Over 1 days to 7 days	Over 8 days to 14 days	Over 15 to 30 days	Over 1 month upto 2 months	Over 2 months & upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years to 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-	-	-
Advances (Housing & Property Loans)	-	44.13	164.05	52.34	52.87	162.35	380.37	1,546.63	1,855.69	9,878.36	14,136.79
Investments	-	-	-	-	-	-	-	-	-	-	-
Borrowings	21.63	24.47	78.19	140.87	187.13	455.65	952.98	4,361.08	1,141.25	277.02	7,640.27
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	3.69	-	160.59	47.23	94.46	821.82	377.85	878.50	2,384.14

Asset Liability Management Maturity Pattern of certain items of Assets and liabilities as at March 31, 2025

Particulars	Over 1 days to 7 days	Over 8 days to 14 days	Over 15 to 30 days	Over 1 month upto 2 months	Over 2 months & upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years to 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-	-	-
Advances (Housing & Property Loans)	-	137.63	13.23	50.14	50.38	152.55	355.92	1,339.55	1,506.19	5,986.18	9,591.77
Investments	2,196.91	-	-	-	-	-	-	-	-	-	2,196.91
Borrowings#	39.87	-	69.14	122.14	162.92	377.50	788.61	2,905.07	1,279.80	571.35	6,316.40
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	148.15	42.06	84.12	542.76	467.87	1,133.94	2,418.90

Borrowing includes bank and market borrowings

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46.2.6 **Exposures**

46.2.6.1 **Exposure to Real Estate Sector:**

Category	As at March 31, 2026	As at March 31, 2025
a) Direct Exposure		
(i) Resident Mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is	14,406.33	9,853.90
(ii) Commercial Real Estate		
Lending secured by mortgages on commercial real estates (office building, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or ware house space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB)	-	-
(iii) Investments in mortgage Backed Securities (MBS) and other securitised exposures -		
a. Residential	-	-
b. Commercial Real Estate	-	-
b) Indirect Exposure		
Fund based and non-fund exposure on NHB and HFCs	-	-
Total Exposure to Real Estate sector	**14,406.33**	**9,853.90**

46.2.6.2 **Exposure to Capital Market:**

Particulars	As at March 31, 2026	As at 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;	-	-
(ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-
(v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi) Loans sanctioned to corporates against the security of shares / bonds/debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii) bridge loans to companies against expected equity flows / issues;	-	-
(viii) Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds;	-	-
(ix) Financing to stockbrokers for margin trading	-	-
(x) All exposures to Venture Capital Funds(both registered and unregistered)	-	-
(a) Category I		
(b) Category II		
(c) Category III		
Total Exposure to Capital Market	-	-

46.2.6.2A **Sectoral exposure**

Sectors	As at March 31, 2026 Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	As at March 31, 2025 Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture & allied activities	-	-	-	-	-	-
2. Industry	-	-	-	-	-	-
3. Services	-	-	-	-	-	-
4.Personal loans						
(i) Home Loans	10,836.94	231.46	2.14%	7,586.49	148.56	1.96%
(ii) Loan against property	4,729.95	109.93	2.32%	2,897.54	109.47	3.78%
5. Others	-	-	-	-	-	-
Total	15,566.89	341.39	2.19%	10,484.03	258.03	2.46%

46.2.6.3 **Details of financing of Parent Company products:** Nil

46.2.6.4 **Details of Single Borrower Limit (SBL)/ Group Borrower Limit (GBL) exceeded by HFC:** The Company has not exceeded Single Borrower Limit (SBL) / Group Borrower Limit (GBL) during the financial year.

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46.2.6.5 Unsecured Advances

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured Advances	-	-

46.2.6.6 Exposure to group companies engaged in real estate business: Nil

46.2.6.7 Intra-group exposures

Particulars	As at March 31, 2026	As at March 31, 2025
i) Total amount of intra-group exposures	-	-
ii) Total amount of top 20 intra-group exposures	-	-
iii) Percentage of intra-group exposures to total exposure of the HFC on borrowers/customers	-	-

46.2.6.8 Unhedged foreign currency exposure

The Company does not have unhedged foreign currency exposure as at March 31st, 2026. Company manage the currency induced risk as defined in Foreign Exchange and Risk Management policy of Company. Extract of as below:

Hedge principles
a. Sitaara Housing Finance Limited (SHFL) will engage into hedging of foreign exchange risk on an on-going basis
b. For the purpose of risk management, SHFL will exercise a mix of judgement and discipline.
c. SHFL will evaluate all scenarios of currency and interest rate movements while making decisions.
d. SHFL will judiciously use a right combination of approved hedge instruments to protect it from the effects of INR depreciation and at the same time, attempt to minimise hedge cost. Similarly, SHFL will endeavour to protect itself from the risk of rise in interest rate while trying to minimise the cost of such hedging.
e. If SHFL agrees to a transaction specific hedge arrangement with any lenders then those arrangements will get priority over hedge conditions provided in this policy. However such transaction specific hedge arrangements need to be approved by the board.

Hedge Instruments
Following hedge instruments can be used for hedging.Detailed descriptions of the products are provided in the below.
a. Currency Forward & Futures
b. Vanilla Call options
c. Vanilla Call spread options
d. USDIRS - Interest Rate Swap to hedge Libor
e. Principal only swap
f. Cross currency swap

46.3 Related Party Disclosure

Particulars	As at March 31, 2026				As at March 31, 2025			
	Relatives of Key Management	Parent/Associate /Joint Ventures	Key Management	Directors other than KMP	Relatives of Key Management	Parent/Associate/Joint Ventures	Key Management	Directors other than KMP
Balances at the end of year								
Borrowings	-	-	-	-	-	-	-	-
Borrowings- Maximum outstanding during the year	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-
Deposits- Maximum outstanding during the year	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-
Placement of deposits - Maximum outstanding during the	-	-	-	-	-	-	-	-
Advance given	-	-	-	-	-	-	-	-
Advance given-Maximum outstanding during the year	-	-	-	-	-		2.19	-
Investments	-	-	-	-	-	-	-	-
Investments -Maximum outstanding during the year	-	-	-	-	-	-	-	-
Salary (includes perquisites)	-	-	-	-	-	-	0.03	-
Transactions during the year				-				
Sale of fixed/other assets	-	-	-	-	-	-	-	-
Interest paid	-	-	-	-	-	-	-	-
Interest received	-	-	-	-	-	-	-	-
Issuance of partly paid and fully paid equity shares	-	-	35.39					
Others-Remuneration	-	-	43.58	-	-	-	25.00	-
Others-Sitting fees	-	-	-	2.15	-	-	-	1.60

46.4 Miscellaneous:

46.4.1 Registration obtained from other financial sector regulators:
a) From NHB – vide registration number - 01.0118.15
b) From IRDAI – vide registration number- CA1021
c) From Ministry of Corporate Affairs – CIN-U65923DL2011PLC222491

46.4.2 Group Structure: NA

46.4.3 Rating:
CARE Ratings Limited/CRISIL Limited (CRISIL) have assigned ratings for the various facilities availed by the Company, details of which are given below:

Facility	As at March 31, 2026	As at March 31, 2025
Fund-based facilities-Long term	CARE A-; Stable	CRISIL BBB +;Stable
Fund-based facilities-Short term	NA	CRISIL A2+
Non Convertible Debentures	CRISIL BBB +; Stable	CRISIL BBB +; Stable

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46.4.4 Net Profit or Loss for the period, prior period items and changes in accounting policies:
Refer Note no 1 & 2

46.4.5 Revenue Recognition
During the year, there have been no instances in which revenue recognition has been postponed pending the resolution of significant uncertainties.

46.4.6 Consolidated Financials Statement (CFS)
The Company does not have any subsidiary/Joint venture/Associates as on 31 March, 2026, CFS not applicable to us.

46.5 Additional Disclosures
46.5.1 Provisions and Contingencies
Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account

Particulars	As at March 31, 2026	As at March 31, 2025
Provision made towards Income tax/deferred tax and tax adjustment of earlier years	17.23	17.33
Provisions against standard assets	160.33	126.53
Provisions against NPA	109.21	135.60
Provisions for employee benefits	76.61	44.73
Other provisions & contigencies	54.53	53.65

Break up of loans and advances and provision thereon

Particulars	Housing		Non-Housing	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Standard Assets				
Total outstanding amount	9,640.62	6,862.39	4,424.32	2,733.48
Provision made	83.12	68.36	77.21	58.16
Sub - Standard Assets				
Total outstanding amount	154.95	136.93	68.71	101.04
Provision made	53.46	63.68	22.47	61.32
Doubtful Assets – Category - I				
Total outstanding amount	56.60	3.67	45.74	2.44
Provision made	12.73	1.70	13.44	1.50
Doubtful Assets – Category - II				
Total outstanding amount	4.02	5.91	4.13	5.71
Provision made	0.90	2.75	1.23	3.54
Doubtful Assets – Category - III				
Total outstanding amount	1.66	0.64	1.40	0.15
Provision made	0.38	0.30	0.42	0.10
Loss assets				
Total outstanding amount	2.19	1.43	1.99	0.11
Provision made	2.19	0.66	1.99	0.05
Total Amount				
Total outstanding amount	**9,860.04**	**7,010.97**	**4,546.29**	**2,842.93**
Provision made	**152.78**	**137.45**	**116.76**	**124.67**

46.5.1 A Divergence in Asset Classification and Provisioning
Below two conditions are not satisfied hence the details of diversions are not required to be disclosed
a) No additional provisions have been assessed by NHB exceeding 5 percent of the reported profits before tax and impairment loss on financial
b) NHB has not identified additional GNPAs exceeding 5 percent of reported GNPAs for the year ended 31 March, 2026 and 31 March, 2025.

46.5.2 **Draw Down from Reserves:** Nil

46.5.3 **Concentration of Deposits, Advances, Exposures and NPAs**

46.5.3.1. Concentration of Deposits (for deposit taking HFCs): Not Applicable, As the Company is Non deposit HFC

Particulars	As at March 31, 2026	As at March 31, 2025
Total Deposits of twenty largest Depositors	-	-
Percentage of Deposits of twenty largest depositors to Total Deposits of the HFC	-	-

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46.5.3.2 Concentration of Loans & Advances

Particulars	As at March 31, 2026	As at March 31, 2025
Total Exposure to twenty largest borrowers / Customers	94.10	58.38
Percentage of Advances to twenty largest borrowers to Total Advances of the HFC	0.67%	0.61%

46.5.3.3 Concentration of all Exposures (including off-balance sheet exposure)

Particulars	As at March 31, 2026	As at March 31, 2025
Total Exposure to twenty largest borrowers / Customers	98.56	71.13
Percentage of Exposures to twenty largest borrowers /customers to Total Exposure of the HFC on borrowers /customers	0.60%	0.71%

46.5.3.4 Concentration of NPAs

Particulars	As at March 31, 2026	As at March 31, 2025
Total Exposure to top four NPA accounts	7.92	4.51

46.5.3.5 Sector-wise NPAs

Sector	Percentage of NPAs to Total Advances in that sector As at March 31, 2026	As at March 31, 2025
A Housing Loans :		
1 Individuals	2.23%	2.12%
2 Builders / Project Loans	-	-
3 Corporates	-	-
4 Others	-	-
B Non- Housing Loans :		
1 Individuals	2.68%	3.85%
2 Builders / Project Loans	-	-
3 Corporates	-	-
4 Others	-	-

46.5.4 Movement of NPAs

Sl. No.		Particulars	As at March 31, 2026	As at March 31, 2025
(i)		Net NPAs to Net Advances (%)	1.62%	1.26%
(ii)		Movement of NPAs (Gross)		
	(a)	Opening balance	258.03	211.29
	(b)	Additions during the year	290.35	407.28
	(c)	Reductions during the year	206.99	360.54
	(d)	Closing balance	341.39	258.03
(iii)		Movement of Net NPAs		
	(a)	Opening balance	122.43	-
	(b)	Additions during the year	278.51	381.25
	(c)	Reductions during the year	168.76	258.82
	(d)	Closing balance	232.18	122.43
(iv)		Movement of provisions for NPAs (excluding provisions on standard assets)		
	(a)	Opening balance	135.60	211.29
	(b)	Provisions made during the year	11.84	26.03
	(c)	Write-off /write-back of excess provisions	38.23	101.72
	(d)	Closing balance	109.21	135.60

46.5.5 **Overseas Assets (for those with Joint Ventures and Subsidiaries abroad):**
The Company does not have overseas assets for the year ended March 31, 2026 and March 31, 2025.

46.5.6 **Off-balance Sheet SPVs sponsored:** Nil, there are no such balances.

46.6 **Disclosure of Complaints**

46.6.1 **Summary information on complaints received by the HFCs from customers and from the Offices of Ombudsman**

Particulars	As at March 31, 2026	As at March 31, 2025
Complaints received by the HFC from its customers		
a) No. of complaints pending at the beginning of the year	105	8
b) No. of complaints received during the year	253	863
c) No. of complaints redressed during the year	358	758
-Of which, number of complaints rejected by HFC	-	-
d) No of complaints pending at the end of the year	-	105
b) Maintainable complaints from Office of Ombudsman		
Number of maintainable complaints received from Office of Ombudsman	Nil	Nil
Of 1, number of complaints resolved in favour of the HFC by Office of Ombudsman	Nil	Nil
Of 1, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	Nil	Nil
Of 1, number of complaints resolved after passing of Awards by Office of Ombudsman against the Company	Nil	Nil
Number of Awards unimplemented within the stipulated time (other than those appealed)	Nil	Nil

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme.

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46.6.2 Top five grounds of complaints received by HFC 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 1, number of complaints pending beyond 30 days
For the year ended March 31, 2026					
Ground - 1 (Service Related)	43.00	186.00	-48%	-	-
Ground - 2(Disbursement/ Terms And Conditions)	5.00	51.00	-68%	-	-
Ground - 3(Loan Rejection/Processing Fees)	-	-	0%	-	-
Ground - 4(Recovery Action/ Unfair Practices)	-	-	0%	-	-
Ground - 5(Admin,Harassment Etc)	-	-	0%	-	-
Ground - 6(Others)	57.00	16.00	-95%	-	-
For the year ended March 31, 2025					
Ground - 1 (Service Related)	7.00	360.00	173%	43.00	21
Ground - 2(Disbursement/ Terms And Conditions)	1.00	158.00	1483%	5.00	1
Ground - 3(Loan Rejection/Processing Fees)	-	-	0%	-	NA
Ground - 4(Recovery Action/ Unfair Practices)	-	-	0%	-	NA
Ground - 5(Admin,Harassment Etc)	-	-	0%	-	NA
Ground - 6(Others)	-	345.00	152%	57.00	11

46.7 Corporate governance
Disclosures in relation to corporate goverance is disclosed in corporate governance section of Director reports.

46.8 Breach of covenant
The Company has not breach any covenant of loan availed or debt securities issued during the year ended March 31, 2026 and March 31, 2025.

46.9 No penalty has been imposed by NHB/RBI during the current year and previous year.

46.10 The Company has not granted any loans against collateral of gold jewellery in current year and previous year.

46.11 Comparison between provisions required under IRACP and impairment allowances made under Ind AS 109

Asset Classification as per RBI Norms (1)	Asset classification as per Ind AS 109 (2)	Gross Carrying Amount as per Ind AS (3)	Loss Allowances (Provisions) as required under Ind AS 109 (4)	Net Carrying Amount (5) = (3)-(4)	Provisions required as per IRACP norms (6)	Difference between Ind AS 109 provisions and IRACP norm (7)=(4)-(6)
As at March 31, 2026						
Performing Assets						
Standard	Stage 1	13,309.61	62.26	13,247.35	39.73	22.53
	Stage 2	755.33	98.07	657.26	2.35	95.72
Subtotal		14,064.94	160.33	13,904.61	42.08	118.25
Non-Performing Assets (NPA)						
Substandard	Stage 3	223.66	75.93	147.73	33.55	42.38
Doubtful - up to 1 year	Stage 3	102.34	26.17	76.17	25.58	0.59
1 to 3 years	Stage 3	8.15	2.13	6.02	3.26	(1.13)
More than 3 years	Stage 3	3.06	0.80	2.26	3.07	(2.27)
Subtotal for doubtful		113.55	29.10	84.45	31.91	(2.81)
Loss Assets	Stage 3	4.18	4.18	-	4.18	-
Subtotal of NPA		341.39	109.21	232.18	69.64	39.57
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	1156.86	5.17	1,151.69	-	5.17
	Stage 2	1.22	0.07	1.15	-	0.07
	Stage 3	1.92	0.45	1.47	-	0.45
Subtotal		1160.00	5.69	1,154.31	-	5.69
Total	Stage 1	14,466.47	67.43	14,399.04	39.73	27.70
	Stage 2	756.55	98.14	658.41	2.35	95.79
	Stage 3	343.31	109.66	233.65	69.64	40.02
	Total	15,566.33	275.23	15,291.10	111.72	163.51

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As at March 31, 2025

Performing Assets						
Standard	Stage 1	8,803.00	36.18	8,766.82	25.94	10.24
	Stage 2	792.87	90.34	702.53	2.51	87.83
Subtotal		9,595.87	126.52	9,469.35	28.45	98.07
Non-Performing Assets (NPA)						
Substandard	Stage 3	237.97	125.00	112.97	35.70	89.30
Doubtful - up to 1 year	Stage 3	6.11	3.20	2.91	1.53	1.67
1 to 3 years	Stage 3	11.62	6.29	5.33	4.65	1.64
More than 3 years	Stage 3	0.79	0.40	0.39	0.79	(0.39)
Subtotal for doubtful		18.52	9.89	8.63	6.97	2.92
Loss Assets	Stage 3	1.54	0.71	0.83	1.52	(0.81)
Subtotal of NPA		258.03	135.60	122.43	44.19	91.41
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	616.46	1.76	614.70	-	1.76
	Stage 2	5.19	0.28	4.91	-	0.28
	Stage 3	9.27	2.12	7.15	-	2.12
Subtotal		630.93	4.16	626.77	-	4.16
Total	Stage 1	9,419.46	37.94	9,381.52	25.94	12.00
	Stage 2	798.06	90.62	707.44	2.51	88.11
	Stage 3	267.30	137.72	129.58	44.19	93.53
	Total	10,484.83	266.28	10,218.55	72.64	193.64

46.12 **Disclosure pursuant to Reserve Bank of India notification RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated 5 May 2021 read with Notification no.RBI/2020-21/16DOR.No.BP.BC/3/21.04.048/2020-21 dated 6 August 2020.**

Type of Borrower	**Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of March 31, 2025 (A)**	**Of (A), aggregate debt that slipped into NPA during the year**	**Of (A) amount written off during the year**	**Of (A) amount paid by the borrowers during the year**	**Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of March 31, 2026**
Personal Loans	61.30	0.52	0.93	10.16	49.69
Corporate persons	-	-	-	-	-
Of which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	61.30	0.52	0.93	10.16	49.69

Type of Borrower	**Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of September 30, 2024 (A)**	**Of (A), aggregate debt that slipped into NPA during the half year**	**Of (A) amount written off during the half year**	**Of (A) amount paid by the borrowers during the half year**	**Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of March 31, 2025**
Personal Loans	68.91	3.40	1.13	3.08	61.30
Corporate persons	-	-	-	-	-
Of which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	68.91	3.40	1.13	3.08	61.30

47 **Disclosures as required under the Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025, read with the Reserve Bank of India (Housing Finance Companies) Directions, 2025 including relevant circulars issued during the year**

(a) Funding Concentration based on significant counterparty (borrowings)

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Number of significant counterparties	15	20
Amount	9,204.46	8,432.80
Percentage of funding concentration to total deposits	NA	NA
Percentage of funding concentration to total liabilities#	88.28%	92.81%

(b) **Top 20 large deposits**

Particulars	As at March 31, 2026	As at March 31, 2025
Total amount of top 20 large deposits	NA	NA
Percentage of amount of top 20 large deposits to total deposits	NA	NA

(c) **Top 10 borrowings**

Particulars	As at March 31, 2026	As at March 31, 2025
Total amount of top 10 borrowings (in Rs.)	7,975.37	6,423.46
Percentage of amount of top 10 borrowings to total borrowings	79.55%	73.53%

(d) **Funding Concentration based on significant instrument/product**

Particulars		As at March 31, 2026	As at March 31, 2025
Term loan	Amount	9,599.22	8,227.90
	% of total liabilities#	92.07%	90.55%
Debentures	Amount	425.19	507.40
	% of total liabilities#	4.08%	5.58%

(e) **Stock Ratios**

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Commercial paper to Total Liabilities#	N.A	N.A
(ii) Commercial paper to Total Assets	N.A	N.A
(iii) Commercial paper to Public Funds	N.A	N.A
(iv) NCD (original maturity < 1 yrs.) to Total Liabilities#	N.A	N.A
(v) NCD (original maturity < 1 yrs.) to Total Assets	N.A	N.A
(vi) NCD (original maturity < 1 yrs.) to Public Funds	N.A	N.A
(vii) Other Short Term Liabilities to Total Liabilities#	23.43%	22.40%
(viii) Other Short Term Liabilities to Total Assets	14.50%	14.51%
(ix) Other Short Term Liabilities to Public Funds	NA	NA

Total liabilities = Total Assets - Equity

(f) **Institutional set-up for liquidity risk management:**

The Company has in place a detailed "Asset Liability Management Policy", "Foreign Exchange and Interest Rate Risk Management Policy" and "Contingency funding plan" . The policies provide a framework for risk identification, risk measurement, risk mitigation, risk monitoring and ensuring regulatory as well as internal compliance.

The liquidity risk is reviewed at periodic intervals by ALCO through statement of structural liquidity, statement of short-term dynamic liquidity and interest rate sensitivity for better financial planning. The meetings of RMC are organised at regular intervals to review various risks associated with Company's operation.

48 **Disclosure of frauds reported during the year in accordance with applicable guidelines issued by the Reserve Bank of India**

During the year ended March 31, 2026, the Company has reported and classified 2 instances of fraud in accordance with applicable regulatory guidelines, details of which are as under:

S. No	Nature of Fraud	Gross amount	Recovery	Net Amount
1	Cheating & Forgery	2.86	0.33	2.53

During the year ended March 31, 2025, the Company has reported and classified 5 instances of fraud in accordance with applicable regulatory guidelines, details of which are as under:

S. No	Nature of Fraud	Gross amount	Recovery	Net Amount
1	Cheating & Forgery	5.83	2.24	3.59

49 **Disclosures as required under the Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025, read with the Reserve Bank of India (Housing Finance Companies) Directions, 2025 including relevant circulars issued during the year**

a) Details of transfer through assignment in respect of loans not in default

Particulars	As at March 31, 2026	As at March 31, 2025
Count of loan accounts assigned	2,141	835
Amount of loan account assigned	933.84	473.80
Retention of beneficial economic interest (MRR)	10%	10%
Weighted Average residual tenure of the loans transferred in months	125.58	148.11
Weighted Average holding period in months	22.62	19.37
Coverage of Tangible security	100%	100%
Number of Transaction	3	2
Rating wise distribution of rated loans	Unrated	Unrated

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b) During the year ended March 31, 2026, the Company has entered into co-lending arrangements with partner financial institutions in accordance with applicable regulatory guidelines issued by the Reserve Bank of India.

Under these arrangements, the Company acts as the originator and originates loans which are subsequently shared with the co-lending partner in an agreed proportion. The Company transfers a substantial portion of such loans to the co-lending partner at the time of origination, while retaining a specified portion on its books.

In respect of such arrangements, the Company continues to service the loans on behalf of the co-lending partner and earns servicing and other applicable fees. The Company retains its share of the loan exposure and associated risks on the retained portion, while the credit risk relating to the transferred portion is borne by the respective co-lending partner.

Particulars	As at March 31, 2026	As at March 31, 2025
Nature of Entity/Sector	NBFC	-
Count of co-lending loans disbursed	100	-
Amount of loan account disbursed	165.33	-
Weighted average rate of interest	16.13%	-
Fees charged	As per MITC	-
Default Loss guarantee	-	-
Performance of Loans under CLA: All loans originated under co-lending falls under Stage 1 as on March 31, 2026		

c) The Company has not acquired any loan in default during the year ended March 31st, 2026 and March 31st, 2025.

d) Details of stressed loans transferred stressed loan transferred during the year to Assets Recontruction Company (ARC)

Particulars	As at March 31, 2026	As at March 31, 2025
Count of loan accounts assigned	-	603
Aggregate principal outstanding of loans transferred	-	270.26
Weighted Average residual tenure of the loans transferred in months	-	153.12
Net book value of loans transferred (at the time of transfer)	-	270.26
Aggregate consideration	-	113.51
Additional consideration realized in respect of accounts transferred in earlier years	-	-

50 Liquidity coverage ratio (LCR) - LCR ratios are not applicable to the Company as the assets size less than Rs. 50,000 millions.

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51 Additional Disclosure including disclosure in compliance with amendment in Schedule III (Division III) to the companies act, 2013 dated 24th March 2021

(i) The Company has not entered any transactions with companies that were struck off under section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

(ii) The Company is in compliance with number of layers of companies, as prescribed under clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017

(iii) The Company does not have any transactions which were not recorded in the books of accounts, but offered as income during the year in the income tax assessment.

(iv) The Company has not traded or invested in crypto currency or Virtual Currency during the financial year.

(v) The Company has not been declared a willful defaulter by any bank or financial institution or other lender during the year.

(vi) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding (whether recorded in writing or otherwise) that the Intermediary shall;
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall;
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(viii) The Company does not have any charges which are yet to be registered with the Registrar of Companies beyond the statutory period.

(ix) Ratios - for ratios refer note 44

(x) The Company has not granted any loans or advances in the nature of loans to promoters, Directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are:
(a) repayable on demand or
(b) without specifying any terms or period of repayment

(xi) Disclosure pertaining to stock statement filed with banks or financial institutions- Company is timely filing all the required quarterly returns and statements of current assets (as applicable) on debt securities with lenders and is in agreement with the books of accounts.

(xii) At the year end, the Company did not have any long-term contracts except derivative contracts for which there were any material foreseeable losses need to be provided as required under any law / accounting standards.

(xiii) The Company has not entered into any scheme of arrangement during the year.

(xiv) The Company does not possess any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company during the financial year ended March 31, 2026 and year ended March 31, 2025

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

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

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52 Previous period figures have been regrouped or reclassified wherever necessary.

For S N Dhawan & CO LLP
Chartered Accountants
Firm Registration Number: 000050N/N500045

Rahul Singhal
Partner
Membership Number: 096570

Place: Mumbai
Date: April 17, 2026

S N DHAWAN & CO LLP GURUGRAM CHARTERED ACCOUNTANTS

For and on behalf of Board of Directors
Sitaara Housing Finance Limited
(formerly known as SEWA Grih Rin Limited)

Ajesh Appukuttan
Managing Director & CEO
DIN: 10988270

Place: Mumbai
Date: April 17, 2026

Vishakha Rajesh Maheshwari
Director
DIN: 07108012

Place: Mumbai
Date: April 17, 2026

Udit Kariwala
CFO

Place: Mumbai
Date: April 17, 2026

Ayush Jindal
Company Secretary
M. No.: A-60494
Place: Mumbai
Date: April 17, 2026

SITAARA HOUSING FINANCE LIMITED