

DMI FINANCE PRIVATE LIMITED

Registered office: Express Building, 3rd Floor, 9-10, Bahadur Shah Zafar Marg, New Delhi- 110002

Phone: +91-11-41204444, Fax- +91-11-41204000

Website: www.dmifinance.in / **Email:** compliance@dmifinance.in

CIN: U64990DL2008PTC182749

NOTICE OF THE SEVENTEENTH (17th) ANNUAL GENERAL MEETING OF DMI FINANCE PRIVATE LIMITED

Notice is hereby given that the Seventeenth (17th) Annual General Meeting (“AGM”) of the Members of DMI Finance Private Limited (“the Company”) will be held on **Friday, September 26, 2025 at 05:00 PM (IST)** at Express Building, 4th Floor, 9-10, Bahadur Shah Zafar Marg, New Delhi-110002 to transact the following special businesses:

ORDINARY BUSINESS:**ITEM NO. 1**

TO RECEIVE, CONSIDER AND ADOPT THE ANNUAL AUDITED STANDALONE AND CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025 AND THE REPORTS OF THE BOARD OF DIRECTORS AND AUDITORS THEREON;

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

“RESOLVED THAT the Annual Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2025 and the reports of the Board of Directors and Auditors thereon, as laid before the meeting, be and are hereby considered and adopted.”

SPECIAL BUSINESS:**ITEM NO.2**

TO APPROVE THE AMENDMENTS IN THE DMI EMPLOYEE STOCK OPTION PLAN, 2018 – EXTENDED - FOR THE EMPLOYEES OF THE COMPANY

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

“RESOLVED THAT pursuant to the provisions of Section 62(1)(b) of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for time being in force) (the “Act”), provisions contained in the Memorandum of Association and the Articles of Association of DMI Finance Private Limited (“the Company”) and such other applicable rules, regulations, circulars, guidelines, notifications and clarifications issued by any/various other competent statutory/regulatory authority(ies) including any amendments, modifications or re-enactments thereof for the time being in force, subject to such other approvals, consents, permissions and/or sanctions as may be required from any appropriate regulatory or statutory authority/ institution or body and subject to such terms and conditions as may be prescribed by any of them, pursuant to the recommendations of the Nomination and Remuneration Committee (“NRC”) and the approval of the Board of Directors of the Company (“Board”), the consent of the members of the Company be and is hereby accorded to approve and adopt the amended/revised DMI Employee Stock Option Plan, 2018 – Extended (**hereinafter the “DMI ESOP Plan 2018- Extended”**) with the changes as mentioned in the Explanatory Statement annexed to this Notice, for the present and/or future permanent em-

employees of the Company, working in India or abroad and/or Directors (including whole-time directors but excluding non-executive independent directors) of the Company and any other individuals/entities as allowed under applicable rules, regulations, guidelines and laws (hereinafter referred to as “employees” or “said employees”).

RESOLVED FURTHER THAT the Nomination and Remuneration Committee of the Board be and is hereby authorized to act as a committee for the purpose of supervision and monitoring of **DMI ESOP Plan 2018- Extended** and the ESOP Schemes formed thereunder in the Company, including delegated powers to any person thereof by such Committee and be and is hereby also authorized to grant ESOPs to the identified allottees under various ESOP schemes incorporated under the DMI ESOP Plan 2018-Extended (as amended from time to time) as per the terms and conditions laid down in the ESOP schemes.

RESOLVED FURTHER THAT Securities Allotment Committee of the Board be and is hereby authorized to allot such ordinary equity shares upon exercise of stock options, from time to time, granted under the DMI ESOP Plan 2018-Extended and such equity shares allotted shall in all respects rank *pari passu* inter-se with the then existing equity shares of the Company.

RESOLVED FURTHER THAT without prejudice to the generality of the above but subject to the conformity of the applicable provisions of law, if any, the Board of Directors (hereinafter referred to as “Board” which term shall be deemed to include Nomination and Remuneration Committee constituted / re-constituted by the Board or any other committee which the Board may constitute to exercise its powers, including the powers conferred by this resolution) be and is hereby authorised to make modifications, changes, variations, alterations or revisions in the terms and conditions of aforesaid DMI ESOP Plan 2018-Extended and Schemes thereunder, from time to time, as it may in its sole and absolute discretion decide.

RESOLVED FURTHER THAT the said amendment/modification in DMI ESOP Plan 2018-Extended is not prejudicial to the interests of the option holders.

RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution(s), the Board be and is hereby authorized, without being required to seek any further consent or approval of the Members of the Company or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this Resolution, to (i) do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper; (ii) execute all such deeds, documents, instruments and writings as it may in its absolute discretion deem necessary in relation to DMI ESOP Plan 2018-Extended; and (iii) to modify, change, vary, alter, amend, suspend or terminate DMI ESOP Plan 2018-Extended subject to compliance with the applicable laws and regulations provided any variation, amendment, modification or alteration or suspension is not detrimental to the interests of the employees; and (iv) to settle all questions, difficulties or doubts that may arise in this regard.

RESOLVED FURTHER THAT any Director, Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary or expedient including filing of necessary documents, intimations including e-forms with regulatory authorities and to settle any questions, difficulties or doubts that may arise in this regard at any stage in connection to the DMI ESOP Plan 2018-Extended.

RESOLVED FURTHER THAT the certified copy of the above resolution may be issued under the signatures of any of the Director or Company Secretary of the Company.”

ITEM NO.3**TO APPROVE THE AMENDMENTS IN THE DMI EMPLOYEE STOCK OPTION PLAN, 2018 – EXTENDED - FOR THE EMPLOYEES OF THE HOLDING / SUBSIDIARY COMPANY(IES)**

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

“RESOLVED THAT pursuant to the provisions of Section 62(1)(b) of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for time being in force) (the “Act”), provisions contained in the Memorandum of Association and the Articles of Association of DMI Finance Private Limited (**“the Company”**) and such other applicable rules, regulations, circulars, guidelines, notifications and clarifications issued by any/various other competent statutory/regulatory authority(ies) including any amendments, modifications or re-enactments thereof for the time being in force, subject to such other approvals, consents, permissions and/or sanctions as may be required from any appropriate regulatory or statutory authority/ institution or body and subject to such terms and conditions as may be prescribed by any of them, pursuant to the recommendations of the Nomination and Remuneration Committee (“NRC”) and the approval of the Board of Directors of the Company (**“Board”**), the consent of the members of the Company be and is hereby accorded to approve and adopt the amended/revised DMI Employee Stock Option Plan, 2018 – Extended (**hereinafter the “DMI ESOP Plan 2018- Extended”**) with the changes as mentioned in the Explanatory Statement annexed to this Notice, for the present and/or future permanent employees of **the holding company or the subsidiary companies of the Company**, working in India or abroad and/or Directors (including whole-time directors but excluding non-executive independent directors) of the holding company or the subsidiary companies of the Company and any other individuals/entities as allowed under applicable rules, regulations, guidelines and laws (hereinafter referred to as **“employees”** or **“said employees”**).

RESOLVED FURTHER THAT the Nomination and Remuneration Committee of the Board be and is hereby authorized to act as a committee for the purpose of supervision and monitoring of **DMI ESOP Plan 2018- Extended** and the ESOP Schemes formed thereunder in the Company, including delegated powers to any person thereof by such Committee and be and is hereby also authorized to grant ESOPs to the identified allottees under various ESOP schemes incorporated under the DMI ESOP Plan 2018-Extended (as amended from time to time) as per the terms and conditions laid down in the ESOP schemes.

RESOLVED FURTHER THAT Securities Allotment Committee of the Board be and is hereby authorized to allot such ordinary equity shares upon exercise of stock options, from time to time, granted under the DMI ESOP Plan 2018-Extended and such equity shares allotted shall in all respects rank *pari passu* inter-se with the then existing equity shares of the Company.

RESOLVED FURTHER THAT without prejudice to the generality of the above but subject to the conformity of the applicable provisions of law, if any, the Board of Directors (hereinafter referred to as “Board” which term shall be deemed to include Nomination and Remuneration Committee constituted / re-constituted by the Board or any other committee which the Board may constitute to exercise its powers, including the powers conferred by this resolution) be and is hereby authorised to make modifications, changes, variations, alterations or revisions in the terms and conditions of aforesaid DMI ESOP Plan 2018-Extended and Schemes thereunder, from time to time, as it may in its sole and absolute discretion decide.

RESOLVED FURTHER THAT the said amendment/modification in DMI ESOP Plan 2018-Extended is not prejudicial to the interests of the option holders.

RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution(s), the Board be and is hereby authorized, without being required to seek any further consent or approval of the Members of the Company or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this Resolution, to (i) do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper; (ii) execute all such deeds, documents, instruments and writings as it may in its absolute discretion deem necessary in relation to DMI ESOP Plan 2018-Extended; and (iii) to modify, change, vary, alter, amend, suspend or terminate DMI ESOP Plan 2018-Extended subject to compliance with the applicable laws and regulations provided any variation, amendment, modification or alteration or suspension is not detrimental to the interests of the employees; and (iv) to settle all questions, difficulties or doubts that may arise in this regard.

RESOLVED FURTHER THAT any Director, Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary or expedient including filing of necessary documents, intimations including e-forms with regulatory authorities and to settle any questions, difficulties or doubts that may arise in this regard at any stage in connection to the DMI ESOP Plan 2018-Extended.

RESOLVED FURTHER THAT the certified copy of the above resolution may be issued under the signatures of any of the Director or Company Secretary of the Company.”

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Website: <https://www.dmifinance.in/>

Date: September 04, 2025
Place: New Delhi

By order of the Board
For DMI Finance Private Limited

Sd/-
Reena Jayara
Company Secretary & Compliance Officer
M. No. A19122
Regd. Office: Express Building,
3rd Floor, 9-10, Bahadur Shah Zafar Marg,
New Delhi- 110002

Notes:

1. *The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, which sets out details relating to Special Businesses mentioned in the Notice is annexed hereto.*
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE 17th ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** *A person can act as proxy on behalf of member not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Further, a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.*
3. *The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll in accordance with the provisions of the Articles of Association of the Company and in default the instrument of proxy shall not be treated as valid. Further, Proxy Form is annexed with the notice.*
4. *The Members whose name appear in the register of members of the Company/in registers maintained with Registrar and Transfer Agent as on the date of AGM shall be entitled to attend and vote at the AGM. The Notice of the AGM is being sent to all the Members at their registered email addresses.*
5. *Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a duly certified true copy of the Board Resolution authorizing their representatives to attend and vote at the AGM.*
6. *Members / Proxies should fill in the attendance slip for attending the AGM. Attendance slip is enclosed with the Notice.*
7. *Members may please note that the Notice of the AGM will also be available on the website of the Company at <https://www.dmifinance.in>.*
8. *The Register of Directors and Key Managerial Personnel and their shareholding-maintained u/s 170 of the Companies Act, 2013, Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Act and all the documents referred to in the notice including copies thereof are available for inspection in physical form at the Registered Office of the Company during business hours and at the AGM, without any fee, from the date of circulation of this Notice, up to the conclusion of AGM i.e. **Friday, September 26, 2025.***
9. *In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.*
10. *Members who have not registered their e-mail addresses with the Company/RTA so far are requested to register their e-mail address to receive all communication from the Company electronically.*

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11. *The Board of Directors of the Company ("the Board") has appointed M/s. VLA & Associates, Practicing Company Secretaries as the Scrutinizer ("Scrutinizer"), for conducting the voting process in a fair & transparent manner. The Members shall cast their vote on resolution as set out in notice of the AGM in **Form No. MGT-12**.*
12. *The Scrutinizer shall make a scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been approved or not, and such Report shall then be sent to the Chairperson or a person authorized by him, within seven days from the last date of the poll, who shall countersign the same and declare the result of the voting within two days of the submission of report by the scrutinizer.*
13. *The result of the poll along with details whether the Resolution has been carried or not shall be displayed for at least three days on the Notice Board of the Company at its Registered Office and shall also be placed on the website of the Company.*
14. *The result of the poll shall be deemed to be the decision of the Meeting on the Resolutions on the date on which the poll was taken.*
15. *Landmark for location of meeting is ITO Metro Station. The route map of the location is attached with the notice.*

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EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 TO THE NOTICE DATED SEPTEMBER 04, 2025

As required under Section 102 of the Companies Act, 2013 (including any statutory modifications) thereto or re-enactments made thereunder, if any, for the time being in force (the “Act”), the following explanatory statement sets out all material facts relating to the following business(es) mentioned in the accompanying Notice:

ITEM NO. 2 & 3:

TO APPROVE THE AMENDMENTS IN THE DMI EMPLOYEE STOCK OPTION PLAN, 2018 – EXTENDED FOR THE EMPLOYEES OF THE COMPANY & FOR EMPLOYEES OF THE HOLDING / SUBSIDIARY COMPANY(IES)

The Members are informed that DMI Employee Stock Option Plan, 2018 was initially approved by the shareholders in their meeting held on March 19, 2018 for a period of 5 years. The term of the ESOP Plan was extended by a period of 1 (one) year by the shareholders in their meeting held on March 09, 2023 and renamed as DMI Employee Stock Option Plan, 2018 -Extended and thereafter further extended by a period of 4 (four) years by the shareholders in their meeting held on March 25, 2025 (**hereinafter “ESOP Policy” / “DMI ESOP Plan 2018-Extended”**). Accordingly, as per the existing revised term of the ESOP Plan 2018-Extended, it shall continue in effect till ten (10) years from the initial adoption unless terminated sooner by the Board.

The Members are further informed that in order to retain and remunerate the existing and new hires in the Company, the Company has granted stock options under the aforesaid ESOP Policy in different tranches on various dates from time to time by way of different schemes. Further, DMI as a group has evolved over a period into a more structured, multi-entity organization, with each arm focusing on different financial or technology-focused businesses. The said evolution also requires workforce alignment to different entities / specific business units, where their skills are most relevant or suitable to or as per the requirements of the said business unit. Some of these employees may be the stock option holder of the Company under the ESOP Policy and for the best interest of such option holders, it is desired that the stock options granted to them over a period in the Company continue to vest upon such movement as per the extant schemes or the vesting accelerated for the unvested stock options.

The Board of Directors (**“Board”**) therefore in their meeting held on August 13, 2025 upon recommendation of the Nomination and Remuneration Committee (**“NRC”**) and subject to the approval of the shareholders, have considered and approved to make requisite changes in the the DMI ESOP Plan 2018-Extended.

In view of the foregoing, the key proposed amendments in the DMI ESOP Plan 2018-Extended and as per Rule 12(5) of Companies (Share Capital and Debentures) Rules, 2014 are detailed herein under:

1. Key Variations in the ESOP Policy:

S. No.	Clause	Particulars of Change
1.	Clause 6(e)	<p>A new sub-clause (e) shall be added after the sub-clause (d) as under:</p> <p><i>“In exceptional circumstances, the Nomination and Remuneration Committee may approve acceleration of the vesting of unvested stock options subject to the completion of one year from the date of grant of such options and such one year period shall complete prior to the employee’s resignation from the Company, its subsidiary companies, or its holding company (excluding the</i></p>

		<p>notice period).</p> <p><i>The request for acceleration shall be submitted, and the Nomination and Remuneration Committee shall approve it, prior to the employees' last working day with the Company or its subsidiary companies or the holding company".</i></p>
2.	Clause 10(i)	<p><i>The sub-clause (i) shall be modified/amended and substituted as under to allow exercise within the exercise period after exit, in exceptional circumstances:</i></p> <p><i>"In the event of resignation, all Options, other than Vested Options, shall lapse with effect from the date of resignation (excluding any notice period). The Optionee shall have no right over such lapsed or cancelled Options. However, all Options Vested Options shall be exercised by the Optionee immediately but not later than completion of notice period. In exceptional circumstances, the Nomination and Remuneration Committee may allow the Optionee to exercise the Vested Options within the Exercise Period after their exit. The Company may at its sole discretion and option, instead of issuing and allotting Equity Shares to the Optionee against his vested options, pay such Optionee the difference between the Fair Market Value (as of date of such payment) of the Equity Shares to be allotted and the Exercise Price for such Equity Shares. The Optionee by accepting the Grant of Options and confirming the Option Agreement shall be deemed to have granted his consent for the aforesaid. On the payment as aforesaid, the Vested Options shall lapse".</i></p>
3.	Clause 2(m)	<p>In the Definitions section under Clause 2, the definition of Nomination and Remuneration Committee has been inserted as clause (m) below and the subsequent clauses are renumbered accordingly:</p> <p>"Nomination and Remuneration Committee" means the means the Nomination and Remuneration Committee constituted or reconstituted by the Board from time to time and being designated as the compensation committee, and entrusted with the authority to formulate, implement, supervise and administer, inter alia, the DMI ESOP Plan 2018-Extended or any schemes formulated thereunder from time to time".</p>
4.	Clause 5 (a)	<p>The reference of 3,44,29,695 stock options have been added as the maximum stock options which can be granted under the Scheme pursuant to the approval of the shareholders on the said limit obtained in their Extraordinary General Meeting held on March 25, 2025 and the revised clause 5 (a) reads as under:</p> <p><i>"Upto 3,44,29,695 Stock Option may be granted, from time to time, to such Employees and in such numbers as may be decided by the Board subject to the stipulation that on any relevant date, provided that the aggregate number of Options issued and outstanding under the Plan taken along with any Equity Shares already issued against any exercised Options shall not exceed 5% of the Fully Diluted Equity Capital of the Company as on such date. Thus, the Company may from time to time increase the number of Options available for being granted under this Plan in a dynamic manner concomitant with the number of fully paid-up Equity Shares and other convertible securities issued by the Company from time to time".</i></p>

Rationale for the variation in ESOP Policy was apprised to the Committee:

- a) The proposed amendments are necessary in order to retain and motivate the existing option holders whose services may be transferred to different units as per the organizational requirements.
- b) The proposed amendments are not prejudicial to the interests of the option holders.

Details of the employees who are beneficiaries of such variation:

The variation would be applicable uniformly to all the eligible employees covered under the DMI ESOP Plan 2018- Extended.

In terms of section 62(1)(b) of the Companies Act, 2013 and Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, approval of the shareholders by way of special resolution is required in connection with the variation in terms of Employee Stock Option schemes of the Company.

The draft of the revised DMI ESOP Plan 2018-Extended of the Company is available for inspection in the manner as mentioned in 'Notes' section forming part of this notice.

The Board of Directors of the Company recommend the resolutions as set out at Item no. 2 & 3 for approval by members by way of special resolutions.

None of the Directors of the Company and their relatives are in anyway directly or indirectly concerned or interested in the said resolutions except to the extent of stock options granted/ to be granted pursuant to the DMI ESOP Plan 2018 – Extended to them. Further, KMPs of the Company and its subsidiary(ies) and their relatives, are deemed to be concerned or interested, to the extent of stock options granted / to be granted pursuant to the DMI ESOP Plan 2018, as amended from time to time.

DMI FINANCE PRIVATE LIMITED

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MGT-11 – Proxy form

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

Name of the member (s):

Registered address:

E-mail Id:

Folio No/ Client Id:

DP ID:

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Website: <https://www.dmifinance.in/>

I/We, being the member (s) of shares of the DMI Finance Private Limited, hereby appoint

1. Name: _____
E-mail Id: _____
Address: _____
Signature: _____

Or failing him

2. Name: _____
E-mail Id: _____
Address: _____
Signature: _____

Or failing him

3. Name: _____
E-mail Id: _____
Address: _____
Signature: _____

as my/our proxy to attend and vote (on a poll) for or against of each resolution for me/us and on my/our behalf at 17th Annual General Meeting of the Company to be held on **Friday, September 26, 2025 at 05:00 PM (IST)** at Express Building, 4th Floor, 9-10, Bahadur Shah Zafar Marg, New Delhi-110002 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions
	Ordinary Business:
1.	To receive, consider and adopt the annual audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2025 and the reports of the Board of Directors and Auditors thereon.
	Special Business:
2.	To approve the amendments in the DMI Employee Stock Option Plan, 2018 – Extended - for the employees of the Company.
3.	To approve the amendments in the DMI Employee Stock Option Plan, 2018 – Extended - for the employees of the Holding / Subsidiary Company(ies).

Signed this..... day of..... 2025

Affix
Revenue
Stamp

Signature of shareholder

Signature of Proxy holder(s)

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll in accordance with the provisions of the Articles of Association of the Company and in default the instrument of proxy shall not be treated as valid.
2. A Proxy need not be a member of the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. Please put an 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes.
6. In the case of joint holders, the signature of any one holder will be sufficient, but the names of all the joint holders should be stated.

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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 17th Annual General Meeting of the Company to be held on Friday, September 26, 2025 at 05:00 PM (IST) at Express Building, 4th Floor, 9-10, Bahadur Shah Zafar Marg, New Delhi 110002.

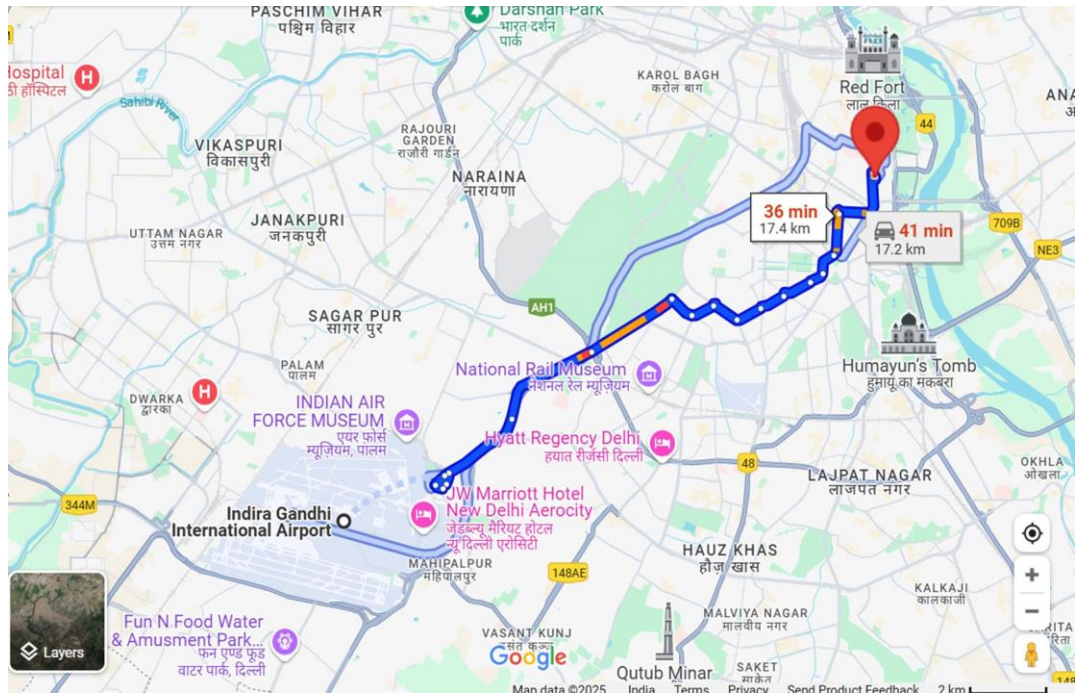
Signature of the Shareholder or Proxy**:

*Applicable for investors holding shares in electronic form.

**Strike out whichever is not applicable

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Route Map of venue of meeting



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NANGIA & CO LLP

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of DMI Finance Private Limited

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of DMI Finance Private Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2025 and the Standalone Statement of Profit and Loss, including the Standalone Statement of Other Comprehensive Income, the Standalone Statement of Cash Flows and the Standalone Statement of Changes in Equity for the year then ended, and notes to the Standalone Financial Statements, including a summary of material accounting policies and other explanatory information for the year ended on that date ("the Standalone Financial Statement").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the Standalone state of affairs of the Company as at March 31, 2025 and its Standalone profit including Other Comprehensive Income, its Standalone Cash Flows and its Standalone Statement Changes in Equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matters

We draw attention to the following matters

Note 59 of the accompanying Standalone Financial Statements, which describes the event subsequent to the balance sheet date relating to the search operation conducted by the Income Tax Department under Section 132 of the Income-tax Act, 1961 at the premises of the Company, in April 2025. The management has represented that it is in the process of evaluating the implications of the said proceedings, and that the outcome and the consequential financial impact, if any, are currently not ascertainable.

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Emphasis of Matters (Continued)

Note 58 of the accompanying Standalone Financial Statements, which describes that Reserve Bank of India ("RBI") on January 08, 2025 lifted the restrictions made on October 17, 2024 through supervisory action, to cease and desist from sanction or disbursements of loans.

Our opinion is not modified in respect of above matters.

Key Audit Matters

Key audit matters are those matters that in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone Financial Statements.

Key audit matters	How our audit addressed the key audit matter
(a) Impairment of loan assets as at balance sheet date (Expected credit losses) As described in note 7.1 of the Standalone Financial Statements	
Ind AS 109: Financial Instruments ("Ind AS 109") requires the Company to provide for impairment of its loan assets using the expected credit loss (ECL) approach. ECL involves an estimation of probability-weighted loss on financial instruments over their life, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions which could impact the credit quality of the Company's loans and advances. As part of our risk assessment, we determined that the ECL on such loan assets has a high degree of estimation uncertainty. In this process, a significant degree of judgement has been applied by the management for: a) Defining Staging of loans (i.e. classification in 'significant increase in credit risk' ("SICR") and 'default' categories); b) Grouping of borrowers based on homogeneity by using appropriate statistical techniques;	Our audit procedures included the following: <ul style="list-style-type: none">• Evaluated the Company's accounting policies for impairment of loan assets and assessed compliance with the policies in terms of Ind AS 109 and with the governance framework approved by the Board of Directors pursuant to Reserve Bank of India guidelines issued on March 13, 2020.• Evaluated the management estimates by understanding the process of ECL estimation and related assumptions and tested the controls around data extraction and validation• Assessed the criteria for staging of loans based on their past-due status to evaluate compliance with requirement of Ind AS 109.• Tested the ECL model, including assumptions and underlying computation. Tested the input data used for determining the Probability of default and

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<p>c) Estimation of behavioural life; d) Estimation of losses for loan products with no / minimal historical default; and e) Adjustments to model driven ECL results to address emerging trends and macro-economic factors and estimation of their impact on the credit quality.</p> <p>In the view of such high degree of management's judgement involved in estimation of ECL, it is identified as key audit matter.</p>	<p>loss given default rates and agreed the data with the underlying books of account and records.</p> <ul style="list-style-type: none">• Tested the arithmetical accuracy of computation of ECL provision performed by the Company.• Read and assessed adequacy of the disclosures included in the Standalone Financial Statements in respect of ECL with the requirements of Ind AS 107 Financial Instruments: Disclosure ("Ind AS 107") and Ind AS 109.
(b) Information technology ('IT') systems and controls	
<p>The financial accounting and reporting systems of the Company are fundamentally reliant on IT systems and IT controls to process significant transaction volumes. Automated accounting procedures and IT environment controls, which include IT governance, general IT controls over program development and changes, access to programs and data and IT operations, are required to be designed and to operate effectively to ensure appropriate financial reporting</p> <p>Therefore, due to the pervasive nature and complexity of the IT environment, the assessment of the general IT controls and the application controls specific to the accounting and preparation of the financial information is considered to be a key audit matter.</p>	<p>Our audit procedures, with support from IT specialists, included the following:</p> <ul style="list-style-type: none">• Tested the design and operating effectiveness of IT access controls over the information systems that are critical to financial reporting.• Tested IT general controls (such as logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorised.• Tested the Company's periodic review of access rights. We inspected requests of changes to systems for appropriate approval and authorisation.• In addition to the above, we tested the design and operating effectiveness of certain application controls (automated and IT dependent manual controls) that were considered as key internal controls over financial reporting.• Where deficiencies were identified, we tested compensating controls or performed alternate procedures.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report and Annual Report ("other information"), but does not include the Standalone Financial Statements and our auditor's report thereon. The Board's Report and Annual Report, is expected to be made available to us after the date of this auditor's report.

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

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Other Information (Continued)

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibility of Management and those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including Other Comprehensive Income, Cash Flows and Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

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


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Auditor's Responsibilities for the Audit of the Standalone Financial Statements (Continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Other Matter

The comparative financial information of the Company for the year ended March 31, 2024 were audited by predecessor auditor who expressed an unmodified opinion on those Standalone Financial Statements dated May 16, 2024. Accordingly, we do not express any opinion, as the case may be, on the figures reported in the Standalone financial statements for the year ended March 31, 2024.

Our opinion is not modified in respect of above matter.

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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 Companies Act, 2013, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) *In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014;*
 - (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including the Standalone Statement of Other Comprehensive Income, and the Standalone Statement of Cash Flow and Standalone Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) *The 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(h)(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 over financial reporting of the Company with reference to Standalone Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 44(a) to the Standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material unforeseeable losses, other than those disclosed in the Standalone financial statements – Refer Note 44(e) to the Standalone financial statements;

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Report on Other Legal and Regulatory Requirements (Continued)

- iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in note 57(vii) to the Standalone financial statements, during the year no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in note 57(vii) to the Standalone financial statements, during the year no funds have been received by the Company from any person or entity, 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.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to the notice that has caused us to believe that the representations under sub-clause (a) and (b) of Rule 11(e) contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year.
- vi. *Based on our examination, which included test checks, and as per the information and explanations provided to us, except for the instances mentioned below, the Company has used various accounting software, namely Microsoft Navision and Salesforce for maintaining its books of accounts. These software has a feature of recording audit trail (edit log) and the same has been operational throughout the year for all transactions recorded in the said software:*

Instances when the feature of audit trail (edit log) in Microsoft Navision was not enabled:

- a) The audit trail feature at the application level was not enabled during the period from April 1, 2024 to April 18, 2024.*
- b) The audit trail feature at the database level was not enabled during the following periods from April 1, 2024 to May 30, 2024 and August 12, 2024 to August 22, 2024.*

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Report on Other Legal and Regulatory Requirements (Continued)

Further, for the periods during which the audit trail (edit log) feature was enabled at the application level and remained operational, we did not come across any instance of the audit trail feature being tampered with. Additionally, as represented by the management, Microsoft Navision has inherent feature that entry once posted cannot be edited/deleted. The audit trail has been preserved by the Company in accordance with the statutory requirements for the record retention except for the audit trail feature not enabled during preceding financial year 2023-24.

For Nangia & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 002391C/N500069



Jaspreet Singh Bedi

Partner

Membership Number: 601788

UDIN: 25601788BMKSDT7459

Place: Mumbai

Date: May 23, 2025

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"ANNEXURE 1" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF DMI FINANCE PRIVATE LIMITED

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section in Independent Auditor's Report of even date to the members of DMI Finance Private Limited on the Standalone Financial Statements for the year ended March 31, 2025]

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

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

(b) The Company has a regular programme of physical verification of its property, plant and equipment designed to cover all the assets over a period of one year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to this programme all property, plant and equipment were physically verified during the current year. Accordingly, to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company. Accordingly, reporting under clause (i)(c) of paragraph 3 of the Order is not applicable to the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year ended March 31, 2025. Accordingly, reporting under clause (i)(d) of paragraph 3 of the Order is not applicable to the Company.

(e) According to information and explanations given to us, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and Rules made thereunder.
- (ii) (a) The Company's business does not require maintenance of inventories and, accordingly, reporting under clause (ii)(a) of paragraph 3 of the Order is not applicable to the Company.

(b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. The quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.
- (iii) (a) The Company's principal business is to give loans. Accordingly, reporting under clause (iii)(a) of paragraph 3 of the Order is not applicable.

(b) According to the information and explanations given to us, the investments made, guarantees provided, security given, and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the Company's interest.

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(c) According to the information and explanations given to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated by the company. Disclosures in respect of such loans have been provided in note no. 7.1 to the standalone financial statements. Having regard to the nature of company's business and voluminous nature of loan transactions, it is not practicable to furnish entity wise details of amount due, due date for repayment or receipt and the extent of delay in repayment.

Category of loan (gross)	Amount (In Rs. Millions)	Due date	Extent of delay (In days)	Remarks, if any
Consumer Loans	7,396.86	Various due dates	More than one day	-
Corporate Loans (Including credit substitute)	3,973.19	Various due dates	More than one day	-

Further, except for the instances where there are delays or defaults in repayment of principal and / or interest as at the balance sheet date, the parties are regular in repaying the principal and interest.

(d) In respect of loans and advances in the nature of loans (Including credit substitute), the aggregate amount of loans overdue for more than 90 days as at March 31, 2025 is Rs. 3,865.76 Millions and according to the information and explanation given to us, reasonable steps are being taken by the Company for recovery of the overdue amount of principal and interest. Disclosures in respect of such loans have been provided in note no. 7.1 to the standalone financial statements.

(In rupees Millions)

No. of cases	Principal overdue	Interest overdue	Total Overdue	Remarks, if any
14,960	3,608.71	257.04	3,865.76	-

(e) The Company's principal business is to give loans and, accordingly, reporting under clause (iii)(e) of paragraph 3 of the Order is not applicable.

(f) According to the information and explanations given to us, and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment to Promoters, related parties as defined in (76) of section 2 of the Companies Act, 2013.

- (iv) According to the information and explanations given to us, the company has complied with the provisions of sections 185 and 186(1) of the Companies Act, 2013, in respect of loans granted, investments made and guarantees issued and securities provided, as applicable and the other provisions of section 186 of the Act are not applicable to the company.
- (v) According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act, 2013, and the Rules made thereunder, to the extent applicable. Accordingly, reporting under clause (v) of paragraph 3 of the Order is not applicable.

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- (vi) The Company is not in the business of sale of any goods or provision of such services as prescribed u/s 148 (1) of Companies Act, 2013. Accordingly, reporting under clause (v) of paragraph 3 of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, provident fund, cess, income-tax and other statutory dues applicable to it.

Further undisputed amounts payable in respect of provident fund which were outstanding at the year-end for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of dues	Amount involved (Rs. In Millions)	Period to which the amount relates	Due Date	Date of Payment	Remarks, if any
The Employees Provident Funds & Miscellaneous provision Act, 1952	Employee Provident Fund	2.04	April 2022 to March 2025	Various	Not Applicable	-

(b) According to the information and explanations given to us, the dues of goods and services tax, provident fund, employees' state insurance, income-tax, service tax, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount involved (Rs. In Millions)	Amount paid under protest (Rs. In Millions)	Period to which the amount relates	Forum where the dispute is pending
The Central Goods & Services Tax Act, 2017	Goods & Services Tax	3.57	0.32	April 2019 to March 2020	Appellate Authority – (Commissioner)
The Central Goods & Services Tax Act, 2017	Goods & Services Tax	7.87	-	April 2020 to March 2021	Assistant Commissioner (GST)

- (viii) According to the information and explanations given to us, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, reporting under clause (viii) of paragraph 3 of the Order is not applicable.
- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

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- (b) According to the information and explanations given to us, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, the term loans availed by the company were applied for the purposes for which the loans were obtained, though idle and surplus funds which were not required for immediate utilization were temporarily invested in liquid funds.
- (d) According to the information and explanations given to us and on an overall examination of the Standalone 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) According to the information and explanations given to us, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) The Company has not raised any money during the year ended March 31, 2025, by way of initial public offer / further public offer (including debt instruments) and, accordingly, reporting under clause (x) of paragraph 3 of the Order is not applicable.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year ended March 31, 2025. Accordingly, reporting under clause (x)(b) of paragraph 3 of the Order is not applicable.
- (xi) (a) According to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the year ended March 31, 2025, other than the instances of fraud amounting to Rs. 6.24 millions comprising of 93 instances noticed and reported by the management in terms of the regulatory provisions applicable to the Company, as mentioned in note 52(B)(V) of Standalone Financial Statements.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by a secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given and as represented to us, by the management, there are no whistle-blower complaints received by the company during the year.
- (xii) The Company is not a Nidhi Company as per the applicable provisions of the Companies Act, 2013. Accordingly, reporting under clause (xii) of paragraph 3 of the Order is not applicable.
- 

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- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with the Section 177 and 188 of the Companies Act, 2013, wherever applicable, and the details have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.
- (xiv) (a) According to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause (xv) of paragraph 3 of the Order is not applicable.
- (xvi) (a) According to the Information and explanations given to us and audit procedures performed by us, the Company has registered as Non-Banking Financial Institution as a Non-Deposit taking Systemically Important (NBFC-ND-SI) Company under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) The Company has conducted Non-Banking Financial activities during the year and the company holds a valid 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 as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause (xvi)(c) of paragraph 3 of the Order is not applicable.
- (d) According to the Information and explanations given to us, there is no Core Investment Company as a part of the Group, accordingly, reporting under clause (xvi)(d) of paragraph 3 of the Order is not applicable.
- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year ended March 31, 2025. Accordingly, reporting under clause (xviii) of paragraph 3 of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios disclosed in note 56 to the Standalone Financial Statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone 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.

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(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act, 2013, in compliance with second proviso to sub section 5 of section 135 of the said Act. This matter has been disclosed in note 36.2 to the Standalone Financial Statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 36.2 to the Standalone Financial Statements.

For Nangia & Co. LLP
Chartered Accountants
ICAI Firm's Registration Number: 002391C/N500069




Jaspreet Singh Bedi
Partner
Membership No : 601788
UDIN: 25601788BMKSDT7459

Place: Mumbai
Date: May 23, 2025

Registered office: 2nd Floor, B-27 Soami Nagar, New Delhi-110017, India
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"ANNEXURE 2" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF DMI FINANCE PRIVATE LIMITED

[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of DMI Finance Private Limited on the Standalone Financial Statements for the year ended March 31, 2025]

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

To
The Members of
DMI Finance Private Limited

We have audited the internal financial controls over financial reporting with reference to Standalone Financial Statements of DMI Finance Private Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to Standalone Financial Statement based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the 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 over financial reporting with reference to Standalone Financial Statements were established and maintained and if such controls operated effectively in all material respects.

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Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to Standalone Financial Statement and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls over financial reporting, 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 Standalone Financial Statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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




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NANGIA & CO LLP

CHARTERED ACCOUNTANTS

Opinion

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

For Nangia & Co. LLP
Chartered Accountants
ICAI Firm's Registration Number: 002391C/N500069



Jaspreet Singh Bedi
Partner
Membership Number: 601788
UDIN: 25601788BMKSDT7459

Place: Mumbai
Date: May 23, 2025

Registered office: 2nd Floor, B-27 Soam i Nagar, New Delhi-110017, India
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DMI Finance Private Limited
Standalone Balance Sheet as at March 31, 2025
(All Amount in Rs. millions, unless otherwise stated)

	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Financial assets			
Cash and cash equivalents	4	8,939.10	10,259.51
Bank balance other than cash and cash equivalents	5	2,482.26	1,151.79
Trade receivables	6	88.78	64.57
Loans	7	75,354.34	1,18,427.96
Investments	8	23,640.43	6,290.31
Other financial assets	9	598.58	1,171.09
Total financial assets		1,11,103.49	1,37,365.23
Non-financial assets			
Current tax assets (net)	10	1,434.05	128.56
Deferred tax assets (net)	11	2,171.07	2,043.48
Property, plant and equipment	12	142.53	141.04
Right of use assets	14	398.51	219.48
Capital work in progress	13 (a)	-	4.68
Intangible assets under development	13 (b)	3.71	2.54
Other intangible assets	15	35.73	30.97
Other non-financial assets	16	299.40	223.13
Total non-financial assets		4,485.00	2,793.88
Assets held for sale	17	75.00	75.00
TOTAL ASSETS		1,15,663.49	1,40,234.11
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Payables			
A) Trade payables			
(i) total outstanding dues of micro and small enterprises	18 (a)	8.11	25.33
(ii) total outstanding dues of creditors other than micro and small enterprises		1,054.16	1,573.33
B) Other payables			
(i) total outstanding dues of micro and small enterprises	18 (b)	-	-
(ii) total outstanding dues of creditors other than micro and small enterprises		858.26	730.36
Debt securities	19	9,267.30	8,862.16
Borrowings (other than debt securities)	20	34,664.21	59,509.28
Lease liabilities	21	460.69	265.29
Other financial liabilities	22	496.14	682.09
Total financial liabilities		46,808.87	71,647.84
Non financial liabilities			
Provisions	23	174.56	131.65
Other non-financial liabilities	24	148.07	295.34
Total non-financial liabilities		322.63	426.99
EQUITY			
Equity share capital	25	7,426.32	7,424.87
Other equity	26	61,105.67	60,734.41
Total equity		68,531.99	68,159.28
TOTAL LIABILITIES AND EQUITY		1,15,663.49	1,40,234.11

See accompanying notes forming part of the Standalone Financial Statement.

In terms of our report attached

For Nangia & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 002391C/N500069

Jaspreet Singh Bedi
Partner
Membership Number: 601788

Place: Mumbai
Date: May 23, 2025



For and on behalf of the Board of Directors of
DMI Finance Private Limited
CIN: U61990DL2008PTC182749

Shivashish Chatterjee
(Managing Director)
DIN: 02623460

Place: New York
Date: May 23, 2025

Arpit Babbar
(Interim Chief Financial Officer)

Place: New Delhi
Date: May 23, 2025

Yuvraj Chanakya Singh
(Director)
DIN: 02601179

Place: New Delhi
Date: May 23, 2025

Reena Jayara
(Company Secretary)

Place: New Delhi
Date: May 23, 2025



DMI Finance Private Limited
Standalone Statement of profit and loss for the year ended March 31, 2025
(Amount in Rs. millions, unless otherwise stated)

	Notes	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from operations			
Interest income	27	26,419.10	22,533.06
Dividend income	27A	-	16.00
Fees and commission income	28	3,712.55	3,409.14
Net gain on fair value changes	29	840.78	508.97
Total revenue from operations		30,972.43	26,467.17
Other income	30	169.70	219.50
Total income		31,142.13	26,686.67
Expenses			
Finance costs	31	7,037.10	4,867.48
Fees and commission expense	32	2,026.11	1,584.00
Impairment on financial instruments	33	14,811.50	9,148.68
Employee benefits expense	34	2,015.46	1,634.04
Depreciation, amortization and impairment	35	157.93	116.40
Other expenses	36	5,016.77	3,860.03
Total expenses		31,064.87	21,210.61
Profit before tax		77.26	5,476.06
Tax expense/(credit):			
(1) Current tax	47	152.30	2,226.12
(2) Deferred tax	47	(128.15)	(916.44)
Income tax expense		24.15	1,309.68
Net profit after tax for the year		53.11	4,166.38
Other comprehensive income			
a) Items that will not be reclassified to profit or loss			
(i) Re-measurement gains/(loss) on gratuity		(3.68)	0.26
(ii) Net gain/(loss) on fair value of equity instruments through other comprehensive income		5.89	0.23
(iii) Income tax relating to above		(0.56)	(0.12)
Subtotal (a)		1.65	0.37
b) Items that will be reclassified to profit or loss			
(i) Gain/(loss) on Fair Value changes		-	-
(ii) Income tax relating to above		-	-
Subtotal (b)		-	-
Other comprehensive income (a+b), net of tax		1.65	0.37
Total comprehensive income for the year, net of tax		54.76	4,166.75
Earnings per equity share (face value of Rs. 10 per share)	37		
Basic (Rs.)		0.07	5.64
Diluted (Rs.)		0.07	5.57

See accompanying notes forming part of the Standalone Financial Statement.

In terms of our report attached

For Nangia & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 002391C/MSDN069

Jaspreet Singh Bedi
Partner
Membership Number: 601788

Place: Mumbai
Date: May 23, 2025



For and on behalf of the Board of Directors of
DMI Finance Private Limited
CIN: U64990DL2008PTC182749

Shivashish Chatterjee
(Managing Director)
DIN: 02623460

Place: New York
Date: May 23, 2025

Arpit Baheti
(Interim Chief Financial Officer)

Place: New Delhi
Date: May 23, 2025

Yuvraj Chakraborty Singh
(Director)
DIN: 02601179

Place: New Delhi
Date: May 23, 2025

Reena Jayara
(Company Secretary)

Place: New Delhi
Date: May 23, 2025



DMI Financa Private Limited
Standalone Statement of Cash Flows for the year ended March 31, 2025
(All Amount in Rs. millions, unless stated otherwise)

	For the year ended March 31, 2025	For the year ended March 31, 2024
A Cash flow from operating activities:		
Profit before tax	77.16	5,476.06
Adjustments for:		
Depreciation and amortisation	157.93	116.40
Net gain on fair value changes	(840.78)	(508.97)
Impairment on financial instruments	16,330.27	10,523.23
Interest expense for leasing arrangements	43.74	23.73
Effective interest rate adjustment for financial instruments	(5,761.07)	(6,295.24)
Interest income	(26,262.82)	(22,476.56)
Finance cost	6,966.11	4,829.02
Dividend income	-	(16.00)
Liabilities no longer required written back	-	(139.20)
Gratuity and compensation absences	63.91	87.87
Interest income deposits with bank	(156.28)	(56.50)
Employee stock option/share warrant expense	309.66	345.39
Operating profit/(loss) before working capital changes	(9,072.07)	(8,140.77)
(Increase)/Decrease in financial and other assets	32,966.11	(55,789.66)
Increase/(Decrease) in financial and other liabilities	(324.49)	855.14
(Increase)/Decrease in non financial assets	(76.27)	(57.47)
Increase/(Decrease) in non financial liabilities	(171.95)	56.99
Cash flow from/ (used in) from operations before adjustments of interest paid and received	23,321.33	(63,065.77)
Interest received	26,480.76	22,737.00
Interest (paid)	(7,236.03)	(4,624.26)
Cash flow from/ (used in) from operations	42,566.06	(44,953.03)
Direct taxes paid (net of refunds)	(1,457.79)	(2,168.90)
Net cash flow generated from / (used in) operating activities (A)	41,108.27	(47,121.93)
B Cash flow from Investing activities:		
Inflow (outflow) on account of:		
Purchase of Property, plant and equipment (including capital work-in-progress)/ intangible assets	(77.32)	(69.87)
Purchase of investment	(1,39,321.82)	(78,645.31)
Sale of investment	1,22,818.37	82,042.94
Dividend income	-	16.00
Movement of fixed deposits (net)	(1,330.47)	(591.69)
Interest income deposits with bank	133.77	45.03
Net cash flow from / (used in) Investing activities (B)	(17,777.47)	2,797.10
C Cash flow from financing activities:		
Proceed from issue of equity shares (including share premium)	8.29	21,585.97
Proceeds from borrowings		
Proceeds from borrowings (other than debt securities)	42,048.77	62,808.56
Repayment of borrowings (other than debt securities)	(66,997.00)	(27,369.22)
Proceeds from debt securities	10,900.72	11,888.82
Repayment of debt securities	(10,501.25)	(19,879.53)
Lease payments	(110.75)	(78.65)
Net cash flow from/(used in) generated from financing activities (C)	(24,651.21)	48,955.95
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(1,320.41)	4,631.12
Cash and cash equivalents as at the beginning of the year	10,259.51	5,628.39
Cash and cash equivalents at the end of the year	8,939.10	10,259.51

Notes:

1) Components of cash and cash equivalents	As at March 31, 2025	As at March 31, 2024
Cash on hand	0.07	0.08
Balance with banks		
In current accounts and overdraft accounts	8,589.03	9,759.43
deposits with original maturity of less than 3 months	350.00	500.00
Total cash and cash equivalents	8,939.10	10,259.51

2) Statement of Cash Flows has been prepared under indirect method as set out in the IND AS 7 "Statement of Cash Flows"

3) For disclosure of investing and financing activities that do not require the use of cash and cash equivalents, refer note 45.

See accompanying notes forming part of the Standalone Financial Statement.

In terms of our report attached

For Nangia & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 002391C/N500069

Jaspreet Singh Badi
Partner
Membership Number: 601788

Place: Mumbai
Date: May 23, 2025



For and on behalf of the Board of Directors of
DMI Finance Private Limited
CIN: U64990DL2008PTC182749

Shivashan Chatterjee
(Managing Director)
DIN: 02623460

Place: New York
Date: May 23, 2025

Arpit Baheti
(Interim Chief Financial Officer)

Place: New Delhi
Date: May 23, 2025

Yuvraja Chakraborty Singh
(Director)
DIN: 02601279

Place: New Delhi
Date: May 23, 2025

Reema Tyara
(Company Secretary)

Place: New Delhi
Date: May 23, 2025



DMF Finance Private Limited
Standalone Statement of Changes in Equity for the year ended March 31, 2025
(All amount in Rs. millions, unless otherwise stated)

A. Equity share capital (refer note 25)

For the year ended March 31, 2025
Equity shares of INR 10 each, issued, subscribed and fully paid
At April 01, 2024
Changes in Equity Share Capital due to prior period errors
Restated balance at April 01, 2024
Issue of Share Capital (Note 25)
Reduction and cancellation of partly paid up shares
At March 31, 2025

Number of shares	Amount
79,31,10,008	7,924.87
79,31,10,008	7,924.87
1,45,123	1.45
5,96,93,182	-
74,26,37,109	7,426.32
Number of shares	Amount
71,26,68,142	6,567.75
71,26,68,142	6,567.75
8,57,11,666	857.12
79,31,80,008	7,424.87

For the year ended March 31, 2024
Equity shares of INR 10 each, issued, subscribed and fully paid
At April 01, 2023
Changes in Equity Share Capital due to prior period errors
Restated balance at April 01, 2023
Issue of Share Capital (Note 25)
At March 31, 2024

B. Other Equity (refer note 26)

Particulars	Statutory reserve 4% of net profit	Securities premium	Share based payments	Share reserve reserves	Capital redemption reserve	Upward equity received in share warrants	Retained earnings	Reserve for contingent liability	Gain/(loss) on fair value change (Other and Equity)	Realised Gain on Investments	Total other comprehensive income	Share application money pending allotment	Total other equity
Balance as on April 01, 2023	1,741.05	25,711.77	905.07	74.60	81.11	0.72	9,742.07	5.31	81.35	15.97	836.13	-	15,993.42
Profit for the year	833.28	-	-	-	-	-	6,166.38	0.19	(796.50)	796.48	0.37	-	6,166.38
Transfer to special reserve	-	-	-	-	-	-	(83.24)	-	-	-	-	-	-
Net additions to share options during the year	-	-	291.50	-	-	-	-	-	-	-	-	-	291.50
Share options exercised during the year	-	-	(94.92)	-	-	-	-	-	-	-	-	-	(94.92)
Share application money received during the year	-	-	-	-	-	-	-	-	-	-	-	1.84	1.84
Share warrants granted during the year	-	-	-	52.89	-	-	-	-	-	-	-	-	52.89
Share warrants exercised during the year	-	-	-	(27.76)	-	-	-	-	-	-	-	-	(27.76)
Premium on issue of equity shares	-	30,465.69	-	-	-	-	-	-	-	-	-	-	30,465.69
Balance as on March 31, 2024	2,574.33	46,582.46	501.65	100.93	81.21	0.72	10,075.77	5.50	17.55	813.45	836.50	1.84	60,774.41
Profit for the year	-	-	-	-	-	-	53.11	-	4.41	-	-	-	53.11
Other Comprehensive Income for the year (net of tax)	-	-	-	-	-	-	-	(3.76)	-	-	-	-	-
Transfer to special reserve	10.62	-	-	-	-	-	-	-	-	-	-	-	10.62
Net additions to share options during the year	-	-	274.58	-	-	-	(10.62)	-	-	-	-	-	274.58
Share options exercised during the year	-	-	(2.58)	-	-	-	-	-	-	-	-	-	(2.58)
Share application money received during the year	-	-	-	-	-	-	-	-	-	-	-	-	-
Share allotment from deposit money received in	-	-	-	-	-	-	-	-	-	-	-	-	-
Share warrants granted during the year	-	-	-	35.08	-	-	-	-	-	-	-	-	35.08
Share warrants exercised during the year	-	-	-	-	-	-	-	-	-	-	-	-	-
Premium on issue of equity shares	-	11.36	-	-	-	-	-	-	-	-	-	-	11.36
Balance as on March 31, 2025	2,584.95	46,572.72	773.65	136.01	81.33	0.72	10,118.76	2.74	21.96	813.45	838.15	-	61,105.07

See accompanying notes forming part of the Standalone Financial Statement

In terms of our report attached

For Mangla & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 002291C/N-000059



Member: Singh Bedi
Membership Number: 631783
Place: Mumbai
Date: May 23, 2025

For and on behalf of the Board of Directors of
DMF Finance Private Limited
CIN: U24950DL2001PTC08249

Signature of Director
(Managing Director)
DIN: 03461373
Place: New Delhi
Date: May 23, 2025



Signature of Director
(Managing Director)
DIN: 03461373
Place: New Delhi
Date: May 23, 2025
Signature of Company Secretary
(Company Secretary)
Place: New Delhi
Date: May 23, 2025

DMI Finance Private Limited
Notes to the standalone financial statements for the year ended March 31, 2025

1 Corporate Information

DMI Finance Private Limited is a Private Limited Company ("The Company") incorporated on September 02, 2008 under the provisions of the Companies Act, 2013 having Corporate Identification Number is (CIN) U64590DL2008PTC187749.

The Company is engaged in lending activities as a middle layered Non-Banking Finance Company (NBFC) regulated by the Reserve Bank of India ("RBI"). The Company had obtained its licence from Reserve Bank of India (RBI) to operate as Non deposit Accepting Non Banking Financial Company (NBFC-ND) on January 05, 2009 vide registration No. RBI N-14.03176.

The registered office of the Company is located at Express Building, 3rd floor 9-10, Bahadur Shah Zafar Marg New Delhi.

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors on May 23, 2025.

2 Basis of preparation of Financial Statements

a) Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed in the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act, the updated Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 as amended from time to time and other applicable RBI circulars/notifications.

The financial statements have been prepared on an accrual basis as a going concern and under the historical cost convention except for the assets and liabilities measured at fair value as follows:

- certain financial assets and liabilities and contingent consideration is measured at fair value;
- assets held for sale – measured at fair value less cost to sell;
- defined benefit plans – plan assets measured at fair value; and
- share-based payments – measured at fair value.

b) Presentation of financial statements

The Company presents its balance sheet in order of liquidity. Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

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

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the millions, except when otherwise indicated.

3.1 Summary of material accounting policies

a) Use of estimates, judgements and assumptions

The preparation of financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, as at the reporting date. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future years.

In particular, information about material areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most material effects on the amounts recognized in the financial statements is included in the following notes:

i. Business Model Assessment

Classification and measurement of financial assets depends on the results of the Solely Payments of Principle and Interest ("SPPI") and the business model test. The Company determines the business model at a level that reflects how Company's financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed. 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.

ii. Impairment of financial assets

Judgement is required by management in the estimation of the amount and timing of future cash flows when determining an impairment allowance for loans and advances. In estimating these cash flows, the Company makes judgments about the borrower's financial situation. These estimates are based on assumptions about a number of factors such as credit quality, level of arrears etc., and actual results may differ, resulting in future changes to the impairment allowance.

iii. Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

iv. Fair value measurement 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. the 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 measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.



DMI Finance Private Limited
Notes to the standalone financial statements for the year ended March 31, 2025

v. 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 behavioral 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 behavior 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.

vi. Defined employee benefit assets and liabilities

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

b) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to immaterial risk of changes in value. In the balance sheet, any bank overdrafts, if applicable, are included as a component of borrowings.

c) Recognition of Income & Expenses

L. Interest Income

Interest income is recorded using the effective interest rate ("EIR") method for all financial instruments measured at amortised cost, debt instruments measured at fair value through other comprehensive income ("FVOCI") and debt instruments designated at fair value through profit and loss ("FVTPL").

The EIR (and therefore, the amortised cost of the assets) is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter year, where appropriate, to the gross carrying amount of the financial asset. The calculation of the effective interest rate takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes transaction costs and fees that are an integral part of the contract but not future credit losses. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets, rather than credit-impaired assets under stage 3. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company calculates the interest to the extent recoverable. If the financial assets rises and is no longer credit-impaired, the Company reverts to calculating interest income.

R. Interest Expense

Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to arrangers and other expenses such as external legal costs, provided these are incremental costs that are directly related to the issue of a financial liability.

III. Income other than interest

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 - "Revenue from contracts with customers" outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

A. Fee and commission income

All other financial charges such as late payment fee, legal charges, collection charges etc are recognized on receipt basis. These charges are treated to accrue on realization, due to the uncertainty of their realization.

B. Net gain/loss on fair value changes

Any changes between the fair values of financial assets classified as fair value through the profit or loss, held by the Company on the balance sheet date is recognised as an unrealised gain/loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed under "Net loss on fair value changes" in the statement of profit and loss.

C. Dividend Income

Dividend income is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

D. Other Income

Income on units of mutual funds is recognized as and when redeemed based on the Net Asset Value on redemption date. The company also recognises gain on fair value change of mutual fund measured at FVTPL. All Other income is recognized on accrual basis of accounting principle.



DMI Finance Private Limited
Notes to the standalone financial statements for the year ended March 31, 2025

d) **Property, plant and equipment**

Property, plant and equipment are stated at acquisition cost (including incidental expenses directly attributable to bringing the asset to its working condition for its intended use) less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price, non-refundable taxes or levies, borrowing costs if capitalization criteria are met and any attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure related to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of item can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

An item of property, plant and equipment and any material part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

e) **Intangible Assets**

Intangible Assets are recognized only if it is probable that the future economic benefits that are attributable to assets will flow to the enterprise and the cost of the assets can be measured reliably. Computer software which is not an integral part of the related hardware is classified as an intangible asset. Intangible assets are measured and recorded at cost and carried at cost less accumulated amortization and accumulated impairment losses, if any.

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

f) **Depreciation and amortization**

Depreciation

Depreciation on property, plant and equipment is calculated on written down value (WDV) basis. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 as under:

Particulars	Useful Life (years)
Furniture and Fixtures	10
Vehicle	8
Computer, printers & Servers	3-5
Office Equipment	5

Leasehold improvements and allied office equipment's are amortized on a straight-line basis over useful life estimated by management.

Salvage Value of the assets has been taken five percent of Original Cost (except intangible assets) as prescribed in Schedule II.

Depreciation on assets acquired/sold during the period is recognized on a pro-rata basis to the statement of profit and loss from/ upto the date of acquisition/ sale.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial period end and adjusted prospectively, if appropriate.

Amortization

Intangible assets are amortized on a Written Down Value (WDV) basis. The Company estimates that useful life of an intangible asset will not exceed five years from the date when the asset is available for use. If the persuasive evidence exists to the effect that useful life of an intangible asset exceeds five years, the Company amortizes the intangible asset over the best estimate of its useful life. The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is materially different from previous estimates, the amortization period is changed accordingly.

g) **Leases**

i. **Company as a lessee:**

The Company's lease asset classes primarily consist of leases for land and buildings. 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:

- The contract involves the use of an identified asset
- The Company has substantially all the economic benefits from use of the asset through the period of the lease and
- The Company has the right to direct the use of the asset

ii. **Measurement and recognition:**

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Company amortize the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist. At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

Short term Lease:

The Company has elected not to recognise right of use asset and lease liabilities for short term leases of property that has lease term of less than 12 months. The Company recognises lease payment associated with these leases as an expense on a straight-line basis over lease term.

iii. **Company as a lessor:**

As a lessor the Company classifies its leases as either operating or finance leases. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset, and classified as an operating lease if it does not.



DMI Finance Private Limited
Notes to the standalone financial statements for the year ended March 31, 2025

h) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

i) Contingent liabilities and assets

I. Contingent liabilities

The Company does not recognise a contingent liability but discloses its existence in the financial statements. Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will not be required to settle the obligation.
- A present obligation arising from past events, when no reliable estimate is possible.
- A possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent liabilities are reviewed at each balance sheet date.

II. Contingent assets

Contingent assets are not recognised. A contingent asset is disclosed, as required by Ind AS 37, where an inflow of economic benefits is probable.

ii) Employee benefits

I. Defined contribution plan

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due, if the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

II. Defined benefit plan

The Company has unfunded defined benefit plans Gratuity plan for all eligible employees. The plan provides for lump sum payments to employee upon death while in employment or on separation from employment after serving for the stipulated years mentioned under 'The Payment of Gratuity Act, 1972'. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation at each Balance Sheet date using the Projected Unit Credit Method. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the year in which they occur. Remeasurements are not reclassified to profit or loss in subsequent years.

Past service costs are recognised in statement of profit or loss on the earlier of: The date of the plan amendment or curtailment, and the date that the Company recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss: Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and Net interest expense or income.

III. Compensated absences

Entitlements to annual leave are recognised when they accrue to the employees. Leave entitlements can be availed while in service of employment subject to restriction on the maximum number of accumulations. The Company determines the liability for such accumulated leave entitlements on the basis of actuarial valuation carried out by an independent actuary at the Year end.

k) Taxes

Tax expense comprises current and deferred tax.

Current tax

Current tax is recognised based on tax rates and tax laws enacted, or substantively enacted, at the reporting date and on any adjustment to tax payable in respect of previous years. It is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case the tax is recognised in the same statement as the related item appears.

Deferred tax

Deferred tax is recognised for temporary differences between the accounting base of assets and liabilities in the Balance Sheet, and their tax bases. Deferred tax is calculated using the tax rates expected to apply in the periods in which the assets will be realised or the liabilities settled. The carrying amount of deferred tax assets is reviewed at each reporting date by the Company and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Deferred tax assets and deferred tax liabilities are offset based on the criteria given under Ind AS 12 'Income Taxes'.



DMI Finance Private Limited
Notes to the standalone financial statements for the year ended March 31, 2025

l) Earning per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity shareholders of the company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.
 Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as shared based payments, bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.
 For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

m) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

1. Financial Assets

A. Initial recognition and measurement

Financial assets, with the exception of loans and advances to customers, are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. Loans and advances to customers are recognised when funds are disbursed to the customers. The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management's intention when acquiring them. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

B. Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in three categories:

- Debt instrument at amortised cost
- Debt instrument and equity instruments at fair value through other comprehensive income (FVTOCI)
- Debt instrument and equity instruments at fair value through profit or loss (FVTPL)

The classification depends on the contractual terms of the cash flows of the financial assets, the Company's business model for managing financial assets and, in case of equity instruments and the intention of the Company whether strategic or non-strategic. The said classification methodology is detailed below.

Business model: The business model reflects how the Company manages the assets in order to generate cash flows. That is, where the Company's objective is solely to collect the contractual cash flows from the assets, the same is measured at amortised cost or where the Company's objective is to collect both the contractual cash flows and cash flows arising from the sale of assets, the same is measured at fair value through other comprehensive income (FVTOCI). If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVTPL.

SPPI Assessment: The Company assesses the contractual terms of the financial assets to identify whether they meet the SPPI test. In making this assessment, the Company considers whether the contractual cash flows represent sole payments of principal and interest which means that whether the cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Principal for the purpose of this test refers to the fair value of the financial asset at initial recognition.

C. Debt instruments at amortised costs

A debt instrument is measured at the amortised cost if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit and loss.

D. Debt instruments at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.



DMI Finance Private Limited
Notes to the standalone financial statements for the year ended March 31, 2025

E. Debt Instruments at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

F. Derecognition

The Company derecognises a financial asset when the contractual right to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

II. Equity Investments and Mutual funds

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as held at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

III. Financial Liabilities

A. Initial recognition and measurement

Financial liabilities are classified and 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 designated as on initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense are recognised in Statement of profit and loss. Any gain or loss on derecognition is also recognised in Statement of profit and loss.

The Company's financial liabilities include loans, debentures and borrowings including bank overdrafts and trade & other payables.

B. Loans, Debenture and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of profit and loss.

C. Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held for trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of cost of an asset is included in the 'finance costs' line item.

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



DMI Finance Private Limited
Notes to the standalone financial statements for the year ended March 31, 2025

D. Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised.

E. Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

G. Reclassification of financial assets and liabilities

The Company doesn't reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

H. Impairment of financial assets

I. Overview of the Impairment principles ('ECL')

In accordance with Ind AS 109, the Company is required to measure expected credit losses on its financial instruments designated at amortized cost and fair value through other comprehensive income. Accordingly, the Company is required to determine lifetime losses on financial instruments where credit risk has increased materially since its origination. For other instruments, the Company is required to recognize credit losses over next 12 month period. The Company has an option to determine such losses on individual basis or collectively depending upon the nature of underlying portfolio. The Company has a process to assess credit risk of all exposures at each year end as follows:

Stage I

These represent exposures where there has not been a material increase in credit risk since initial recognition or that has low credit risk at the reporting date. The Company has assessed that all standard exposures (i.e. exposures with no overdue) and exposure upto 30 day overdues fall under this category. In accordance with Ind AS 109, the Company measures ECL on such assets over next 12 months.

Stage II

Financial instruments that have had a material increase in credit risk since initial recognition are classified under this stage. Based on empirical evidence, material increase in credit risk is witnessed after the overdues on an exposure exceed for a period more than 30 days. Accordingly, the Company classifies all exposures with overdues exceeding 30 days at each reporting date under this Stage. The Company measures lifetime ECL on stage II loans.

Stage III

All exposures having overdue balances for a period exceeding 90 days are considered to be defaults and are classified under this stage. Accordingly, the Company measures lifetime losses on such exposure.

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

II. The calculation of ECLs

The mechanics of the ECL calculation involve the use of following key elements:

Probability of default (PD) - The probability of default is an estimate of the likelihood of default over a given time horizon.

Exposure at default (EAD) - The Exposure at Default is an exposure at a default date.

Loss given default (LGD) - It represents an estimate of the loss expected to be incurred when the event of default occurs. The Company uses historical loss data/external agency LGD for identified pools for the purpose of calculating LGD.

III. Definition of Default and cure

The Company considers a financial instrument as defaulted and classifies it as Stage III (credit-impaired) for ECL calculations typically when the borrower becomes 90 days past due on contractual payments. The Company may also classify a loan in Stage III if there is material deterioration in the financial condition of the borrower or an assessment that adverse market conditions may have a disproportionately detrimental effect on the loan repayment. Thus, as a part of the qualitative assessment of whether an instrument is in default, the Company also considers a variety of instances that may indicate delay in or non-repayment of the loan. When such events occur, the Company carefully considers whether the event should result in treating the borrower as defaulted and therefore assessed as Stage III for ECL calculations or whether Stage II is appropriate.

Classification of accounts into Stage II is done when there is a material increase in credit risk since initial recognition, typically when contractual repayments are more than 30 days past due.

It is the Company's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage III or Stage II when none of the default criteria which resulted in their downgrade are present.

iv. Forward looking information

While estimating the expected credit losses, the Company reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Company analyses if there is any relationship between key economic trends like GDP, Unemployment rates, Benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD, LGD determined by the Company based on its internal data. While the internal estimates of PD, LGD rates by the Company may not be always reflective of such relationships, temporary overlays are embedded in the methodology to reflect such macro-economic trends reasonably.



DMI Finance Private Limited
Notes to the standalone financial statements for the year ended March 31, 2025

v. Write-offs

Financial assets are written off either partially or in their entirety only when the Company has no reasonable expectation of recovery, if the amount to be written off is greater than the accumulated loss allowance, the difference recorded as an expense in the period of write off. Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss.

vi. Collateral repossessed

The Company's policy is to sell repossessed assets. Non-financial assets repossessed are transferred to asset held for sale at fair value less cost to sell or principal outstanding whichever is less at repossession date.

n) Share based payments

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity settled share based payments is expensed on a straight line basis over the vesting year, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of this original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

o) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company's primary business segments are reflected based on the principal business carried out, i.e. lending activities as Non-Banking Finance Company (NBFC) regulated by the Reserve Bank of India ('RBI'). The risk and returns of the business of the Company is not associated with geographical segmentation, hence there is no secondary segment.

p) Interest in Subsidiaries, associate and joint venture entities

Investment in subsidiaries and associate entities are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down value immediately to its recoverable amount. On disposal of investment in subsidiaries or the loss of material influence over jointly controlled entities, the difference between net disposal proceeds and the carrying amounts are recognised in the statement of profit and loss.

q) Fair value measurement

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

in the principal market for the asset or liability, or

in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is material to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is material to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is material to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is material to the fair value measurement as a whole) at the end of each reporting year.

3.2 New and Amended Standards

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS - 117 Insurance Contracts and amendments to Ind AS 116 - Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.



DMI Finance Private Limited
Notes to the standalone financial statements
(All Amount in Rs. millions, unless otherwise stated)

4 Cash and cash equivalents

	As at March 31,	As at March 31, 2024
Cash on hand	0.07	0.08
Balance with banks		
- balance in current accounts and overdraft accounts	8,589.03	9,759.43
Deposits with original maturity of 3 months or less	350.00	500.00
	<u>8,939.10</u>	<u>10,259.51</u>

5 Bank balance other than cash and cash equivalents

Deposit with original maturity of more than 3 months*	2,482.26	1,151.79
	<u>2,482.26</u>	<u>1,151.79</u>

*Deposits being lien marked against corporate credit cards, overdraft, cash credit, WCCL accounts and pledged for PTC borrowings as external credit enhancement

6 Trade receivables

Considered good - Unsecured	88.78	64.57
Considered good - Secured	-	-
Receivables which have significant increase in credit risk	-	-
Receivables - credit impaired	-	-
	<u>88.78</u>	<u>64.57</u>
Less: Impairment loss allowance	-	-
Total	<u>88.78</u>	<u>64.57</u>

Trade receivables from related parties (refer note 40)

Trade receivables ageing schedule

As at 31 March 2025

Particulars	Less than 6 Months	6 months- 1 year	1 -2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - considered good	88.78	-	-	-	-	88.78
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivable - credit impaired	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-
	<u>88.78</u>	-	-	-	-	<u>88.78</u>

As at 31 March 2024

Particulars	Less than 6 Months	6 months- 1 year	1 -2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - considered good	64.57	-	-	-	-	64.57
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivable - credit impaired	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-
	<u>64.57</u>	-	-	-	-	<u>64.57</u>

Note: The ageing of trade receivables has been determined from the transaction date



DMI Finance Private Limited
Notes to the standalone financial statements
(All Amount in Rs. millions, unless otherwise stated)

7 Loans

	As at March 31, 2025			As at March 31, 2024		
	Amortised cost	Fair value through other comprehensive income	Total	Amortised cost	Fair value through other comprehensive income	Total
(A) Term loans						
Corporate loans*	3,773.58	72.33	3,845.91	5,381.03	104.87	5,485.90
Consumer loans	77,423.34	-	77,423.34	117,500.40	-	117,500.40
Total (A) Gross	81,196.92	72.33	81,269.25	122,881.43	104.87	122,986.30
Less: Impairment loss allowance	5,904.81	10.10	5,914.91	4,546.53	11.81	4,558.34
Total (A) Net	75,292.11	62.23	75,354.34	118,334.90	93.06	118,427.96
(B)						
Secured by tangible assets and intangible assets	19,021.07	72.33	19,093.40	35,820.07	104.87	35,924.94
Unsecured	62,175.85	-	62,175.85	87,061.36	-	87,061.36
Total (B) Gross	81,196.92	72.33	81,269.25	122,881.43	104.87	122,986.30
Less: Impairment loss allowance	5,904.81	10.10	5,914.91	4,546.53	11.81	4,558.34
Total (B) Net	75,292.11	62.23	75,354.34	118,334.90	93.06	118,427.96
(C) Sector						
Public sector	-	-	-	-	-	-
Others	81,196.92	72.33	81,269.25	122,881.43	104.87	122,986.30
Total (C) Gross	81,196.92	72.33	81,269.25	122,881.43	104.87	122,986.30
Less: Impairment loss allowance	5,904.81	10.10	5,914.91	4,546.53	11.81	4,558.34
Total (C) Net	75,292.11	62.23	75,354.34	118,334.90	93.06	118,427.96
(D)						
In India	81,196.92	72.33	81,269.25	122,881.43	104.87	122,986.30
Outside India	-	-	-	-	-	-
Total (D) Gross	81,196.92	72.33	81,269.25	122,881.43	104.87	122,986.30
Less: Impairment loss allowance	5,904.81	10.10	5,914.91	4,546.53	11.81	4,558.34
Total (D) Net	75,292.11	62.23	75,354.34	118,334.90	93.06	118,427.96

*The company does not have any loans outstanding from employees as on March 31, 2025 and March 31, 2024.

Notes:

- i) 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.
- ii) Secured Loans granted by the Company are secured by equitable mortgage/registered mortgage of the property and/or undertaking to create a security and/or personal guarantees and/or hypothecation of assets and/or receivables and/or pledge of shares/debenture units and other securities.
- iii) Corporate loan portfolio includes non-convertible debentures of Rs. 830.61 millions (previous year: Rs. 1,085.87 millions)
- iv) Details of loans given to key managerial personnel (KMP) are provided in Note 40. There is no outstanding balance as on March 31, 2025 and March 31, 2024.



DMI Finance Private Limited
Notes to the standalone financial statements
(All Amount in Rs. millions, unless otherwise stated)

7.1 Impairment allowance for loans and advances to borrowers

Summary of loans by stage distribution is as follows:

Consumer loans	March 31, 2025				March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	73,013.04	3,741.18	669.12	77,423.34	114,118.34	3,075.86	306.70	117,500.40
Less: Impairment loss allowance	2,073.63	7,350.74	511.74	9,936.11	1,795.57	1,628.45	278.80	3,652.82
Net carrying amount	70,939.41	1,390.44	157.38	72,487.23	112,322.77	1,447.41	77.40	113,847.58

Corporate loans	March 31, 2025				March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	679.87	776.56	2,389.48	3,845.91	2,489.14	883.86	2,112.90	5,485.90
Less: Impairment loss allowance	12.77	175.73	700.15	978.65	132.64	111.37	661.56	905.57
Net carrying amount	667.10	600.83	1,599.33	2,867.26	2,356.50	772.49	1,451.34	4,580.33

Summary of credit substitutes and compulsory convertible debentures by stage distribution is as follows:

Credit substitutes and compulsory convertible debentures	March 31, 2025				March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	-	-	807.16	807.16	-	-	807.16	807.16
Less: Impairment loss allowance	-	-	403.57	403.57	-	-	403.57	403.57
Net carrying amount	-	-	403.59	403.59	-	-	403.59	403.59

An analysis of changes in the gross carrying amount in relation to consumer and corporate lending (except credit substitutes and compulsory convertible debentures) is, as follows:

Consumer loans	March 31, 2025				March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	114,118.34	3,075.86	306.70	117,500.40	57,309.78	1,630.44	113.81	59,114.03
New Assets originated, Netted off for repayments and loans derecognised during the year	(36,389.27)	(3,319.84)	(367.95)	(40,077.06)	59,073.22	(654.92)	(31.93)	58,386.37
Transfers from Stage 1	(4,759.32)	4,069.59	689.73	-	(2,400.26)	2,195.71	204.55	-
Transfers from Stage 2	39.55	(86.62)	47.07	-	130.86	(156.05)	25.19	-
Transfers from Stage 3	3.74	2.19	(5.93)	-	4.74	0.68	(5.42)	-
Gross carrying amount closing balance	73,013.04	3,741.18	669.12	77,423.34	114,118.34	3,075.86	306.70	117,500.40

Corporate loans	March 31, 2025				March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	2,489.14	883.86	2,112.90	5,485.90	8,153.99	1,784.28	2,240.59	12,178.86
New Assets originated, Netted off for repayments and loans derecognised during the year	(1,032.71)	(316.58)	(290.70)	(1,639.99)	(4,348.50)	(1,772.97)	(621.49)	(6,692.96)
Transfers from Stage 1	(776.56)	-	-	-	(1,316.35)	822.55	493.80	-
Transfers from Stage 2	-	(567.28)	567.28	-	-	-	-	-
Transfers from Stage 3	-	-	-	-	-	-	-	-
Gross carrying amount closing balance	679.87	776.56	2,389.48	3,845.91	2,489.14	883.86	2,112.90	5,485.90

An analysis of changes in the gross carrying amount of Investments in relation to Credit Substitutes and Compulsory Convertible Debentures is, as follows:

Particulars	March 31, 2025				March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	-	-	807.16	807.16	3,462.35	-	351.99	3,814.34
New Assets originated, Netted off for repayments and loans derecognised during the year	-	-	-	-	(2,655.19)	-	(351.99)	(3,007.18)
Transfers from Stage 1	-	-	-	-	(807.16)	-	807.16	-
Transfers from Stage 2	-	-	-	-	-	-	-	-
Transfers from Stage 3	-	-	-	-	-	-	-	-
Gross carrying amount closing balance	-	-	807.16	807.16	-	-	807.16	807.16



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An analysis of changes in the ECL allowances in relation to consumer and corporate lending (except Credit Substitutes and Compulsory Convertible Debentures) is, as follows:

Consumer loans*	March 31, 2025				March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Expected credit loss allowance opening balance	1,795.57	1,628.45	228.80	3,652.82	619.78	493.24	113.81	1,226.83
Change in ECL due to change in ECL model rate	1,351.69	304.25	5.18	1,661.12	272.39	393.19	(28.77)	636.81
New Assets originated, Netted off for repayments and loans derecognised/write offs during the year	2,009.79	(2,103.35)	(784.47)	(878.03)	2,188.47	(371.80)	(27.49)	1,789.18
Transfers from Stage 1	(3,084.61)	2,557.10	527.51	-	(1,287.14)	1,134.29	152.85	-
Transfers from Stage 2	1.09	(37.09)	36.00	-	2.01	(20.83)	18.82	-
Transfers from Stage 3	0.10	1.38	(1.48)	-	0.07	0.35	(0.43)	-
Expected credit loss allowance closing balance	2,073.63	2,350.74	511.74	4,936.11	1,795.57	1,628.45	228.80	3,652.82

Corporate loans	March 31, 2025				March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Expected credit loss allowance opening balance	132.64	171.32	661.56	965.52	256.96	1,318.45	1,139.33	2,714.73
Change in ECL due to change in ECL model rate	1.65	-	177.41	179.06	60.22	16.97	78.20	155.39
New Assets originated, Netted off for repayments and loans derecognised/write offs during the year	54.16	(32.07)	(127.87)	(105.78)	(37.63)	(1,316.69)	(610.78)	(1,984.60)
Transfers from Stage 1	(175.73)	175.73	-	-	(146.91)	92.59	54.32	-
Transfers from Stage 2	-	(79.25)	79.25	-	-	-	-	-
Transfers from Stage 3	-	-	-	-	-	-	-	-
Expected credit loss allowance closing balance	12.72	175.73	790.35	978.80	132.64	111.31	661.56	905.52

An analysis of changes in the ECL allowances of Investment in relation to Credit Substitutes and Compulsory Convertible Debentures (refer note 8) is, as follows:

Credit Substitutes	March 31, 2025				March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Expected credit loss allowance opening balance	-	-	403.57	403.57	-	-	351.99	351.99
Change in ECL due to change in ECL model rate	-	-	-	-	-	-	-	-
New Assets originated, Netted off for repayments and loans derecognised/write offs during the year	-	-	-	-	(361.61)	-	(351.99)	(713.60)
Transfers from Stage 1	-	-	-	-	(403.57)	-	-	(403.57)
Transfers from Stage 2	-	-	-	-	-	-	-	-
Transfers from Stage 3	-	-	-	-	-	-	-	-
Expected credit loss allowance closing balance	-	-	403.57	403.57	-	-	403.57	403.57

*The increase in ECL is due to increase in the amount of loans classified as Stage II & III as on 31 March 25 as compared to 31 March 24.

7.2 Collateral

In case of corporate term loans the Company is in the business of extending secured loans mainly backed by mortgage of property (residential or commercial).

In addition to the above mentioned collateral, the Company holds other types of collateral and credit enhancements, such as cross-collateralisation on other assets of the borrower, share pledge, guarantees of parent/holding/group companies, personal guarantees of promoters/partners/proprietors, hypothecation of receivables via escrow account and others.

Consumer secured loans are hypothecated by first and exclusive charge on the product financed by the Company.

In its normal course of business, the Company does not physically repossess properties or other assets, but recovery efforts are made on delinquent loans through collection executives, along with legal means to recover due loan repayments.

Once contractual loan repayments are more than 90 days past due, repossession of property may be initiated under the provisions of the SARFAESI Act 2002. Re-possessed property is disposed off in the manner prescribed in the SARFAESI Act 2002 to recover outstanding debt.



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As at March 31, 2024	Amortised cost	At fair value through profit and loss	At fair value through other comprehensive income	Subtotal	Others*	Total
(A) Equity Instruments						
Investments in Subsidiaries						
Equity shares in DMI Capital Private Limited	-	-	-	-	0.99	0.99
Equity shares in Appnit Technologies Private Limited	-	-	-	-	532.03	532.03
Subtotal	-	-	-	-	533.02	533.02
Others						
Equity shares in DMI Consumer Credit Private Limited	-	-	3.58	3.58	-	3.58
Equity shares in Alchemist Asset Reconstruction Company Limited	-	-	219.24	219.24	-	219.24
Subtotal	-	-	222.82	222.82	-	222.82
Preference shares						
Investments in Subsidiaries / Joint Venture						
Compulsorily convertible preference shares in DMI Capital Private Limited	-	385.56	-	385.56	-	385.56
Compulsorily convertible preference shares in Appnit Technologies Private Limited	-	-	-	-	21.97	21.97
Compulsorily convertible preference shares in Ampverse DMI Private Limited	-	-	-	-	131.20	131.20
Subtotal	-	385.56	-	385.56	153.17	538.73
Others						
Compulsorily convertible preference shares in Saarathi Finbiz Private Limited	-	-	160.01	160.01	-	160.01
Subtotal	-	-	160.01	160.01	-	160.01
Compulsory or Optionally Convertible Debentures						
7,500 Optionally convertible debentures in DMI Infotech Solutions Private Limited (Formerly known as DMI Consumer Credit Private Limited)	-	-	752.88	752.88	-	752.88
Subtotal	-	-	752.88	752.88	-	752.88
Credit Substitutes						
805 units of Saha Estate Developer Private Limited of face value Rs 1,000,000 fully paid up	593.77	-	213.39	807.16	-	807.16
Subtotal	593.77	-	213.39	807.16	-	807.16
Investment in Pass through certificates (unquoted)	3,673.46	-	-	3,673.46	-	3,673.46
Other Instruments						
Units of DMI AIF Special Opportunities Scheme	-	-	5.80	5.80	-	5.80
Subtotal	-	-	5.80	5.80	-	5.80
Total (A) - Gross	4,267.23	385.56	1,354.90	6,007.69	686.19	6,693.88
Less: Impairment loss allowance	796.88	-	106.69	403.57	-	403.57
Total (A) Net	3,470.35	385.56	1,248.21	5,104.12	686.19	5,790.31
(B) Investments outside India						
Investments in India	4,267.23	385.56	1,354.90	6,007.69	686.19	6,693.88
Total (B) - Gross	4,267.23	385.56	1,354.90	6,007.69	686.19	6,693.88
Less: Impairment loss allowance	796.88	-	106.69	403.57	-	403.57
Total (B) - Net	3,470.35	385.56	1,248.21	5,104.12	686.19	5,790.31

* At cost

Notes:

- (i) For movement of impairment loss allowance refer note 7.1
(ii) Information of subsidiaries, associate and joint venture

Name of the Entity	Principal Activity	Place of Incorporation	Principal place of business	Proportion of the ownership	
				As at Mar 31, 2025	As at March 31, 2024
Subsidiaries					
DMI Management Services Private Limited (upto 1 Nov 2023)	Financial Service (Asset Management)	Delhi	Delhi	0.00%	0.00%
DMI Capital Private Limited	Financial Service	Delhi	Delhi	100.00%	100.00%
Appnit Technologies Private Limited	Financial Services (Prepaid Instrument Issuer)	Lucknow, Uttar Pradesh	NOIDA, Uttar Pradesh	95.77%	94.78%
DMI Infotech Solutions Private Limited (w.e.f 26 Aug 2024)	Information Technology services	Delhi	Delhi	97.14%	NA
Associate					
DMI Alternatives Private Limited (upto 25 Sep 2023)	Investment Manager	Delhi	Delhi	0.00%	0.00%
Joint Venture					
Ampverse DMI Private Limited (w.e.f 05 July 2023)	Promotion of exports	Delhi	Delhi	49.00%	49.00%



DMI Finance Private Limited
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9 Other financial assets (At amortized cost)

Security deposit
First loss default guarantee recoverable
Interest accrued on fixed deposits
Unbilled revenue and recoverables
Others
Less: Impairment loss allowance
Total

As at March 31, 2025	As at March 31, 2024
45.82	33.68
348.37	130.13
45.01	22.50
204.59	1,015.79
35.99	31.99
679.78	1,234.09
81.20	63.00
598.58	1,171.09

10 Current tax assets (net)

Advance income-tax (net)
Total

1,434.05	128.56
1,434.05	128.56

11 Deferred tax assets

Deferred tax liability
Fair value of financial instruments
Leased assets
Total deferred tax liabilities

134.81	103.37
100.30	55.24
235.11	158.61

Deferred tax asset

Provision for employee benefits
Difference in written down value as per Companies Act, 2013 and Income-tax Act, 1961
EIR adjustment for processing fee
Liability against leases
Impairment loss allowance
Notional interest on Market linked debentures
Carry forward of Interest disallowed u/s 94B of Income Tax Act, 1961
Total deferred tax asset

43.93	34.06
18.08	16.17
622.35	771.95
115.95	66.26
1,602.87	1,264.67
-	48.98
3.00	-
2,405.18	2,202.09
2,171.07	2,043.48

Net deferred tax asset

Note: For Tax expense (refer Note no 47)



DMI Finance Private Limited
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Movement of deferred tax assets	As at March 31, 2024	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at March 31, 2025
Liabilities				
Fair value of financial instruments	103.37	29.96	1.48	134.81
Leased assets	55.24	45.06	-	100.30
Gross Deferred tax liabilities	158.61	75.02	1.48	235.11
Assets				
Provision for employee benefits	34.06	8.95	0.92	43.93
Difference in written down value as per Companies Act, 2013 and Income-tax Act, 1961	16.17	1.91	-	18.08
EIR adjustment for processing fee	771.95	(149.60)	-	622.35
Liability against leases	66.26	49.69	-	115.95
Impairment loss allowance	1,264.67	338.20	-	1,602.87
Notional interest on Market linked debentures	48.98	(48.98)	-	-
Carry forward of interest disallowed u/s 94B of Income Tax Act, 1961	-	3.00	-	3.00
Gross Deferred tax assets	2,202.09	203.17	0.92	2,406.18
Net deferred tax asset	2,043.48	128.15	(0.56)	2,171.07

Movement of deferred tax assets	As at March 31, 2023	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at March 31, 2024
Liabilities				
Fair value of financial instruments	402.77	(299.46)	0.06	103.37
Leased assets	49.42	5.82	-	55.24
Gross Deferred tax liabilities	452.19	(293.64)	0.06	158.61
Assets				
Provision for employee benefits	29.11	5.01	(0.06)	34.06
Difference in written down value as per Companies Act, 2013 and Income-tax Act, 1961	14.54	1.63	-	16.17
EIR adjustment for processing fee	260.36	511.59	-	771.95
Liability against leases	60.47	5.79	-	66.26
Impairment loss allowance	1,200.30	64.37	-	1,264.67
Notional interest on Market linked debentures	14.57	34.41	-	48.98
Gross Deferred tax assets	1,579.35	622.80	(0.06)	2,202.09
Net deferred tax asset	1,127.16	916.44	(0.12)	2,043.48



DMI Finance Private Limited
Notes to the standalone financial statements
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12 Property, plant and equipment (at cost)

	Furniture and fixtures	Computers	Vehicles	Office equipment	Lease hold Improvements	Total
Gross carrying amount						
Balance as at April 01, 2023	1.94	85.02	5.36	38.80	181.75	313.27
Additions	0.02	21.19	6.41	7.96	15.45	51.03
Disposals	-	(13.08)	(4.11)	-	-	(17.19)
Balance as at March 31, 2024	1.96	94.03	7.66	46.76	196.70	347.11
Additions	-	36.16	-	7.79	11.45	55.40
Disposals	(0.20)	(5.63)	-	(3.84)	-	(9.67)
Balance as at March 31, 2025	1.76	124.56	7.66	50.71	208.15	392.84
Accumulated depreciation						
Balance as at April 01, 2023	1.33	57.08	4.80	31.31	78.17	172.74
Charge for the year	0.15	22.47	1.11	5.30	20.40	49.43
Disposals	-	(12.41)	(3.69)	-	-	(16.10)
Balance as at March 31, 2024	1.48	67.14	2.22	36.61	98.67	206.07
Charge for the year	0.12	22.80	1.68	6.50	22.79	53.38
Disposals	(0.19)	(5.31)	-	(3.64)	-	(9.14)
Balance as at March 31, 2025	1.41	84.63	3.90	39.47	120.91	250.31
Net carrying amount						
As at March 31, 2023	0.61	28.84	0.56	7.49	103.03	140.51
As at March 31, 2024	0.48	26.89	5.44	10.15	98.08	141.04
As at March 31, 2025	0.35	39.94	3.76	11.24	87.24	142.53

Notes:

- i) Leasehold improvements comprises expenditure incurred for the construction on the property obtained on lease as disclosed in Note 14 - Right of use assets.
- ii) During the current financial year and in the previous financial year there is no revaluation of Property, plants and equipment.
- iii) There is no proceeding initiated against the Company for the properties under the Benami Transactions (Prohibition) Act, 1908 and the rules made thereunder.
- iv) Title deeds of all immovable properties and lease agreements for all the leased premises are held in the name of the Company.

13 (a) Capital work in progress

	As at March 31, 2025	As at March 31, 2024			
Capital work in progress		4.68			
		4.68			
As at 31 March, 2025	Amount in CWIP for a period				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
As at 31 March, 2024	Amount in CWIP for a period				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	4.68	-	-	-	4.68
	4.68	-	-	-	4.68

Contractual commitments to be executed on capital account amounting to Nil (previous year: Rs. 7.17 millions)



DMI Finance Private Limited
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13 (b) Intangible assets under development

	As at March 31, 2025	As at March 31, 2024
Intangible assets under development	3.71	2.54
	3.71	2.54

	Amount in intangible assets under development for a period				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March, 2025					
Projects in progress	3.71	-	-	-	3.71
	3.71	-	-	-	3.71
As at 31 March, 2024					
Projects in progress	2.54	-	-	-	2.54
	2.54	-	-	-	2.54

Note:

Contractual commitments to be executed on capital account amounting to Rs. 0.58 millions. (previous year: Rs. 0.47 millions)

14 Right of use assets

	Right of use assets	Total
Gross carrying amount		
Balance as at April 01, 2023	379.26	379.26
Additions	77.92	77.92
Disposals	-	-
Balance as at March 31, 2024	457.18	457.18
Additions	263.29	263.29
Disposals	(1.42)	(1.42)
Balance as at March 31, 2025	719.05	719.05
Accumulated Amortization		
Balance as at April 01, 2023	182.91	182.91
Additions	54.79	54.79
Disposals	-	-
Balance as at March 31, 2024	237.70	237.70
Additions	83.35	83.35
Disposals	(0.51)	(0.51)
Balance as at March 31, 2025	320.54	320.54
Net carrying amount		
As at March 31, 2023	196.35	196.35
As at March 31, 2024	219.48	219.48
As at March 31, 2025	398.51	398.51

Note: For other details please refer Note 46

15 Other intangible assets

	Software	Total
Gross carrying amount		
Balance as at April 01, 2023	70.55	70.55
Additions	21.64	21.64
Disposals	(3.21)	(3.21)
Balance as at March 31, 2024	88.98	88.98
Additions	25.96	25.96
Disposals	-	-
Balance as at March 31, 2025	114.94	114.94
Accumulated Amortization		
Balance as at April 01, 2023	48.89	48.89
Additions	12.18	12.18
Disposals	(3.06)	(3.06)
Balance as at March 31, 2024	58.01	58.01
Additions	21.20	21.20
Disposals	-	-
Balance as at March 31, 2025	79.21	79.21
Net carrying amount		
As at March 31, 2023	21.66	21.66
As at March 31, 2024	30.97	30.97
As at March 31, 2025	35.73	35.73



DMI Finance Private Limited
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	As at March 31, 2025	As at March 31, 2024
16 Other non-financial assets		
Prepaid expenses	269.35	217.39
Other non-financial assets	30.05	5.74
Total	299.40	223.13
17 Assets held for sale		
Assets held for sale (see note below)	75.00	75.00
	75.00	75.00

Note

1. These assets represent assets acquired from the Company's borrowers as a part of Company's risk management strategy. In these cases, the Company had entered into settlement agreement as a prudent measure by the management wherein the borrower was approached and there was a mutual consensus between the Company and borrower to transfer the asset in the name of the Company towards settlement of the loan amount.

2. Title deeds of all immovable properties and lease agreements for all the leased premises are held in the name of the Company.



DMI Finance Private Limited
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	As at March 31,	As at March 31, 2024
18 Payables		
a. Trade payables		
i. Total outstanding dues of micro and small enterprises (See note "B" below)	8.11	25.33
ii. Total outstanding dues of creditors other than micro and small enterprises	1,054.16	1,573.33
	<u>1,062.27</u>	<u>1,598.66</u>
b. Other payables		
i. Total outstanding dues of micro and small enterprises (See note "B" below)	-	-
ii. Total outstanding dues of creditors other than micro and small enterprises	858.26	730.36
	<u>858.26</u>	<u>730.36</u>
Total	<u>1,920.53</u>	<u>2,329.02</u>

A) Trade payable and other payable ageing schedule

As at 31 March 2025

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro and small enterprises	8.11	-	-	-	8.11
Total outstanding dues of creditors other than micro and small enterprises	1,333.74	424.09	67.78	86.81	1,912.42
Disputed dues of micro and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-
Total	<u>1,341.85</u>	<u>424.09</u>	<u>67.78</u>	<u>86.81</u>	<u>1,920.53</u>

As at 31 March 2024

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro and small enterprises	25.33	-	-	-	25.33
Total outstanding dues of creditors other than micro and small enterprises	2,128.21	113.48	49.53	12.47	2,303.69
Disputed dues of micro and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-
Total	<u>2,153.54</u>	<u>113.48</u>	<u>49.53</u>	<u>12.47</u>	<u>2,329.02</u>



DMI Finance Private Limited
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B) Amount outstanding of micro and small enterprises

Based on the responses received from certain suppliers, the Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

	As at March 31, 2025	As at March 31, 2024
i) The Principal amount and the Interest due thereon remaining unpaid to any supplier as at the year end		
- Principal amount	8.03	25.33
- Interest thereon	0.08	
ii) the amount of interest paid by the buyer in terms of section 16 of MSMED Act, along with the amounts of the payment	-	-
iii) the amount of interest due and payable for the year of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
iv) the amount of interest accrued and remaining unpaid	0.08	-
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises	-	-

19 Debt securities (at amortised cost)

Non convertible debentures (refer note 19.1)	9,023.44	7,122.07
Commercial paper (refer note 19.2)	243.86	245.44
Market linked debentures (refer note 19.3)	-	1,494.65
	9,267.30	8,862.16
Secured **	3,687.74	3,976.72
Unsecured	5,579.56	4,885.44
Total	9,267.30	8,862.16
Debt securities in India	9,267.30	8,862.16
Debt securities outside India	-	-
Total	9,267.30	8,862.16

** Secured against exclusive floating charge by way of hypothecation of loans and receivables of the Company of Rs. 4,981.25 millions (previous year Rs. 5,320.00 millions) to the extent as stated in the respective information memorandum.
The Company has not created the Debenture redemption reserve as it is not mandatorily required in accordance with provisions of the Companies Act 2013.

The Company has, at all times, for the secured NCDs, maintained sufficient asset cover as stated in the respective information memorandum



DMI Finance Private Limited
Notes to the standalone financial statements
(All Amount in Rs. millions, unless otherwise stated)

19.1 Terms of redeemable non-convertible debentures (NCD's)

A Secured

ISIN	Date of allotment	Date of redemption	Nominal value per debenture	Number of Debenture	Rate of interest	Face value (Amount)	Amount outstanding as at March 31, 2025	Amount outstanding as at March 31, 2024	Terms of redemption
INE604C07175	November 28, 2023	August 22, 2025	100,000	20,000	9.75%	2,000.00	1,995.73	1,982.69	633 Days from the date of allotment. Coupon payment frequency is annually
INE604C07183	January 24, 2024	July 24, 2025	100,000	5,000	9.80%	500.00	299.78	499.38	512 Days from the date of Allotment. Coupon and principal payment frequency is half-yearly
INE604C07191	September 30, 2024	January 12, 2027	100,000	14,000	9.70%	1,400.00	1,392.23	-	834 Days from the date of allotment. Coupon payment frequency is annually
Total							3,687.74	2,482.07	

B Unsecured

ISIN	Date of allotment	Date of redemption	Nominal value per debenture	Number of Debenture	Rate of interest	Face value (Amount)	Amount outstanding as at March 31, 2025	Amount outstanding as at March 31, 2024	Terms of redemption
INE604O08132	March 12, 2024	March 12, 2027	100,000	46,400	9.80%	4,640.00	4,640.00	4,640.00	35 months from date of allotment. Coupon payment frequency is quarterly.
INE604O08157	October 18, 2024	April 18, 2027	100,000	5,617	9.75%	561.70	561.70	-	30 months from date of allotment. Coupon payment frequency is quarterly.
INE604O08140	June 4, 2024	June 4, 2027	100,000	1,340	9.80%	134.00	134.00	-	36 months from date of allotment. Coupon payment frequency is quarterly.
Total							5,335.70	4,640.00	

19.2 Terms of Commercial Paper

Unsecured

ISIN	Date of allotment	Date of redemption	Nominal value per unit/ per commercial paper	Number	Rate of interest	Face value	Amount outstanding as at March 31, 2025*	Amount outstanding as at March 31, 2024	Terms of redemption
INE604O14049	March 28, 2024	June 14, 2024	500,000	500	9.05%	250.00	-	245.44	78 days from the date of allotment
INE604O14148	October 17, 2024	July 17, 2025	500,000	500	8.94%	250.00	243.86	-	273 days from the date of allotment
Total							243.86	245.44	

* Includes discount accretion of INR 6.14 million (previous year INR 4.56 million) as at March 31, 2025

19.3 Terms of redeemable Market Linked Debentures (MLD's)

Secured

ISIN No.	Date of allotment	Date of redemption	Nominal value per debenture	Number	Rate of interest	Face value	Amount outstanding as at March 31, 2025	Amount outstanding as at March 31, 2024	Terms of redemption
INE604O07167	October 21, 2022	October 21, 2024	1,000,000	1,500	As per Table Below *	1,500.00	-	1,494.65	24 Months from the date of Allotment. Coupon is payable on/at maturity.
Total							-	1,494.65	

* If Yield of GSEC 2032 on Redemption Date	Coupon(XIRR)
Is <= 18%	8.75% XIRR
Is <= 24% and >18%	8.70% XIRR
Is > 24%	-



DMI Finance Private Limited
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	As at March 31, 2025	As at March 31, 2024
20 Borrowings (other than debt securities) (at amortised cost)		
Secured		
Term loans		
From banks and financial institutions (See note i, iv and vi below)	23,581.95	52,377.03
Other loans		
Securitisation - PTC Borrowings (See note iii and v below)	11,082.26	7,019.37
Cash credit and overdraft		
From banks (See note i and ii below)		112.88
	34,664.21	59,509.28
Borrowings in India	34,664.21	59,509.28
Borrowings outside India		
Total	34,664.21	59,509.28

Notes:

i) Secured against exclusive floating charge by way of hypothecation of loans and receivables of the Company to the extent of Rs. 38,744.28 millions (Previous year: Rs. 70,552.22 millions).

ii) Secured against exclusive hypothecation charge on the standard receivables of the Company at all times and cash credit is repayable on demand.

iii) Secured against exclusive fixed charge by way of hypothecation of loans and receivables of the Company to the extent of Rs 15,607.10 millions (Previous year: Rs 9,988.54 millions)

iv) Terms of repayment of borrowings are as follows:

Lender	Disbursement Amount	Repayment terms	Outstanding as on March 31, 2025	Outstanding as on March 31, 2024
Bank of Baroda-2	500	16 quarterly installments	-	124.80
Bank of Baroda-3	500	16 quarterly installments	124.82	249.35
Bank of Baroda-4	1,000	12 quarterly installments	166.48	498.46
Bank of Baroda-5	1,000	12 quarterly installments	332.66	664.10
Bank of Baroda-6	3,000	12 quarterly installments	1,742.10	2,730.82
Karnataka Bank Limited -1	200	11 quarterly installments	-	18.18
Karnataka Bank Limited -2	250	11 quarterly installments	-	4.55
Karnataka Bank Limited -3	500	11 quarterly installments	-	181.17
Karnataka Bank Limited -4	250	34 monthly installments	-	205.41
Karnataka Bank Limited -5	1,000	34 monthly installments	473.83	909.85
Bank of Maharashtra-1	500	42 monthly installments	22.61	178.21
Bank of Maharashtra-2	2,000	42 monthly installments	657.80	1,279.77
Bank of Maharashtra-3	2,000	33 monthly installments	572.32	1,747.98
Bank of Maharashtra-4	3,000	33 monthly installments	1,350.93	-
HDFC Bank Limited-4	1,000	8 quarterly installments	-	249.86
HDFC Bank Limited-5	1,000	6 quarterly installments	-	166.59
HDFC Bank Limited-6	2,000	8 quarterly installments	-	997.66
HDFC Bank Limited-7	2,000	12 quarterly installments	-	1,661.09
HDFC Bank Limited-8	1,000	12 quarterly installments	-	830.35
HDFC Bank Limited-9	2,930	8 quarterly installments	-	2,917.79
State Bank Of India-1	1,000	15 quarterly installments	66.59	332.17
State Bank Of India-2	2,000	15 quarterly installments	532.33	1,062.82
State Bank of India -3	2,000	15 quarterly installments	931.13	1,460.89
State Bank of India -4	7,500	15 quarterly installments	4,961.95	6,926.12
Kotak Mahindra Bank Limited-2	750	24 monthly installments	-	93.74
Kotak Mahindra Bank Limited-3	750	24 monthly installments	93.74	468.36
Kotak Mahindra Bank Limited-4	250	24 monthly installments	34.09	170.28
Kotak Mahindra Bank Limited-5	1,500	24 monthly installments	45.64	1,310.93
Kotak Mahindra Bank Limited-6	500	24 monthly installments	249.83	499.31
Kotak Mahindra Bank Limited-7	2,000	24 monthly installments	748.43	-
IndusInd Bank Limited -1	500	12 quarterly installments	-	164.36
IndusInd Bank Limited -2	500	12 quarterly installments	-	329.80
IndusInd Bank Limited -3	2,500	12 quarterly installments	815.79	2,055.88
IndusInd Bank Limited -4	500	12 quarterly installments	327.75	491.45
Punjab National Bank-1	500	35 monthly installments	-	140.60
Punjab National Bank-2	500	14 quarterly installments	387.59	496.27
South Indian Bank Limited -2	500	15 quarterly installments	128.63	263.12
South Indian Bank Limited -3	1,000	7 quarterly installments	395.32	996.84
Indian Bank-1	750	16 quarterly installments	234.12	420.92
Indian Bank-2	500	11 quarterly installments	-	362.55
Indian Bank-3	500	16 quarterly installments	-	497.70
Indian Bank-4	500	8 quarterly installments	373.68	-
Sumitomo Mitsui Banking Corporation - 2	2,000	Upto 3 Months	-	1,999.45
MUFG Bank Limited	4,000	upto 6 months	-	4,000.00
CSB Bank Limited-1	500	12 quarterly installments	-	205.32
CSB Bank Limited - 2	250	12 quarterly installments	-	206.59
CSB Bank Limited - 3	500	12 quarterly installments	413.09	-
DCB Bank	250	11 quarterly installments	66.37	157.91
Bandhan Bank-1	500	45 monthly installments	-	364.84
Bandhan Bank-2	1,000	45 monthly installments	-	996.72
Utkarsh Small Finance Bank Limited-1	300	37 monthly installments	81.00	178.12
Utkarsh Small Finance Bank Limited - 2	380	37 monthly installments	100.83	338.39
Jammu & Kashmir Bank Limited	500	14 quarterly installments	177.11	424.58
Canara Bank	1,000	14 quarterly installments	409.53	922.31



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Axis Bank Ltd-1	1,000	3 quarterly installments		621.08
Axis Bank Ltd-2	2,000	3 quarterly installments	792.56	1,994.02
Tata Capital Limited	500	36 monthly installments	-	388.04
Indian Overseas Bank	500	14 quarterly installments	237.87	494.84
Bajaj Finance Limited TL-1	1,000	36 monthly installments	554.61	886.42
Bajaj Finance Limited TL-2	1,000	36 monthly installments	347.42	-
Federal Bank Limited 1	500	10 quarterly installments	246.09	445.56
Federal Bank Limited 2	500	10 quarterly installments	79.29	-
Aditya Birla Finance Limited TL-1	500	12 quarterly installments	72.73	456.63
Aditya Birla Finance Limited TL-2	500	12 quarterly installments	407.54	-
Poonawalla Fincorp Ltd TL-1	500	36 Monthly installments	320.93	473.68
Poonawalla Fincorp Ltd TL-2	500	36 Monthly installments	132.40	-
UCO Bank	2,000	12 quarterly installments	1,150.43	1,812.62
HDFC Bank Limited WCDL	450	Upto 90 days	-	450.00
IndusInd Bank Limited WCDL	250	upto 360 days	-	249.81
Indian Bank WCDL	150	Upto 1 year	-	150.00
HSBC Bank TL-1	1,500	24 quarterly installments	652.94	-
Bank of India TL-1	1,000	14 quarterly installments	699.26	-
RBL Bank	1,000	3 quarterly installments	870.79	-
Total			23,581.95	52,377.03

-Interest rate ranges from 8.40% p.a to 10.90% p.a

-Security cover ratio ranges from 1.10 times to 1.25 times

v) Terms of repayment of Securitization-PTC borrowings are as follows:

Securitisation	Total Amount	Payment Terms	Outstanding as on March 31, 2025	Outstanding as on March 31, 2024
PLUM II	772.70	Monthly Payout to the Trust on the Pay in Date	-	21.20
PLUM I	905.30	Monthly Payout to the Trust on the Pay in Date	-	201.57
PLUM III	1,491.20	Monthly Payout to the Trust on the Pay in Date	-	483.65
PLUM 24-1	850.02	Monthly Payout to the Trust on the Pay in Date	-	213.53
PLUM 24-2	649.09	Monthly Payout to the Trust on the Pay in Date	-	171.88
PLUM 24-3	1,504.46	Monthly Payout to the Trust on the Pay in Date	141.28	811.56
PLUM 24-4	1,272.38	Monthly Payout to the Trust on the Pay in Date	109.04	779.37
PLUM 24-5	977.60	Monthly Payout to the Trust on the Pay in Date	212.83	715.54
PLUM 24-6	514.28	Monthly Payout to the Trust on the Pay in Date	99.47	406.99
PLUM 24-7	1,862.79	Monthly Payout to the Trust on the Pay in Date	632.84	1,713.79
PLUM 24-10	483.34	Monthly Payout to the Trust on the Pay in Date	168.77	481.17
PLUM 24-11	1,028.20	Monthly Payout to the Trust on the Pay in Date	340.55	1,025.12
PLUM 24-8	2,155.20	Monthly Payout to the Trust on the Pay in Date	656.36	-
PLUM 24-9	1,460.00	Monthly Payout to the Trust on the Pay in Date	404.32	-
PLUM 25-1	2,163.05	Monthly Payout to the Trust on the Pay in Date	1,044.06	-
PLUM 25-2	832.52	Monthly Payout to the Trust on the Pay in Date	353.64	-
PLUM 25-3	601.87	Monthly Payout to the Trust on the Pay in Date	326.81	-
APRIUM 25-1	2,116.07	Monthly Payout to the Trust on the Pay in Date	1,063.73	-
PLUM 25-6	881.28	Monthly Payout to the Trust on the Pay in Date	571.72	-
PLUM 25-4	1,869.24	Monthly Payout to the Trust on the Pay in Date	1,037.67	-
PLUM 25-7	2,820.66	Monthly Payout to the Trust on the Pay in Date	1,926.91	-
PLUM 25-8	1,998.88	Monthly Payout to the Trust on the Pay in Date	1,997.31	-
Total			11,082.26	7,019.37

-Interest rate ranges from 8.95% p.a to 9.45% p.a

vii) Secured term loans from banks amounting to Rs. 23,581.95 millions (Previous Year : 52,377.03 millions) and carry rate of interest in the range of 8.40% p.a to 10.90% p.a, (Previous year: 8.00% p.a to 10.10% p.a.) The loans are having tenure of upto 4 years from the date of disbursement and are repayable in both monthly and quarterly installments.

viii) The Company has not defaulted in the repayment of dues to its lenders.

ix) The Company has not been declared as wilful defaulter by any of banks, financial institution or any other lender.

x) The Company has been submitting monthly/quarterly receivable/stock data with the lenders as per the provision of sanction letters and there are no discrepancies between receivable/stock data submitted to the lenders and book of accounts.

xi) The Company doesn't have any charges or satisfaction which is yet to be registered with ROC beyond statutory period.

xii) The Company has utilised the funds raised from banks and financial institutions for the specific purpose for which they are borrowed.

xiii) For maturity analysis of borrowings (other than debt securities), refer note no 48.



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	As at March 31, 2025	As at March 31, 2024
21 Lease liabilities		
Lease liabilities (refer note 46)	460.69	265.29
	<u>460.69</u>	<u>265.29</u>
22 Other financial liabilities		
Interest accrued but not due		
- Debt securities	169.42	282.25
- Borrowings other than debt securities	49.40	206.49
Payable for employee benefits	277.32	193.35
	<u>496.14</u>	<u>682.09</u>
23 Provisions		
Provision for employee benefits		
- Provision for gratuity (refer note 38)	66.88	52.13
- Provision for compensated absences	107.68	79.52
	<u>174.56</u>	<u>131.65</u>
24 Other non-financial liabilities		
Statutory dues payable	146.21	290.63
Security deposit	1.86	4.71
	<u>148.07</u>	<u>295.34</u>



DMI Finance Private Limited
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25 Equity share capital

	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
A. Authorized share capital				
Equity shares of Rs. 10 each	1,965,000,000	19,650.00	1,965,000,000	19,650.00
Compulsorily convertible preference shares of Rs. 10 each	175,000,000	1,750.00	35,000,000	350.00
	2,090,000,000	20,900.00	2,000,000,000	20,000.00
B. Issued, subscribed and paid up				
Fully called-up and paid-up				
Equity shares of Rs. 10 each	742,632,169	7,426.32	740,864,608	7,408.65
Sub total (A)	742,632,169	7,426.32	740,864,608	7,408.65
Partly called-up and paid-up				
Equity shares of Rs. 10 each	-	-	57,315,400	16.22
Sub total (B)	-	-	57,315,400	16.22
Total (A+B)	742,632,169	7,426.32	798,180,008	7,424.87

25.1 The reconciliation of equity shares outstanding at the beginning and at the end of the reporting year

Balance at the beginning of year	798,180,008	7,424.87	712,468,142	6,567.75
Changes in equity share capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the period	798,180,008	7,424.87	712,468,142	6,567.75
Shares issued during the year	145,423	1.45	85,711,866	857.12
First call money called on partly paid up shares	-	-	-	-
Reduction and cancellation of partly paid up shares	(55,693,262)	-	-	-
Balance at the end of year	742,632,169	7,426.32	798,180,008	7,424.87

*The paid up share capital of the Company was reduced by Rs. 6 on reduction and cancellation of partly paid shares.

25.2 Shares held by holding Company

	As at March 31, 2025		As at March 31, 2024	
	No. of shares	% holding	No. of shares	% holding
DMI Limited	510,792,426	68.78%	519,272,316	69.94%
	510,792,426	68.78%	519,272,316	69.94%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

25.3 Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of shares	% holding	No. of shares	% holding
Equity shares of Rs. 10 each fully paid up and partly paid up				
DMI Limited	510,792,426	68.78%	519,272,316	69.94%
NIS Ganetha S.A.	64,735,441	8.72%	64,735,441	8.72%
MUFG Bank Limited	73,830,443	9.94%	73,830,443	9.94%

Note: As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(i) During the current year, the Company has issued 1,45,423 equity shares (previous year: 34,43,272 equity shares) of Rs. 10 per share at applicable exercise price under the ESOP plans. The amount received on these issues aggregates to Rs. 2.28 millions (previous year: 285.39 millions).

(ii) % holding is calculated on the basis of paid up share capital of the Company.

(iii) During the financial year 2024-25, 84,79,890 equity shares have been transferred by DMI Ltd.



DMI Finance Private Limited
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25.4 Details of shares held by promoters

Particulars	As at March 31, 2025	As at March 31, 2024
Equity shares of Rs. 10 each fully paid up		
No. of shares at the beginning of the year	519,272,316	519,889,603
Change during the year	(8,479,890)	(617,287)
No. of shares at the end of the year	510,792,426	519,272,316
% of total shares	68.78%	69.94%
% change during the year	(1.16%)	(11.65%)

DMI Limited is the promoter of the Company, as defined under Companies Act, 2013

25.5 Rights, preferences and restrictions

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holder 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 the equity shares held by the shareholders.

25.6 Aggregate number of shares issued for consideration other than cash during the five years

The Company has not issued any shares pursuant to a contract without payment being received in cash nor allotted as fully paid up by the way of bonus shares and there has not been any buy back of shares in the current period and the immediately preceding four years.

25.7 Uncalled and Unpaid Capital

There were 5,73,15,400 partly paid up equity shares issued by the Company. During the year under review, the Company had received an order from the Hon'ble National Company Law Tribunal ("NCLT") on July 9, 2024 approving the reduction of Issued, Subscribed and Paid-up share Capital of the Company pursuant to which the uncalled share capital and consequent number of shares were cancelled and reduced to 16,22,138 fully paid up shares. Further, the paid up share capital was also reduced by Rs. 6.



DMI Finance Private Limited
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26 Other equity

	As at March 31, 2025	As at March 31, 2024
Securities premium	46,572.72	46,561.46
Capital redemption reserve	81.21	81.21
Statutory reserve u/s 45-IC of RBI Act	2,584.95	2,574.33
Share based payment outstanding reserve	773.65	501.65
Share warrant reserve	136.01	100.93
Retained earnings	10,118.26	10,075.77
Other comprehensive Income	838.15	836.50
Upfront monies received on share warrant	0.72	0.72
Share application money pending allotment	-	1.84
Total	61,105.67	60,734.41
Securities premium		
Opening balance	46,561.46	25,711.77
Add : Premium on shares issued during the year (Including shares issued under Employees Stock Option plan)	11.26	20,873.32
Less: Expenses related to issue of equity shares*	-	(23.63)
Closing balance	46,572.72	46,561.46
* Includes 18.63 millions incurred in financial year 22-23.		
Capital redemption reserve		
Opening balance	81.21	81.21
Add : Additions during the year	-	-
Closing balance	81.21	81.21
Statutory reserve u/s 45-IC of RBI Act		
Opening balance	2,574.33	1,741.05
Add : Transfer during the year from Surplus in statement of profit and loss	10.62	833.28
Closing balance	2,584.95	2,574.33
Share based payment outstanding reserve		
Opening balance	501.65	305.07
Add: Granted/vested during the year	274.58	291.50
Less : Exercised during the year	(2.58)	(94.92)
Closing balance	773.65	501.65
Share warrant reserve		
Opening balance	100.93	74.80
Add: Granted/vested during the year	35.08	53.89
Less : Exercised during the year	-	(27.76)
Closing balance	136.01	100.93
Retained earnings		
Opening balance	10,075.77	6,742.67
Add : Profit for the year	53.11	4,166.38
Less : Transfer to reserve fund as per section 45 IC of RBI Act, 1934	(10.62)	(833.28)
Closing balance	10,118.26	10,075.77



DMI Finance Private Limited
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	As at March 31, 2025	As at March 31, 2024
Upfront monies received on share warrant		
Opening balance	0.72	0.72
Add : Amount received during the year	-	-
Closing balance	0.72	0.72
Other Comprehensive Income		
Opening balance	836.50	836.13
Add: Remeasurement gain on defined benefit plan	(2.76)	0.19
Add : Gain on Fair Value changes (debt and equity)	4.41	(796.30)
Add: Realised Gain on Investments	-	796.48
Closing balance	838.15	836.50
Share application money pending allotment		
Opening balance	1.84	-
Add : Amount received during the year	(1.84)	1.84
Closing balance	-	1.84

Security premium

Securities premium represents premium received on issue of shares. The amount is utilised in accordance with the provisions of the Companies Act 2013

Capital redemption reserve

The same had been created in accordance with provisions of the Companies Act 2013 on buy back of shares.

Statutory reserve u/s 45-IC of RBI Act

The reserve is created as per the provision of Section 45 (IC) of Reserve Bank of India Act, 1934. This is a restricted reserve and no appropriation can be made from this reserve fund except for the purpose as may be prescribed by Reserve Bank of India.

Share based payment outstanding reserve

The reserve is used to recognise the fair value of the options issued to employees of the Company and subsidiary/group companies under Company's employee stock option plan.

Share warrant reserve

The reserve is used to recognise the fair value of the warrants issued.

Retained earnings

Retained earnings or accumulated surplus represents total of all profits retained since the Company's inception. Retained earnings are credited with current year profits, reduced by losses, if any, dividend payouts, or any such other appropriations to specific reserves.

Upfront monies received on share warrant

Upfront monies received on share warrant represents the upfront monies received against the share warrants issued by the Company.

Share application money pending allotment

The company received Rs. 1.84 millions in previous financial year on which allotment of shares is made in the current financial year.



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27 Interest Income

	For the Year ended March 31, 2025			For the Year ended March 31, 2024		
	On financial assets measured at fair value through Profit & Loss	On financial assets measured at Amortised cost	On financial assets measured at fair value through OCI	On financial assets measured at fair value through Profit & Loss	On financial assets measured at Amortised cost	On financial assets measured at fair value through OCI
Interest income on portfolio loans	-	25,688.51	14.13	-	21,813.72	14.99
Interest income on investments	-	560.18	-	-	504.11	143.74
Interest on deposits with bank	-	156.28	-	-	56.50	-
	-	26,404.97	14.13	-	22,374.33	158.73
Total Interest Income			26,419.10			22,533.06

27A Dividend Income

	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Dividend Income	-	16.00
	-	16.00

28 Fees and commission Income

	Amount Invoiced		Revenue booked	
	For the Year ended March 31, 2025	For the Year ended March 31, 2024	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Foreclosure Income	154.87	77.56	154.87	77.56
Service and administration income	788.07	313.98	788.07	313.98
Distribution income	160.10	96.71	160.10	96.71
Late Payment fee	2,433.10	944.35	2,433.10	944.35
Others	-	-	176.41	1,976.54
	3,536.14	1,432.60	3,712.55	3,409.14

29 Net gain on fair value changes

	For the Year ended March 31, 2025	For the Year ended March 31, 2024
(A) Net gain on financial instruments at fair value through profit and loss		
On financial instruments designated at fair value through profit or loss	840.78	508.97
(B) others	-	-
	840.78	508.97
Analysis of fair value changes		
Realised	650.72	408.12
Unrealised	190.06	100.85
	840.78	508.97

30 Other Income

Cost sharing from group companies	156.50	71.81
Liabilities no longer required written back	-	139.20
Miscellaneous income	13.20	8.49
	169.70	219.50

31 Finance costs

Interest on financial liabilities (measured at amortised cost)		
Interest on debt securities		
- on non convertible debentures	808.98	1,017.99
- on market linked debentures	85.14	146.30
- on commercial paper	189.19	48.40
Interest on borrowings (other than debt securities)		
- on bank term loan	4,740.65	3,180.26
- on bank cash credit	0.58	14.66
Other interest expense		
- on delayed deposit of statutory dues	1.00	3.81
- on leasing arrangements	43.74	23.73
- securitisation	1,141.57	421.41
Other borrowing costs		
- Bank charges	9.73	10.92
- other Finance Cost	16.52	-
	7,037.10	4,867.48



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	For the Year ended March 31, 2025	For the Year ended March 31, 2024
32 Fees and commission expense		
Selling partner commission	2,026.11	1,584.00
	<u>2,026.11</u>	<u>1,584.00</u>
33 Impairment on financial instruments		
Expected credit loss allowance	1,356.57	(116.81)
Write offs	13,454.93	9,265.47
	<u>14,811.50</u>	<u>9,148.66</u>
34 Employee benefits expense		
Salaries, wages and bonus	1,575.10	1,185.43
Contribution to provident and other funds	23.14	17.46
Gratuity expenses (refer note 38)	21.36	16.50
Share based payment to employees **	311.64	349.71
Staff welfare expenses	84.22	64.94
	<u>2,015.46</u>	<u>1,634.04</u>
** Includes Rs. 9.71 millions (Previous year : Rs. 14.41 millions) of warrants issued by Group Company (DMI Housing Finance) to employees of the Company		
35 Depreciation and amortization		
Depreciation on property, plant and equipment (refer note 12)	53.38	49.43
Amortisation of right of use assets (refer note 14)	83.35	54.79
Amortisation of other intangible assets (refer note 15)	21.20	12.18
	<u>157.93</u>	<u>116.40</u>
36 Other expenses		
Advertisement expenses	27.80	54.65
Legal and professional fees*	670.24	388.09
Travelling and conveyance expenses	59.64	67.41
Auditor's remuneration (refer note 36.1)	7.90	5.58
IT expenses	744.71	644.17
Rates and taxes	8.89	28.14
Rent	3.64	9.72
Goods and service tax	813.20	736.43
Director's sitting fee	1.10	0.84
Corporate social responsibility (refer note 36.2)	71.01	36.49
Repair and maintenance	33.03	24.28
Insurance expense	1.19	1.15
Credit evaluation fee	613.95	585.48
Credit rating fee	23.59	18.14
Customer onboarding expenses	1.12	-
Collection charges	1,898.66	1,170.71
Miscellaneous expenses	37.10	88.75
	<u>5,016.77</u>	<u>3,860.03</u>
* Includes share warrant expense amounting to Rs. 5.92 millions (previous year Rs. 8.76 millions)		
36.1 Auditor's remuneration (excluding applicable taxes)		
- as auditors	5.27	3.60
- for tax audit	0.50	0.35
- for other services	1.55	1.30
- out of pocket expenses	0.58	0.33
	<u>7.90</u>	<u>5.58</u>



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36.2 Corporate social responsibility (CSR)

In respect of Corporate Social Responsibility activities, gross amount required to be spent by the Company during the year was Rs. 70.91 millions in FY 2024-25 (Previous Year Rs. 36.48 millions) and Company has spent Rs. 71.01 millions in FY 2023-24 (Previous Year Rs. 35.58 millions).

	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Gross amount unspent for the last year	0.90	0.92
Gross amount required to be spent by the Company during the year	70.91	36.48
Amount spent during the year	71.01	35.58
Amount of expenditure incurred	71.01	35.58
The shortfall amount (i.e. unspent amount), in respect of other than ongoing projects, transferred to a Fund specified in Schedule VII to the Act, as per section 135(5a) of the Act	-	0.90
Nature of CSR Activities (see note d)		
Education, Nutrition and Women Empowerment	29.96	21.60
Promoting and development towards healthcare	4.53	0.73
Training and helping Indian Athletes to win Olympic Gold medals	8.90	2.22
Upliftment of abandoned and poor	6.30	3.00
Provision of low cost sanitation	-	2.50
Rural women development	6.80	3.00
Welfare of stray dogs	2.00	1.00
Nourishment of differently abled children	2.70	-
Support by providing basic necessities	5.00	-
Conducting cultural activities	1.50	-
Support in the construction of well	1.00	-

Notes :

- a) There is no transaction with related parties as defined under the IND AS 24 'Related Party Disclosures'
- b) There is a provision of Nil in the books as at March 31, 2025 (Previous year Rs. 0.90 millions)
- c) As per the provisions of the Companies Act, 2013 read with Schedule VII, unspent amount of Rs. 0.90 million in previous financial year was spent within 6 months from the end of previous FY, i.e. latest by Sept 30, 2024 in the specified fund (Unspent amount in the previous year of Rs 0.90 million was transferred to the specified fund on 09th May, 2024)
- d) The above spent amount of Rs. 71.01 million (previous year Rs. 35.58 million) includes administrative expenses of Rs. 2.32 million (previous year: Rs. 1.53 million) as allowed as per the CSR Rules.

37 Earning per share (EPS)

	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Net profit attributable to equity shareholders	53.11	4,166.38
Net profit for the year for basic EPS	53.11	4,166.38
Dilutive impact of convertible instruments	-	-
Net profit for the year for dilutive EPS	53.11	4,166.38
Nominal value of equity shares (In Rs.)	10.00	10.00
Weighted-average number of equity shares for basic EPS (Face value of share Rs. 10 each)	74,26,28,313	73,91,39,701
Add: Weighted average number of potential equity shares on exercise of stock option and warrants	81,41,274	82,89,717
Weighted-average number of equity shares for dilutive EPS (Face value of share Rs. 10 each)	75,07,69,587	74,74,29,418
Basic EPS (In Rs.)	0.07	5.64
Dilutive EPS (In Rs.)	0.07	5.57



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38 Retirement benefit plan

Defined contribution plan

A defined contribution plan is a pension plan under which the Company pays fixed contributions; there is no legal or constructive obligation to pay further contributions. The assets of the plan are held separately from those of the Company in a fund under the control of trustees.

The total expense charged to statement of profit & loss during the current year Rs. 23.14 millions (previous year: Rs. 17.46 millions) represents contributions payable to these plans by the Company at rates specified in the rules of the plan.

Defined benefit plan

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is unfunded.

Provision for unfunded Gratuity for all employees is based upon actuarial valuations carried out at the end of every financial year. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Pursuant to the issuance of the Indian Accounting Standard (IndAS) 19 on 'Employee Benefits', commitments are actuarially determined using the 'Projected Unit Credit' Method. Gains and losses on changes in actuarial assumptions are accounted for in the "Other comprehensive income".

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

Changes in the defined benefit obligation:

Balance at the beginning of the year
Current service cost
Interest cost
Benefits Paid
Remeasurement (Gain)/Loss on obligation
Balance at the end of the year

As at	As at
March 31, 2025	March 31, 2024
52.13	38.20
17.65	13.69
3.71	2.81
(10.29)	(2.31)
3.68	(0.26)
66.88	52.13

Amount recognised in the statement of profit and loss is as under:

Current service cost
Interest cost on defined benefit obligation
Net Impact on profit before tax

Year ended	Year ended
March 31, 2025	March 31, 2024
17.65	13.69
3.71	2.81
21.36	16.50

Amount recognised in the other comprehensive income:

Actuarial changes arising from changes in demographic assumptions
Actuarial changes arising from changes in financial assumptions
Experience adjustments
Impact on other comprehensive income

1.01	1.91
2.67	(2.17)
3.68	(0.26)

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

Economic assumptions		
Discount rate	7.00%	7.11%
Future salary increases	6.00%	6.00%
Demographic assumptions		
Retirement age	60	60
Mortality rates inclusive of provision for disability	100% of IALM (2012-14)	100% of IALM (2012-14)
Attrition at ages (withdrawal rate)		
(i) up to 30 years	3.00%	3.00%
(ii) From 31 to 44 years	2.00%	2.00%
(iii) Above 44 years	1.00%	1.00%

Note: The discount rate is generally based upon the market yields available on Government bonds at the accounting date relevant to currency of benefit payments for a term that matches the liabilities. Salary growth rate is Company's long term best estimate as to salary increases and takes account of inflation, seniority, promotion, business plan, HR policy and other relevant factors on long term basis as provided in relevant Indian accounting standard.



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Sensitivity analysis for significant assumptions

Impact of the change in discount rate

Impact due to increase of 0.50 %
Impact due to decrease of 0.50 %

As at March 31, 2025	As at March 31, 2024
(4.72)	(3.72)
5.23	4.12

Impact of the change in salary Increase

Impact due to increase of 0.50 %
Impact due to decrease of 0.50 %

3.95	3.00
(3.71)	(2.92)

The following is the maturity profile of defined benefit obligation:

Expected payment for future years

0 to 1 year
1 to 2 year
2 to 3 year
3 to 4 year
4 to 5 year
5 to 6 year
6th year onwards

Total expected payments

As at March 31, 2025	As at March 31, 2024
1.20	1.00
0.98	0.74
1.48	0.85
1.65	1.19
2.83	1.26
1.35	2.31
57.39	44.78
66.88	52.13

The weighted average duration of the defined benefit obligation as at 31 March 2025 is 19.79 years (Previous year : 20.03 years)



Scheme Name	Date of grant	Orts of Board / Committee approval	Number of options outstanding at the year end	Method of settlement	Graded vesting period -	First vesting date	Vesting conditions	Exercise price per option	Sale price on the date of grant	Exercise period
1. DMI ESOP Plan 2019	1-Apr-19	11-Feb-20	350,938	Shares	See Below	31-Mar-20	As per plan	95.49	95.49	8 years
2. Founder Circle Award 2019-20 (NBFC Apr'20)	15-Feb-20	11-Feb-20	395,000	Shares	See Below	15-Mar-21	As per plan	200.00	200.00	7 years
3. DMI ESOP Plan 2018 (i)	1-Apr-18	16-Mar-18	385,205	Shares	See Below	31-Mar-19	As per plan	46.74	24.63	7 years
4. DMI ESOP Plan 2018 (ii)	1-Apr-18	16-Mar-18	38,784	Shares	See Below	31-Mar-19	As per plan	46.74	24.63	7 years
5. DMI ESOP Plan, Management Scheme - II	1-Oct-18	1-Oct-18	64,641	Shares	See Below	30-Sep-19	As per plan	46.74	96.49	8 years
6. DMI ESOP Plan, Legacy Scheme	15-Feb-20	11-Feb-20	9,328	Shares	See Below	31-Mar-19	As per plan	21.29	24.63	N/A
7. DMI ESOP Plan, Management Scheme - I	15-Feb-20	11-Feb-20	350,000	Shares	See Below	31-Mar-19	As per plan	113.34	113.34	5 years
8. Founder Circle Award 2019-20 (NBFC Apr'20) - I	21-Apr-20	9-Apr-20	275,000	Shares	See Below	31-Mar-21	As per plan	116.86	116.86	7 years
9. DMI ESOP Plan 2020 - II	1-Apr-20	9-Apr-20	250,644	Shares	See Below	31-Mar-21	As per plan	113.34	113.34	5 years
10. DMI ESOP Plan 2020 - I	1-Apr-21	9-Apr-20	6,055	Shares	See Below	31-Mar-21	As per plan	113.34	113.00	5 years
11. Founder Circle Award 2020-21 (NBFC Apr'21)	1-Apr-21	21-Jun-21	459,763	Shares	See Below	1-Apr-22	As per plan	113.00	113.00	5 years
12. Founder Circle Award 2020-21 (NBFC Apr'21)	27-Jul-21	21-Jun-21	2,333,000	Shares	See Below	15-Jul-21	As per plan	112.86	112.86	5 years
13. DMI ESOP Plan, Management Scheme - III	15-Jun-22	21-Jun-21	18,315	Shares	See Below	15-Jul-21	As per plan	209.00	209.00	5 years
14. DMI ESOP Plan, Management Scheme - III	15-Jun-22	21-Jun-21	18,315	Shares	See Below	15-Jul-21	As per plan	209.00	209.00	5 years
15. DMI ESOP Plan, Management Scheme - III	15-Jun-22	21-Jun-21	6,105	Shares	See Below	28-Jun-25	As per plan	209.00	209.00	5 years
16. DMI ESOP Plan 2022 - I	7-Mar-22	21-Jun-21	3,643	Shares	See Below	28-Jun-25	As per plan	209.00	209.00	5 years
17. DMI ESOP Plan 2022 - II	1-Apr-22	20-May-22	447,949	Shares	See Below	1-Apr-23	As per plan	212.81	212.81	5 years
18. DMI ESOP Plan 2022 - III	1-Jul-22	20-May-22	749	Shares	See Below	1-Apr-23	As per plan	212.81	212.81	5 years
19. DMI ESOP Plan 2022 - IV	1-Aug-22	20-May-22	2,870	Shares	See Below	28-Aug-25	As per plan	212.77	212.77	5 years
20. DMI ESOP Plan 2022 - V	1-Sep-22	20-May-22	2,870	Shares	See Below	28-Aug-25	As per plan	212.81	212.81	5 years
21. DMI ESOP Plan 2022 - VI	1-Oct-22	20-May-22	2,870	Shares	See Below	28-Aug-25	As per plan	212.81	212.81	5 years
22. DMI ESOP Plan 2022 - VII	1-Nov-22	20-May-22	2,870	Shares	See Below	28-Aug-25	As per plan	212.81	212.81	5 years
23. DMI ESOP Plan 2022 - VIII	1-Dec-22	20-May-22	2,870	Shares	See Below	28-Aug-25	As per plan	212.81	212.81	5 years
24. DMI ESOP Plan 2022 - IX	1-Jan-23	20-May-22	2,870	Shares	See Below	28-Aug-25	As per plan	212.81	212.81	5 years
25. DMI ESOP Plan 2022 - X	1-Feb-23	20-May-22	2,870	Shares	See Below	28-Aug-25	As per plan	212.81	212.81	5 years
26. DMI ESOP Plan 2022 - XI	1-Mar-23	20-May-22	2,870	Shares	See Below	28-Aug-25	As per plan	212.81	212.81	5 years
27. DMI ESOP Plan 2022 - XII	1-Apr-23	20-May-22	2,870	Shares	See Below	28-Aug-25	As per plan	212.81	212.81	5 years
28. DMI ESOP Plan 2022 - XIII	1-May-23	20-May-22	2,870	Shares	See Below	28-Aug-25	As per plan	212.81	212.81	5 years
29. DMI ESOP Plan 2022 - XIV	1-Jun-23	20-May-22	2,870	Shares	See Below	28-Aug-25	As per plan	212.81	212.81	5 years
30. DMI ESOP Plan 2022 - XV	1-Jul-23	20-May-22	2,870	Shares	See Below	28-Aug-25	As per plan	212.81	212.81	5 years
31. DMI ESOP Plan 2022 - XVI	1-Aug-23	20-May-22	2,870	Shares	See Below	28-Aug-25	As per plan	212.81	212.81	5 years
32. DMI ESOP Plan 2022 - XVII	1-Sep-23	20-May-22	2,870	Shares	See Below	28-Aug-25	As per plan	212.81	212.81	5 years
33. DMI ESOP Plan 2022 - XVIII	1-Oct-23	20-May-22	2,870	Shares	See Below	28-Aug-25	As per plan	212.81	212.81	5 years
34. DMI ESOP Plan 2022 - XIX	1-Nov-23	20-May-22	2,870	Shares	See Below					

vested vesting period

23. For Schemes founded prior to 2022-23 (NBFC Feb '23), Founder Circle Award 2022-23 options will vest on completion at five years from the grant date.

**Exercise period - Represents from grant date

Notes for Scheme modified during the period



Scheme name	Original Fair value	Revised Fair Value ¹ 2	Revised Fair Value ¹ 23	Incremental Fair Value ¹ 24	Incremental Fair Value ¹ 25
DMT ESOP Plan 2019	38.86	43.83	51.94	4.96	8.11
DMT ESOP Plan, Legacy Scheme	-	15.99	15.99	-	0.67
DMT ESOP Plan, Management Scheme	49.45	52.67	57.90	3.27	5.28
DMT ESOP Plan 2018	1.15	3.53	9.32	2.16	5.81
DMT Finance ESOP Plan 2018a	44.1	3.22	55.09	2.16	3.97
DMT Finance ESOP Plan 2018b	47.5	-	55.09	-	3.97
DMT Finance ESOP Plan 2018c	60.75	-	69.64	-	9.08
DMT Finance ESOP Plan 2018d	48.51	-	55.09	-	10.51



DMI Finance Private Limited
Notes to the standalone financial statements
(All Amount in Rs. millions, unless otherwise stated)

B. Reconciliation of options

March 31, 2025

Scheme Name	Options outstanding at the beginning of the year	Granted during the year	Exercised during the year	Lapsed/Cancelled during the year*	Outstanding at the end of the year	Weighted average remaining contractual life (in years)
DMI Finance ESOP Plan 2018-I	407,335	-	-	22,020	385,315	1.82
DMI Finance ESOP Plan 2018-III	38,784	-	-	-	38,784	0.14
DMI ESOP Plan, Management Scheme - I	71,714	-	7,073	-	64,641	1.50
DMI ESOP Plan, Legacy Scheme	138,350	-	138,350	-	-	-
DMI ESOP PLAN 2019	360,043	-	-	-	360,043	-
Founder Circle Award 2019-20 (NBFC Apr'20)	395,000	-	-	9,105	385,895	2.00
DMI Finance ESOP Plan 2020 - II	9,228	-	-	-	9,228	0.88
Founder Circle Award 2019-20 (NBFC Apr'20) - I	275,000	-	-	-	275,000	2.06
DMI Finance ESOP Plan 2020	250,644	-	-	-	250,644	2.00
DMI Finance ESOP Plan 2020 - III	6,055	-	-	-	6,055	0.76
DMI Finance Plan 2021	460,392	-	-	629	459,763	1.00
Founder Circle Award 2020-21 (NBFC Apr'21)	260,000	-	-	-	260,000	1.00
Founder Circle Award 2020-21 (NBFC Jul'21)	2,759,000	-	-	-	2,759,000	1.32
Employment Contracts - Jan'22	12,210	-	-	-	12,210	1.72
DMI ESOP Plan, Management Scheme - III	18,315	-	-	-	18,315	1.79
Employment Contracts - Feb'22 - I	6,105	-	-	-	6,105	1.83
Employment Contracts - Feb'22 - II	3,663	-	-	-	3,663	1.93
DMI Finance ESOP Plan 2022	447,949	-	-	-	447,949	2.00
DMI Finance ESOP Plan 2022 - II	749	-	-	-	749	2.25
Employment Contract - Aug'22 - II	1,670	-	-	-	1,670	2.40
Employment Contract - Jun'22	5,945	-	-	-	5,945	2.23
Employment Contract - Mar'23	29,154	-	-	-	29,154	2.97
Employment Contract - Sep'22	2,188	-	-	-	2,188	2.50
Employment Contracts - Apr'23	1,784	-	-	-	1,784	2.08
Employment Contracts - Jul'22	30,000	-	-	-	30,000	2.25
Employment Contracts - May'22	30,000	-	-	-	30,000	2.09
Founder Circle Award 2022-23 (NBFC Feb'23)	9,405,700	-	-	-	9,405,700	3.84
DMI Finance ESOP Plan 2023	480,755	-	-	-	480,755	3.01
Founder Circle Award 2023-24 (NBFC Apr'23)	350,000	-	-	-	350,000	4.01
Employment Contract - Jul'23	28,946	-	-	-	28,946	3.15
Employment Contract - Oct'23	11,525	-	-	-	11,525	3.51
Employment Contract - Jan'24	54,388	-	-	-	54,388	3.76
DMI Finance ESOP Plan 2024	-	339,154	-	-	339,154	4.01
Employment Contract - Apr'24	-	30,901	-	-	30,901	4.01
Employment Contract - Jul'24	-	83,817	-	-	83,817	4.25
Total	16,352,481	453,872	145,423	31,750	16,629,176	

* There are no lapsed options during the FY 2024-25

March 31, 2024

Scheme Name	Options outstanding at the beginning of the year	Granted during the year	Exercised during the year	Lapsed/Cancelled during the year*	Outstanding at the end of the year	Weighted average remaining contractual life (in years)
DMI Finance ESOP Plan 2018 - II	23,038	-	23,038	-	-	-
DMI Finance ESOP Plan 2018-I	1,024,070	-	616,845	-	407,225	-
DMI Finance ESOP Plan 2018-III	38,784	-	-	-	38,784	0.50
DMI ESOP Plan, Management Scheme - I	7,073	-	7,073	-	-	-
DMI ESOP Plan, Management Scheme - II	579,148	-	507,434	-	71,714	0.50
DMI ESOP Plan, Legacy Scheme	781,354	-	143,004	-	638,350	-
DMI ESOP PLAN 2019	625,248	-	265,205	-	360,043	1.00
Founder Circle Award 2019-20 (NBFC Apr'20)	1,335,000	-	940,000	-	395,000	1.06
DMI Finance ESOP Plan 2020 - II	23,068	-	13,840	-	9,228	1.88
Founder Circle Award 2019-20 (NBFC Apr'20) - I	275,000	-	-	-	275,000	1.06
DMI Finance ESOP Plan 2020	363,094	-	112,450	-	250,644	1.00
DMI Finance ESOP Plan 2020 - III	9,865	-	3,810	-	6,055	1.76
DMI Finance Plan 2021	552,939	-	88,079	4,458	460,392	2.00
Founder Circle Award 2020-21 (NBFC Apr'21)	370,000	-	-	10,000	360,000	2.00
Founder Circle Award 2020-21 (NBFC Jul'21)	3,011,000	-	30,000	222,000	2,759,000	2.32
Employment Contracts - Jan'22	12,210	-	-	-	12,210	2.72
DMI ESOP Plan, Management Scheme - III	18,315	-	-	-	18,315	2.79
Employment Contracts - Feb'22 - I	6,105	-	-	-	6,105	2.83
Employment Contracts - Feb'22 - II	7,326	-	-	7,326	-	-
Employment Contracts - Feb'22 - III	3,663	-	-	-	3,663	2.93
DMI Finance ESOP Plan 2022	501,364	-	33,877	19,538	447,949	3.00
DMI Finance ESOP Plan 2022 - II	2,497	-	-	1,748	749	3.25
Employment Contract - Aug'22 - II	1,670	-	-	1,670	-	-
Employment Contract - Aug'22 - III	1,670	-	-	-	1,670	3.40
Employment Contract - Jun'22	5,945	-	-	-	5,945	3.13
Employment Contract - Mar'23	29,154	-	-	-	29,154	3.92
Employment Contract - Sep'22	2,188	-	-	2,188	-	-
Employment Contracts - Apr'22	2,188	-	-	-	2,188	3.50
Employment Contracts - Jul'22	1,784	-	-	-	1,784	3.08
Employment Contracts - May'22	30,000	-	-	-	30,000	3.25
Employment Contracts - May'22	30,000	-	-	-	30,000	3.09
Founder Circle Award 2022-23 (NBFC Feb'23)	10,048,700	-	-	643,000	9,405,700	4.84
DMI Finance ESOP Plan 2023	-	507,595	-	16,840	480,755	4.01
Founder Circle Award 2023-24 (NBFC Apr'23)	-	350,000	-	-	350,000	5.01
Employment Contract - Jul'23	-	28,946	-	-	28,946	4.25
Employment Contract - Oct'23	-	13,621	-	2,096	11,525	4.51
Employment Contract - Jan'24	-	54,388	-	-	54,388	4.76
Total	19,173,460	954,550	2,784,655	940,874	16,352,481	

* There are no cancelled options during the FY 2023-24



DMI Finance Private Limited
Notes to the standalone financial statements
(All Amount in Rs. millions, unless otherwise stated)

III. Computation of fair value

For undertaking fair valuation of ESOP, the Company is using Black-Scholes Model.

Scheme Name	Fair market value of shares (Rs.)	Volatility	Risk free rate	Dividend Yield	Exercise price (Rs.)	Option fair value
DMI ESOP PLAN 2019	95.49	30.00%	7.35%	-	95.49	38.86
Founder Circle Award 2019-20 (NBFC Apr'20)	101.87	30.00%	6.50%	-	100.00	40.75
DMI Finance ESOP Plan 2018 - II	22.81	15.00%	6.00%	-	43.90	0.67
DMI Finance ESOP Plan 2018	24.68	15.00%	7.50%	-	46.74	1.15
DMI ESOP Plan, Management Scheme - I	24.68	15.00%	7.50%	-	46.74	1.15
DMI ESOP Plan, Management Scheme - II	95.49	15.00%	7.50%	-	46.74	49.45
DMI ESOP Plan, Legacy Scheme	24.68	15.00%	7.00%	-	13.29	15.32
DMI Finance ESOP Plan 2020 - II	113.34	30.00%	6.14%	-	113.34	43.35
Founder Circle Award 2019-20 (NBFC Apr'20) - I	116.36	30.00%	6.14%	-	116.36	44.51
DMI Finance ESOP Plan 2020	116.36	30.00%	6.14%	-	116.36	44.51
DMI Finance ESOP Plan 2020 - II	113.34	30.00%	6.14%	-	113.34	43.35
DMI Finance Plan 2021	113.00	30.00%	6.60%	-	113.00	43.49
Founder Circle Award 2020-21 (NBFC Apr'21)	113.00	30.00%	6.14%	-	113.34	43.49
Founder Circle Award 2020-21 (NBFC Jul'21)	112.86	30.00%	6.14%	-	112.86	43.17
Employment Contracts - Jan'22	209.00	30.00%	6.60%	-	209.00	81.89
DMI ESOP Plan, Management Scheme - III	209.00	30.00%	6.60%	-	209.00	81.89
Employment Contracts - Feb'22 - I	209.00	30.00%	6.60%	-	209.00	81.89
Employment Contracts - Feb'22 - II	209.00	30.00%	6.60%	-	209.00	81.89
Employment Contracts - Feb'22 - III	209.00	30.00%	6.60%	-	209.00	81.89
DMI Finance ESOP Plan 2022	212.81	29.82%	6.83%	-	212.81	84.13
DMI Finance ESOP Plan 2022 - II	212.81	29.82%	6.83%	-	212.81	84.13
Employment Contract - Aug'22 - II	217.77	29.91%	7.65%	-	217.77	89.63
Employment Contract - Aug'22 - III	217.77	29.91%	7.65%	-	217.77	89.63
Employment Contract - Jun'22	212.81	29.82%	6.83%	-	212.81	84.13
Employment Contract - Mar'23	225.11	29.91%	7.65%	-	225.11	92.86
Employment Contract - Nov'22	217.77	29.91%	7.65%	-	221.53	88.32
Employment Contract - Sep'22	217.77	29.91%	7.65%	-	221.53	88.32
Employment Contracts - Apr'22	212.81	29.82%	6.83%	-	212.81	84.13
Employment Contracts - Jul'22	217.77	29.91%	7.65%	-	217.77	89.63
Employment Contracts - May'22	212.81	29.82%	6.83%	-	212.81	84.13
Founder Circle Award 2022-23 (NBFC Feb'23)	225.11	29.91%	7.65%	-	225.11	103.28
DMI Finance ESOP Plan 2023	259.18	24.15%	7.18%	-	259.18	95.57
Founder Circle Award 2023-24 (NBFC Apr'23)	259.18	24.15%	7.18%	-	259.18	107.15
Employment Contract - Jul'23	259.18	19.09%	7.10%	-	259.18	88.09
Employment Contract - Oct'23	276.54	18.09%	7.13%	-	281.84	95.44
Employment Contract - Jan'24	285.69	16.90%	7.07%	-	285.00	93.84
DMI Finance ESOP Plan 2024	285.69	16.90%	7.07%	-	285.00	93.84
Employment Contract - Apr'24	285.69	17.05%	7.00%	-	283.86	92.51
Employment Contract - Jul'24	283.86					

The Company applies the fair value method of accounting to account for stock options issued by it to the employees of the Company. The fair market value of such instruments as at the grant date is recognized as an expense over the period in which the related services are received. Accordingly, fair value of the stock options and restricted stock units is amortized on a straight-line basis over the vesting period of the stock options. The Company recognizes share based compensation in the Statement of Profit and Loss with a corresponding credit to Share based payments outstanding reserve.

The employees' compensation expense for Stock options during the year ended 31 March 2025 amounts to Rs. 273.04 millions (previous year Rs. 387.45 millions).

Details of Group ESOP Plan

Options have been given to employees of the Group in accordance with "DMI Employee Stock Option Plan - 2018".

The Company has entered into cost chargeback agreement with the grantor and post this agreement the Company would be required to pay the difference of market price of the options and exercise price of the options exercised by the employees of the Company, to DMI Housing Finance Private Limited. Therefore, in the current year, share based compensation expense has been recognized in the Statement of Profit and Loss with a corresponding credit to a liability account.

During the financial year 2018-19, as per the scheme options were granted to employees of the Grantor. The Company has recognised the expense of Rs. 0.34 Millions (previous year: Rs. 2.81 Millions) as share based compensation expense in relation to these options with a corresponding credit to a liability account which is Rs. 2.25 millions as on March 31, 2025 (Rs. 12.87 Millions as on March 31, 2024).



DMI Finance Private Limited
Notes to the standalone financial statements
(All Amount in Rs. millions, unless otherwise stated)

40 Disclosures in respect of Related Parties as per Indian Accounting Standard (Ind AS) – 24 'Related Party Disclosures'

(a) List of related parties

Holding company
DMI Limited

Subsidiaries
DMI Management Services Private Limited (upto 1 Nov 2023)
DMI Capital Private Limited
Appnit Technologies Private Limited
DMI Intotech Solutions Private Limited (w.e.f 26 Aug 2024)

Associate
DMI Alternatives Private Limited (upto 25 Sep 2023)

Fellow subsidiaries
DMI Housing Finance Private Limited

Joint Venture
Amprverse DMI Private Limited (w.e.f 05 July 2023)

Key managerial personnel (KMP)

Name	Designation
Mr. Yuvraja Chanakya Singh	Non-Executive Director (Joint Managing Director upto Jan 20, 2025)
Mr. Shivasish Chatterjee	Managing Director (Joint Managing Director upto Jan 20, 2025)
Mrs. Bina Singh	Non Executive Director (upto Dec 25, 2024)
Mrs. Jayati Chatterjee	Non Executive Director (upto Dec 25, 2024)
Mr. Gurcharan Das	Non Executive Director
Mr. Nipendar Kochhar	Non Executive Director
Mr. Alfred Victor Mendota	Nominee Director
Mr. Masakazu Osawa	Nominee Director (w.e.f May 22, 2023 upto Mar 25, 2025)
Ms. Naomi Kolke Hauser	Nominee Director (w.e.f Apr 13, 2024)
Mr. Tamir Amr	Independent Director (w.e.f Dec 26, 2024)
Mr. Arjun Malhotra	Independent Director (w.e.f Dec 26, 2024)
Ms. Jyoti Kheria	Company Secretary (w.e.f May 16, 2024 upto Dec 13, 2024)
Mr. Niraj Khandelwal	Chief Financial Officer (w.e.f Nov 13, 2024 upto Apr 29, 2025)
Mr. Vivek Wadhwa	Chief Financial Officer (w.e.f Aug 14, 2023 to Apr 03, 2024)
Mr. Jallinder Bhasin	Interim Chief Financial Officer (w.e.f Apr 25, 2024 upto Nov 12, 2024)
Ms. Reena Jayara	Company Secretary (w.e.f Feb 14, 2025)
Mr. Menashige Nakazono	Nominee Director (w.e.f Mar 28, 2025)

Note:

Mr Arpit Baheti appointed as Interim Chief Financial Officer w.e.f May 23, 2025

Relatives of KMP

Relative of Mr. Yuvraja Chanakya Singh
Mrs. Bina Singh
Relative of Mr. Shivasish Chatterjee
Ms. Promita Chatterjee
Mrs. Jayati Chatterjee

Enterprises over which key management personnel and relatives of such personnel exercise significant influence with whom transactions have been undertaken:

Quickwork Technologies Private Limited
2022 Revocable Trust of Yuvraj C. Singh
Shivasish Chatterjee Revocable Trust
DMI Alternatives Private Limited (w.e.f 26 Sep 2023)
DMI Management Services Private Limited (w.e.f 2 Nov 2023)

Entity with significant influence
Ganeshs fixed income limited



DMI Finance Private Limited
Notes to the standalone financial statements
(All Amount in Rs. millions, unless otherwise stated)

(b) Significant transactions with related parties:

Name of related party	Nature of transaction	For the year ended	For the year ended
		Mar 31, 2025	March 31, 2024
DMI Housing Finance Private Limited	Cost share recovery	35.68	38.37
	Share based expense	10.05	17.21
	Amount paid in respect of exercise of warrant/ESOP	14.97	-
	Reimbursement of expense paid by related party on behalf of entity	7.51	1.52
DMI Management Services Private Limited	Cost share recovery	-	0.04
	Dividend income	-	16.00
DMI Capital Private Limited	Cost share recovery	0.60	0.60
	Share based expense	1.48	1.71
	Conversion of CCPS to equity	185.56	-
DMI Infotech Solutions Private Limited	Cost share recovery	6.36	-
	Reimbursement of expense paid by related party on behalf of entity	16.54	-
	Investment in optionally convertible debentures	220.00	752.88
	Investment in compulsory convertible debentures	30.00	-
	Issuance of equity shares pursuant to conversion of optionally convertible debentures, compulsorily convertible debentures and interest accrued thereon (net off TDS)	1,090.73	-
	Interest income from optionally convertible debentures	95.94	-
	Interest income from compulsory convertible debentures	1.99	-
	Other expense	30.60	-
DMI Alternatives Private Limited	Cost share recovery	85.24	44.18
	Share based expense	0.65	2.48
	Payment received for options and warrants	5.03	-
	Reimbursement of expense paid by related party on behalf of entity	2.62	2.46
	Other expenses	-	38.66
	Sale of units of Alternative Investment Fund (Special Opportunities Scheme)	-	1.45
	Sale of shares held in DMI Management	-	4.59
Ampverse DMI Private Limited	Investment in compulsorily convertible preference shares	106.60	131.20
Ganisha Fixed Income Limited	Interest expense	10.79	10.83
	Repayment of loan	-	124.00
	Debt raised (NCD)	134.00	-
Apennit Technologies Pvt Ltd	Cost share recovery	28.62	23.71
	Reimbursement of expense paid by related party on behalf of entity	0.32	0.03
	Other expenses	47.61	80.17
	Investment in equity shares	131.00	69.00
2022 Revocable Trust of Yuvraj C. Singh	Sale of shares held in DMI Alternatives	-	33.52
	Sale of units of Alternative Investment Fund (Special Opportunities Scheme)	-	1.89
Shivashish Chatterjee Revocable Trust	Sale of shares held in DMI Alternatives	-	33.52
	Sale of units of Alternative Investment Fund (Special Opportunities Scheme)	-	1.89
Quickwork Technologies Private Limited	Other Expenses	12.94	10.29
General Mobile Technology India Private Limited	Other expense	15.05	-
Name of related party	Nature of transactions	For the year ended	For the year ended
		March 31, 2025	March 31, 2024
Mr. Sahib Pehwa	Remuneration	-	5.59
	Loan granted	-	7.79
	Options exercised	-	5.20
	Reimbursement of expenses	-	0.01
	Repayment of loan granted	-	7.79
Mrs. Bina Singh	Sitting fee	0.16	0.18
	Reimbursement of expenses	0.21	0.13
Mr. Yuvraj Chanakya Singh	Remuneration	53.40	61.06
	Post employment benefits	0.29	0.16
	Issue of equity shares	-	-
	Sitting fee	0.06	-
Mr. Shivashish Chatterjee	Remuneration	51.24	60.70
	Post employment benefits	0.36	0.36
	Issue of equity shares	-	-
	Reimbursement of expenses	10.38	7.56



DMI Finance Private Limited
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Mrs. Jayati Chatterjee	Sitting fees	0.26	0.24
Mr. Tammir Amr	Sitting fees	0.08	-
Mr. Guicharan Das	Sitting fees	0.20	0.16
Mr. Nipender Kochhar	Sitting fees	0.34	0.26
	Loan granted	-	5.21
	Interest income on loan	-	0.02
	Warrants exercised	-	5.21
	Repayment of loan granted	-	5.23
Mr. Arjun Malhotra	Sitting fees	0.02	-
Mr. Vivek Wadhera*	Remuneration	0.68	11.16
	Reimbursement of expenses	-	0.06
Mr. Krishan Gopal*	Remuneration	-	3.36
	Loan granted	-	0.81
	Options exercised	-	0.67
	Repayment of loan granted	-	0.81
Ms. Promita Chatterjee	Consultancy fee	1.58	1.48
Ms. Shilpi Varshney*	Remuneration	-	1.00
Ms. Nyoti Kharia*	Remuneration	1.44	-
Mr. Jaiinder Bhasin*	Remuneration	19.36	-
Ms. Reena Jayara*	Remuneration	0.83	-
Mr. Niraj Khandewal*	Remuneration	4.41	-

* Remuneration does not include post employment benefits

(c) Outstanding balances with related parties:

Name of related party	Nature of balances	As at	As at
		March 31, 2025	March 31, 2024
DMI Alternatives Private Limited	Employee Stock Option Plan recoverable	2.21	6.58
	Trade Receivable	40.27	33.96
DMI Capital Private Limited	Employee Stock Option Plan recoverable	4.00	1.52
	Investment in equity	386.55	0.99
	Investment in compulsorily convertible preference shares	-	385.56
DMI Housing Finance Private Limited	Employee Stock Option Plan payable	34.75	39.66
	Other payable	0.14	-
	Trade Receivable	10.74	-
Ganeshra Fixed Income Limited	Borrowings from Non-convertible debentures	134.00	-
	Interest expense	10.70	-
Apnik Technologies Private Limited	Investment in equity	663.04	532.03
	Investment in compulsorily convertible preference shares	21.97	21.97
Quickwork Technologies Private Limited	Other payable	0.26	-
DMI Infotech Solutions Private Limited	Investment in equity	1,093.48	3.58
	Other payables	3.56	-
	Investment in optionally convertible debentures	-	752.88
Amperve DMI Private Limited	Investment in compulsorily convertible preference shares	237.80	131.20

(d) Disclosure pursuant to Schedule V of Clause A (2) of Regulation 53(f) of the SEBI (Listing obligations and disclosure Requirements) Regulations, 2015:

There is no loan or advance given by the Company to either holding company or subsidiary companies.



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41 Segment Information

The Managing Director (Chief Operating Decision Maker) reviews the operations at the Company level. The operations of the Company fall under "financing activities" only, which is considered to be the only reportable segment in accordance with the provisions of Ind AS 108 – Operating Segments. The Company operates in a single geographical segment, i.e., domestic.

42 As per Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated October 19, 2023 (as amended from time to time). Non-banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset classification and provisioning (IRACP) norms (including provision on Standard Asset). The impairment allowances under Ind AS 109 made by Company exceeds the total Provision required under IRACP (including Standard Asset provisioning), as at March 31, 2025 and accordingly no amount is required to be transferred to impairment reserve.

43 Capital

The Company actively manages its capital base to cover risk inherent to its business and meets the capital adequacy requirements of the regulator, Reserve Bank of India (RBI).

(i) Capital management:

Objective

The Company's objective is to maintain appropriate levels of capital to support its business strategy taking into account the regulatory, economic and commercial environment. The Company aims to maintain a strong capital base to support the risks inherent to its business and its growth strategy. The Company endeavours to maintain a higher capital base than the mandated regulatory capital at all times.

Planning

The Company's assessment of capital requirement is aligned to its planned growth which forms part of an annual operating plan which is approved by the Board and also a long range strategy. These growth plans are aligned to assessment of risks- which include credit, liquidity and interest rate.

The Company endeavours to maintain its Capital Risk Adequacy Ratio (CRAR) higher than the mandated regulatory norm. Accordingly, increase in capital is planned well in advance to ensure adequate funding for its growth.

(ii) Regulatory capital

	As at March 31, 2025	As at March 31, 2024
Tier I capital	64,365.93	64,764.42
Tier II capital	243.06	1,304.96
Total capital (Tier I + II)	64,608.99	66,069.38
Risk weighted assets	105,812.06	147,603.48
CRAR - Tier I capital (%)	60.83%	43.88%
CRAR - Tier II capital (%)	0.23%	0.88%
CRAR (%)	61.06%	44.76%

The CRAR is computed as per Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated October 19, 2023 (as amended from time to time).

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025 and March 31, 2024.

44 Contingent liabilities and commitments (to the extent not provided for)

	As at March 31, 2025	As at March 31, 2024
a. Contingent liabilities		
GST matter in respect of mismatch of GSTR 1 and GSTR 3B	3.57	-
GST matter in respect of mismatch of GSTR 2A and Table 8A of GSTR 9	1.14	-
GST matter in respect of mismatch of place of supply between the invoice entered by counterparty and the Company	6.73	-
b. Commitments		
Commitments for acquisition of property, plant and equipment (net of advances)	-	7.17
Commitments for intangible assets under development (net of advances)	0.58	0.47
c. Others		
In case of un-disbursed loan facility, the Company has sole and absolute discretion to allow or reject any further drawdown request. Hence, undrawn commitment for the Company are amounting to Nil (previous year Rs. Nil).		
d. The Company has other commitments, for purchase of goods and services and employee benefits, in the normal course of business.		
e. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.		



DMI Finance Private Limited
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45 Reconciliation of liabilities arising from financing activities

Particulars	Debt securities	Borrowings other than debt securities	Liability against leased assets	Total
April 01, 2023	16,837.91	23,888.51	242.29	40,968.71
Cash flows:				
- Repayment	(19,879.53)	(27,369.22)	(78.65)	(47,327.40)
- Proceeds	11,888.82	62,808.56	-	74,697.38
Non-cash				
- Deferment / amortisation of upfront fees and other charges	14.96	181.43	-	196.39
- Additions during the year	-	-	77.92	77.92
- Others	-	-	23.73	23.73
March 31, 2024	8,862.16	59,509.28	265.29	68,636.73
Cash flows:				
- Repayment	(10,501.25)	(66,997.00)	(110.75)	(77,608.99)
- Proceeds	10,900.72	42,048.77	-	52,949.49
Non-cash				
- Deferment / amortisation of upfront fees and other charges	5.67	103.16	-	108.82
- Additions during the year	-	-	263.29	263.29
- Deletions during the year	-	-	(0.88)	(0.88)
- Others	-	-	43.74	43.74
March 31, 2025	9,267.30	34,664.21	460.69	44,392.20

Note: There is no non cash movement in investing activities except depreciation of Rs. 53.38 millions (previous year Rs. 49.43 millions) in Property, Plant and Equipment.

46 Leases

The Company has lease contracts for office and residential spaces taken on lease. The lease terms are between 1 to 10 years. The Company also has certain lease with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

The carrying amounts of right-of-use assets recognized and the movements during the period are as follows:

Particulars	March 31, 2025	March 31, 2024
Balance at the beginning of the year	219.48	196.35
Additions made during the year	263.29	77.92
Deletions during the year	(0.91)	-
Amortisation on right of use assets	83.35	54.79
Balance at the end of the year	358.51	219.48

The carrying amounts of lease liabilities and the movements during the period are as follows:

Particulars	March 31, 2025	March 31, 2024
Balance at the beginning of the year	265.29	242.29
Additions made during the year	263.29	77.92
Interest accretion for the year	43.74	23.73
Deletions during the year	(0.88)	-
Payments made during the year	(110.75)	(78.65)
Balance at the end of the year	460.69	265.28

The effective interest rate for lease liabilities is 10%, with maturity ranging to 2030-31.

The following are the amounts recognized in profit and loss:

Particulars	March 31, 2025	March 31, 2024
Amortisation expense in respect of right-of-use asset	83.35	54.79
Interest expense in respect of lease liabilities	43.74	23.73
Expense relating to short-term leases (included on other expenses)	3.64	9.72
Total amount recognised in profit or loss	130.73	88.24

The Company's total cash outflows for leases was Rs 110.75 Millions during the year (previous year Rs 78.65 Millions)

Maturity Analysis of Lease Liabilities

Particulars	March 31, 2025	March 31, 2024
Upto 1 month	6.31	5.02
Over 1 month to 2 month	6.56	4.57
Over 2 months to 3 months	6.62	3.75
Over 3 months to 6 months	20.25	10.11
Over 6 months to 1 year	37.82	17.12
Over 1 year to 3 years	149.13	83.74
Over 3 years and upto 5 years	87.96	70.28
Over 5 years	152.04	70.70
Total	460.69	265.29



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47 Tax expenses

The major components of income tax expense for the years ended March 31, 2025 and March 31, 2024 are:

	Year ended March 31, 2025	Year ended March 31, 2024
Current tax	152.30	2,226.12
Deferred tax credit	(128.15)	(916.44)
Income tax expense reported in the statement of profit or loss	24.15	1,309.68

The major components of tax expense and its reconciliation to expected tax expense based on the enacted tax rate applicable to the Company is 25.17% (March 31, 2024: 25.17%) and the reported tax expense in statement of profit and loss are as follows:

	Year ended March 31, 2025	Year ended March 31, 2024
Profit before tax	77.26	5,476.06
Income-tax rate	25.17%	25.17%
Expected tax expense	19.44	1,378.22
Expenditure on Corporate Social Responsibility disallowed u/s 37	17.86	9.18
Interest paid to Associated Enterprise disallowed u/s 94B	2.72	2.73
Disallowance/addition u/s 36(1)(va) and 43B	0.18	-
Capital Expenditure disallowed u/s 37	0.25	5.62
Difference between accounting income and taxable income on investments	-	(62.41)
Differential Tax Rate on Long term capital gains	-	(24.07)
Others	(16.30)	0.42
Tax expense	24.15	1,309.68



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48 Maturity analysis of assets and liabilities:

Particulars	As at March 31, 2025			As at March 31, 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	8,939.10	-	8,939.10	10,259.51	-	10,259.51
Bank balance other than cash and cash equivalents	1,433.42	1,048.84	2,482.26	1,003.78	148.01	1,151.79
Trade receivables	88.78	-	88.78	64.57	-	64.57
Loans	51,817.75	23,536.59	75,354.34	77,308.04	41,119.92	118,427.96
Investments	20,218.64	3,421.79	23,640.43	2,842.87	3,447.44	6,290.31
Other financial assets	509.91	88.67	598.58	1,139.75	31.34	1,171.09
Non-financial assets						
Current tax assets (net)	1,434.05	-	1,434.05	128.56	-	128.56
Deferred tax assets (net)	-	2,171.07	2,171.07	-	2,043.48	2,043.48
Property, plant and equipment	-	142.53	142.53	-	141.04	141.04
Capital work in progress	-	-	-	4.68	-	4.68
Right to use assets	84.86	313.65	398.51	44.49	174.99	219.48
Intangible assets	-	35.73	35.73	-	30.97	30.97
Intangible assets under development	3.71	-	3.71	2.54	-	2.54
Other non-financial assets	297.33	2.07	299.40	220.83	2.30	223.13
Assets held for sale	75.00	-	75.00	75.00	-	75.00
	84,902.55	30,760.94	115,663.49	93,094.62	47,139.49	140,234.11
LIABILITIES AND EQUITY						
LIABILITIES						
Financial liabilities						
A) Trade payables						
(i) total outstanding dues of micro and small enterprises	8.11	-	8.11	25.33	-	25.33
(ii) total outstanding dues of creditors other than micro and small enterprises	1,054.16	-	1,054.16	1,545.06	28.27	1,573.33
B) Other payables						
(i) total outstanding dues of micro and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro and small enterprises	846.33	11.93	858.26	713.01	17.35	730.36
Debt securities	2,443.86	6,823.44	9,267.30	1,945.40	6,916.76	8,862.16
Borrowings (other than debt securities)	25,240.55	9,423.66	34,664.21	31,959.05	27,550.23	59,509.28
Lease liabilities	77.56	383.13	460.69	40.57	224.72	265.29
Other financial liabilities	393.30	102.84	496.14	682.09	-	682.09
Non financial liabilities						
Provisions	3.97	170.59	174.56	3.22	128.43	131.65
Other non-financial liabilities	146.21	1.86	148.07	290.63	4.71	295.34
Equity						
Equity share capital	-	7,426.32	7,426.32	-	7,424.87	7,424.87
Other equity	-	61,105.67	61,105.67	-	60,734.41	60,734.41
	30,214.05	85,449.44	115,663.49	37,204.36	103,029.75	140,234.11



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49 Disclosure of expected credit loss and provisions required as per Income Recognition and Asset Classification norms;

(Amount in Rs. Crores)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS*	Expected Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3) - (4)	(6)	(7) = (4) - (6)
Performing Assets						
Standard	Stage 1	7,369.29	208.63	7,160.66	29.89	178.74
	Stage 2	451.77	252.65	199.12	2.27	250.38
Subtotal		7,821.06	461.28	7,359.78	32.16	429.12
Non-Performing Assets (NPA)						
Substandard	Stage 3	123.64	59.10	64.54	12.36	46.74
Doubtful - up to 1 year	Stage 3	80.72	40.36	40.36	16.14	24.22
1 to 3 years	Stage 3	182.22	71.11	111.11	54.67	16.44
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful	Stage 3	262.94	111.47	151.47	70.81	40.66
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		386.58	170.57	216.01	83.17	87.40
Other Items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	7,369.29	208.63	7,160.66	29.89	178.74
	Stage 2	451.77	252.65	199.12	2.27	250.38
	Stage 3	386.58	170.57	216.01	83.17	87.40
	Total	8,207.64	631.85	7,575.79	115.33	516.52

* This includes credit substitutes of Rs. 807.16 millions



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50 Risk management

Introduction and risk profile

The Company is a Non-banking financial company in India and is regulated by the Reserve Bank of India (RBI). In view of the intrinsic nature of operations, the Company is exposed to a variety of risks, which can be broadly classified as liquidity risk, credit risk, interest rate risk and equity price risk. It is also subject to various regulatory risks.

Risk management structure and policies

As a lending institution, Company is exposed to various risks that are related to lending business and operating environment. The Principal Objective in Company's risk management processes is to measure and monitor the various risks that Company is subject to follow policies and procedures to address such risks. Company's risk management framework is driven by Board and its subcommittees including the Audit Committee, the Asset Liability Management Committee and Risk Management Committee. Company gives due importance to prudent lending practices and have implemented suitable measures for risk mitigation, which include verification of credit history from credit information bureaus, personal verification of a customer's business and residence, technical and legal verifications, conservative loan to value.

(A) Liquidity risk

Liquidity risk is the potential for loss to an institution arising from either its inability to meet its obligations or to fund increases in assets as they fall due without incurring unacceptable cost or losses.

The Company manages liquidity risk by measuring and managing net funding requirements using a maturity ladder and calculation of cumulative surplus or deficit of funds at selected maturity dates which has been adopted as a standard tool. The Company's Assets-Liability Committee (ALCO) is responsible for determining the appropriate mix of available funding sources utilized to ensure Company liquidity is managed prudently and appropriately. With regard to the process of liquidity management, ALCO also considers the current economic and market environment, near-term loan growth projections and long-term strategic business decisions.

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities

March 31, 2025	upto 1 month	Over 1 month to 2 month	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Financial assets									
Cash and cash equivalents	8,939.23	1.78							8,941.01
Bank balance other than Cash and cash equivalents	2.89		91.70	569.70	864.79	1,055.07	-	-	2,584.15
Trade receivables	48.07	40.31	0.40	0.00	-	-	-	-	88.78
Loans	7,065.43	7,803.29	7,367.68	18,602.87	25,070.56	27,056.26	4,090.67	1.23	97,057.99
Investments	17,817.74	529.77	378.85	1,071.31	1,235.11	259.69	1,006.80	2,793.80	24,593.06
Other financial assets	3.12	231.51	140.11	27.10	108.06	55.18	10.83	22.67	598.58
Financial liabilities									
Payables	668.17	196.43	198.64	3.55	841.82	11.93	-	-	1,920.53
Debt securities	18.50		117.92	2,774.60	369.44	7,554.51	-	-	10,829.98
Borrowings (other than debt securities)	1,908.74	2,798.01	3,849.88	7,535.95	11,610.47	10,220.15	-	-	37,513.18
Lease liabilities	10.35	10.36	10.36	31.13	58.07	206.27	127.81	175.09	629.23
Other financial liabilities	89.54		232.73	71.03	-	102.84	-	-	496.14

March 31, 2024	upto 1 month	Over 1 month to 2 month	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Financial assets									
Cash and cash equivalents	10,259.93								10,259.93
Bank balance other than Cash and cash equivalents	2.75		245.75	230.08	587.31	160.48	-	-	1,226.37
Trade receivables	24.56	6.06	32.95						64.57
Loans	11,957.34	11,190.64	10,511.66	26,591.65	35,038.58	45,373.32	3,798.98	1,591.20	146,053.37
Investments	321.75	342.48	357.15	979.10	1,213.71	1,847.79	807.16	1,460.38	7,329.52
Other financial assets	25.84	65.77	349.80	688.95	9.39	0.49	19.93	10.92	1,771.09
Financial liabilities									
Payables	1,014.74	371.00	177.97	731.60	32.35	1.36	-	-	2,329.02
Debt securities			344.59	230.91	2,049.54	8,021.38	-	-	10,646.42
Borrowings (other than debt securities)	4,225.10	2,256.30	4,069.62	11,468.92	13,874.13	28,517.25	1,651.53	-	66,063.85
Lease liabilities	7.23	6.74	5.88	16.33	28.84	120.91	90.29	82.64	358.86
Other financial liabilities	719.97	135.67	20.12	8.07	298.31	-	-	-	682.09



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(B) Credit risk

Credit risk arises from the potential that an obligor is either unwilling to perform on an obligation or its ability to perform such obligation is impaired resulting in economic loss to the Company. The Company's credit risk management framework is categorized into following main components:

- Senior management's oversight
- Organizational structure
- Systems and procedures for identification, acceptance, measurement, monitoring and controlling risks.

It is the overall responsibility of the Company's senior management to approve the Company's credit risk strategy and lending policies relating to credit risk and its management. To maintain credit discipline and to enunciate credit risk management and control process there is a separate risk management department independent of loan origination function. The risk management department performs the function of credit policy formulation, credit limit setting, monitoring of credit exceptions / exposures and review / monitoring of documentation.

The carrying amount of financial assets represents the maximum credit exposure.

Analysis of risk concentration

The following table shows the risk concentration by industry for the financial assets of the Company.

March 31, 2025	Financial services	Government	Real estate	MSME	Services and manufacturing	Retail	Others	Total
Financial asset								
Cash and cash equivalents	8,939.10	-	-	-	-	-	-	8,939.10
Bank balance other than cash and cash equivalents	2,482.26	-	-	-	-	-	-	2,482.26
Loans - Corporate*	118.66	-	2,748.45	-	-	-	-	2,867.11
Loans - Consumer loans*	-	-	-	-	-	72,487.23	-	72,487.23
Trade receivables	88.78	-	-	-	-	-	-	88.78
Investments*	19,015.12	-	403.59	-	-	-	4,221.72	23,640.43
Other financial assets	516.77	-	-	-	-	-	81.81	598.58
Total	31,160.69	-	3,152.04	-	-	72,487.23	4,303.53	111,103.49

March 31, 2024	Financial services	Government	Real estate	MSME	Services and manufacturing	Retail	Others	Total
Financial asset								
Cash and cash equivalents	10,259.51	-	-	-	-	-	-	10,259.51
Bank balance other than cash and cash equivalents	1,151.79	-	-	-	-	-	-	1,151.79
Loans - Corporate*	472.14	-	3,643.56	-	-	-	464.68	4,580.38
Loans - Consumer loans*	-	-	-	793.77	-	113,053.81	-	113,847.58
Trade receivables	43.90	-	-	-	-	-	20.67	64.57
Investments*	1,319.80	-	403.59	-	-	-	4,566.92	6,290.31
Other financial assets	168.39	-	-	-	-	-	1,002.70	1,171.09
Total	13,415.53	-	4,047.15	793.77	-	113,053.81	6,054.97	137,365.23

* Net of impairment loss allowance

(C) Market risk

Market risk is the risk that the value of on and off-balance sheet positions of a financial institution will be adversely affected by movements in market rates or prices such as interest rates, foreign exchange rates, equity prices, credit spreads and/or commodity prices resulting in a loss to earnings and capital. Financial institutions may be exposed to market risk in variety of ways. Market risk exposure may be explicit in portfolios of securities / equities and instruments that are actively traded. Conversely it may be implicit such as interest rate risk due to mismatch of loans and deposits. Besides, market risk may also arise from activities categorized as off-balance sheet item. Therefore, market risk is potential for loss resulting from adverse movement in market risk factors such as interest rates, forex rates, equity and commodity prices. The Company's exposure to market risk is primarily on account of interest rate risk and equity price risk.

Total market risk exposure

Particulars	As at March 31, 2025	As at March 31, 2024	Primary risk sensitivity
ASSETS			
Financial assets			
Investments (Other than credit substitutes)**	19,644.23	2,213.26	Equity price
Credit substitutes and pass through certificate**	4,399.77	4,480.62	Interest rate
LIABILITIES			
Financial liabilities			
Debt securities	9,267.30	8,862.16	Interest rate
Borrowings (other than debt securities)	34,664.21	59,509.28	Interest rate

**Gross of impairment loss allowance



DMI Finance Private Limited
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(i) Interest rate risk:-

Interest rate risk arises when there is a mismatch between positions, which are subject to interest rate adjustment within a specified period. The Company's lending, funding and investment activities give rise to interest rate risk. The immediate impact of variation in interest rate is on the Company's net interest income, while a long term impact is on the Company's net worth since the economic value of the assets, liabilities and off-balance sheet exposures are affected. While assessing interest rate risks, signals given to the market by RBI and government departments from time to time and the financial industry's reaction to them shall be continuously monitored.

Due to the very nature of financing, the Company is exposed to moderate to higher interest rate risk. This risk has a major impact on the balance sheet as well as the income statement of the Company. Interest rate risk arises due to:

- i) Changes in regulatory or market conditions affecting the interest rates
- ii) Short term volatility
- iii) Prepayment risk translating into a reinvestment risk
- iv) Real interest rate risk.

Interest rate risk exposure

Variable Rate Borrowings
Fixed Rate Borrowings

	As at March 31, 2025	As at March 31, 2024
Variable Rate Borrowings	23,945.57	52,994.37
Fixed Rate Borrowings	19,985.99	15,377.07

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) on the Company's statement of profit and loss:

Particulars	Effect on net profit	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Decrease in 50 basis points	214.80	171.08
Increase in 50 basis points	(214.80)	(171.08)

(ii) Equity price risk

Impact on	As at March 31, 2025					
	Increase in equity price (%)	Effect on profit before tax	Effect on Equity	Decrease in equity price (%)	Effect on profit before tax	Effect on Equity
FVTOCI Investments	10%	-	39.10	10%	-	(39.10)
FVTPL Investments	10%	1,685.04	-	10%	(1,685.04)	-

Impact on	As at March 31, 2024					
	Increase in equity price (%)	Effect on profit before tax	Effect on Equity	Decrease in equity price (%)	Effect on profit before tax	Effect on Equity
FVTOCI Investments	10%	-	114.15	10%	-	(114.15)
FVTPL Investments	10%	-	-	10%	-	-

(iii) Foreign Currency risk exposure

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency fluctuation risk for its foreign currency receivables.

(a) The foreign currency exposures for the year ended are as follows:

Particulars	As at March 31, 2025 ^a		As at March 31, 2024 ^a	
	Total	Unhedged	Total	Unhedged
Trade Receivables (INR - In millions)	0.13	0.33	1.46	1.46
Trade Receivables (USD - In millions)	0.00	0.00	0.02	0.02

^a Including indirect taxes

Note: There is no hedged foreign currency exposure

(b) Sensitivity Analysis

The following table demonstrates the sensitivity to a reasonably possible change in foreign exchange rates (all other variables being constant) on the Company's statement of profit and loss:

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
Decrease by 1%	(0.00)		(0.01)	
Increase by 1%	0.00		0.01	



DMI Finance Private Limited
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51. Financial Instruments

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 in the principal (or most advantageous) market at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using a valuation technique.

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

Valuation governance

The Company's process to determine fair values is part of its periodic financial close process. The Audit Committee exercises the overall supervision over the methodology and models to determine the fair value as part of its overall monitoring of financial close process and controls. The responsibility of ongoing measurement resides with business units. Once submitted fair value estimates are also reviewed and challenged by the risk and finance functions.

Assets and liabilities by fair value hierarchy

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

	31 March 2025				31 March 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets measured at fair value on a recurring basis								
<i>Financial investment measured at FVTPL</i>								
Compulsorily convertible preference shares in DMI Capital Private Limited	-	-	-	-	-	-	385.56	385.56
<i>Mutual funds</i>	16,850.43	-	-	16,850.43	-	-	-	-
Total financial investment measured at FVTPL	16,850.43	-	-	16,850.43	-	-	385.56	385.56
<i>Financial investments measured at FVOCI</i>								
Credit Substitutes	-	-	213.39	213.39	-	-	213.39	213.39
Compulsorily convertible preference shares in Saarathi Finbiz Private Limited	-	-	160.01	160.01	-	-	160.01	160.01
7,500 Optionally convertible debentures in DMI Infotech Solutions Private Limited (Formerly known as DMI Consumer Credit Private Limited) of face value of Rs 1,00,000 each	-	-	-	-	-	-	752.88	752.88
Loans	-	-	-	-	-	-	-	-
Non-convertible debentures - unquoted	-	-	72.33	72.33	-	-	104.87	104.87
<i>Equity Instruments</i>								
DMI Infotech Solutions Private Limited (Formerly known as DMI Consumer Credit Private Limited)	-	-	-	-	-	-	3.58	3.58
Alchemist Asset Reconstruction Company Limited	-	-	226.20	226.20	-	-	219.24	219.24
<i>Other Instruments</i>								
Units of DMI AIF Special Opportunities Scheme	-	-	4.76	4.76	-	-	5.80	5.80
Total financial investments measured at FVOCI	-	-	676.69	676.69	-	-	1,459.77	1,459.77
Total financial assets measured at fair value	16,850.43	-	676.69	17,527.12	-	-	1,845.33	1,845.33



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Valuation techniques

Financial instruments measured at FVTPL (other than CCPs)

The equity instruments which are traded on public stock exchanges with readily available active prices on a regular basis and are classified as level 1. Units held in mutual funds are valued at NAV of respective investment and are classified as Level 1.

Equity instruments measured at FVOCI

Equity instruments in non-listed entities are valued on a case-by-case either based on net worth of investee company or valuation report issued by independent Valuer using discounted cash flow method, are classified as Level 3.

Debt Securities and loans at FVOCI

A. Fair Value is calculated by discounting future cashflows.

B. The discounting spread is calculated as summation of yields of G-Sec for similar tenure, sector specific spread, liquidity spread and spread based on score from internal risk rating model.

C. The risk rating model incorporates both quantitative and qualitative information on the borrower. Some of the factors that risk model considers are –

- Area delivered in past across segments
- Financial strength (of the entity and group)
- Debt track record (debt repaid in past, current & past delinquency)
- Stages of various projects of developer
- Asset cover (Cashflow and security)

There have been no transfers between Level 1, Level 2 and Level 3 for the Year ended March 31, 2025 and March 31, 2024.

Movements in Level 3 financial instruments measured at fair value

	Equity Shares	Units of DMI AIF Special Opportunities Scheme	Security receipts of Alchemist XV Trust	Credit Substitutes*	NCD Unquoted*	Compulsorily Convertible Debentures*	Optionally Convertible Debentures*	Compulsorily convertible preference shares	Total
At March 31, 2023	1,365.35	9.73	-	537.43	137.80	2,160.27	-	385.56	4,586.14
Purchase	45.00	-	-	-	-	-	750.00	160.01	955.01
Change in classification	-	-	-	-	-	-	-	-	-
Income Accrued	-	-	-	32.28	14.99	108.58	2.88	-	158.73
Sales / settlements	(1,270.55)	(5.23)	-	(356.32)	(47.92)	(2,274.32)	-	-	(3,954.34)
Transfers into Level 3	-	-	-	-	-	-	-	-	-
Transfer from Level 3	-	-	-	-	-	-	-	-	-
Gains / loss for the period recognized in the Statement of Profit and Loss	89.54	-	-	-	-	5.47	-	-	95.01
Gains / loss for the period recognized in the other comprehensive income	(6.52)	1.30	-	-	-	-	-	-	(5.22)
At March 31, 2024	222.82	5.80	-	213.39	104.87	-	752.88	545.57	1,845.33
Purchase	-	-	-	-	-	-	-	-	-
Change in classification	(3.58)	-	-	-	-	-	(752.88)	(385.56)	(1,142.02)
Income Accrued	-	-	-	-	-	-	-	-	-
Sales / settlements	-	(1.52)	-	-	(32.54)	-	-	-	(34.06)
Transfers into Level 3	-	-	-	-	-	-	-	-	-
Transfer from Level 3	-	-	-	-	-	-	-	-	-
Gains / loss for the period recognized in the Statement of Profit and Loss	-	-	-	-	-	-	-	-	-
Gains / loss for the period recognized in the other comprehensive income	6.96	0.48	-	-	-	-	-	-	7.44
At March 31, 2025	226.20	4.76	-	213.39	72.33	-	-	160.01	676.69

*Total Gains/Loss for the period recognized in the Statement of Profit and Loss consists of income other than fair value change



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Impact on fair value of level 3 financial Instruments measured at fair value of changes to key assumptions

The table summarises the valuation techniques together with the significant unobservable inputs used to calculate the fair value of the Company's level 3 assets and liabilities.

March 31, 2025	Fair value of Level 3 assets	Valuation technique	Significant unobservable inputs
Compulsorily convertible preference shares in Saarathi Finbiz Private Limited	160.01	Comparable Company Method	Enterprise value
Equity shares in Alchemist Asset Reconstruction Company Limited	226.20	Discounted Projected Cash Flows	Discount margin / spread
Credit Substitutes	213.39	Discounted Projected Cash Flows	Discount margin / spread
Non-convertible debentures - unquoted	72.33	Discounted Projected Cash Flows	Discount margin / spread
Units of DMI AIF Special Opportunities Scheme	4.76	Assets under management of units of respective class of Investee Fund	Instrument price
Total	676.69		

March 31, 2024	Fair value of Level 3 assets	Valuation technique	Significant unobservable inputs
Compulsorily convertible preference shares in DMI Capital Private Limited	385.56	Net Worth of Investee Company	Instrument price
Equity shares in DMI Infotech Solutions Private Limited (formerly known as Consumer Credit Private Limited)	3.58	Net Worth of Investee Company	Instrument price
7,500 Optionally convertible debentures in DMI Infotech Solutions Private Limited (Formerly known as DMI Consumer Credit Private Limited)	752.88	Discounted Projected Cash Flows	Discount margin / spread
Compulsorily convertible preference shares in Saarathi Finbiz Private Limited	160.01	Adjusted Backsolve Method	Enterprise value
Equity shares in Alchemist Asset Reconstruction Company Limited	219.24	Discounted Projected Cash Flows	Discount margin / spread
Credit Substitutes	213.39	Discounted Projected Cash Flows	Discount margin / spread
Non-convertible debentures - unquoted	104.87	Discounted Projected Cash Flows	Discount margin / spread
Units of DMI AIF Special Opportunities Scheme	5.80	Assets under management of units of respective class of Investee Fund	Instrument price
Total	1,845.33		

Quantitative analysis of significant unobservable inputs

Instrument price

Given the nature of this approach, there is no range of prices used as inputs.

Discount margin/spreads

Discount margin/spreads represent the discount rates used when calculating the present value of future cash flows. In discounted cash flow models such spreads are added to the benchmark rate when discounting the future expected cash flows. Hence, these spreads reduce the net present value of an asset or increase the value of a liability. They generally reflect the premium an investor expects to achieve over the benchmark interest rate to compensate for the higher risk driven by the uncertainty of the cash flows caused by the credit quality of the asset. They can be implied from market prices and are usually unobservable for illiquid or complex instruments.



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Sensitivity of fair value measurements to changes in unobservable market data

The table below describes the effect of a 10% movement in the significant unobservable input.
All changes, except for financial instruments at FVOCI would be reflected in Statements of Profit and Loss.

Particulars	March 31, 2025		March 31, 2024	
	Favourable changes	Unfavourable changes	Favourable changes	Unfavourable changes
Instruments measured through FVTPL				
Compulsorily convertible preference shares in DMI Capital Private Limited	-	-	38.56	(38.56)
Total (A)	-	-	38.56	(38.56)
Instruments measured through FVTOCI				
Equity shares in DMI Infotech Solutions Private Limited (Formerly known as DMI Consumer Credit Private Limited)	-	-	0.36	(0.36)
Equity shares in Alchemist Asset Reconstruction Company Limited	22.62	(22.62)	21.92	(21.92)
Credit Substitutes	21.34	(21.34)	21.34	(21.34)
Non-convertible debentures - unquoted	7.23	(7.23)	10.49	(10.49)
Units of DMI AIF Special Opportunities Scheme	0.48	(0.48)	0.58	(0.58)
Compulsorily convertible preference shares in Saarthi Finbiz Private Limited	16.00	(16.00)	16.00	(16.00)
Optionally convertible debentures in DMI Infotech Solutions Private Limited (Formerly known as DMI Consumer Credit Private Limited)	-	-	75.29	(75.29)
Total (B)	67.67	(67.67)	145.98	(145.98)
Total (A+B)	67.67	(67.67)	184.54	(184.54)

The above analysis has been made without considering the impact of tax.

Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables.

Borrowings - At Amortised cost

These includes term loans, securitisation and debt securities. The fair values of such liabilities are estimated using a discounted cash flow model based on contractual cash flows using actual or estimated yields and discounting by yields incorporating the counterparties' credit risk. These instrument are classified in Level 3. The carrying value of borrowings is approximately similar to fair value.

Investments - At amortised cost

These includes Credit substitutes, corporate loans, pass through certificates. The fair values of such instruments are estimated using a discounted cash flow model based on contractual cash flows using actual or estimated yields and discounting by yields incorporating the counterparties' credit risk. These instrument are classified in Level 3. The carrying value of investments classified at amortised cost is approximately similar to fair value.

Assets and liabilities other than above

The carrying value of assets and liabilities other than investments and borrowings at amortised cost represents a reasonable approximation of fair value



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52 Disclosures in accordance with Master Direction – Reserve Bank of India [Non-Banking Financial Company – Scale Based Regulation] Directions, 2023, as amended from time to time

(A) i) Registration/ license/ authorization, by whatever name called, obtained from other financial sector regulators;

The Company is a private limited company registered with Reserve Bank of India as a Non-banking finance company vide certificate of registration no.14.03176 dated January 5, 2009

ii) Ratings assigned by credit rating agencies and migration of ratings during the year;
During the year the following ratings have been assigned to the Company

(Amount in Rs. crores)						
Name of the rating agency	Amount	Rating as on 31st March 2025	Type of facility	At the beginning of year	Change during Year	Remarks
ICRA Ratings	90.53	NA	PTC Series A1 (PLUM-II)	[ICRA]AAA(SO)	Withdrawn	Withdrawn on 31 Jan 2025.
ICRA Ratings	77.27	NA	PTC Series A1 (PLUM-III)	[ICRA]AAA(SO)	Withdrawn	Withdrawn on 27 May 2024.
ICRA Ratings	149.12	[ICRA]AAA(SO)	PTC Series A1 (PLUM-III)	[ICRA]AAA(SO)	No change	Rating reaffirmed on January 27, 2025.
ICRA Ratings	83.00	NA	PTC Series A1 (PLUM 24-1)	[ICRA]AA(SO)	Withdrawn	Rating upgraded from [ICRA]AA(SO) to [ICRA]AAA (SO) on August 27, 2024. Withdrawn on 31 January 2025.
ICRA Ratings	64.91	NA	PTC Series A1 (PLUM 24-2)	[ICRA]AA(SO)	Withdrawn	Rating upgraded from [ICRA]AA(SO) to [ICRA]AAA (SO) on April 08, 2024 Withdrawn on 31 January 2025.
ICRA Ratings	150.45	[ICRA]AA(SO)	PTC Series A1 (PLUM 24-3)	[ICRA]AA(SO)	No change	Rating reaffirmed on October 29, 2024.
ICRA Ratings	127.24	[ICRA]AA(SO)	PTC Series A1 (PLUM 24-4)	[ICRA]AA(SO)	No change	Rating reaffirmed on December 30, 2024.
ICRA Ratings	97.76	[ICRA]AA(SO)	PTC Series A1 (PLUM 24-5)	[ICRA]AA(SO)	No change	Rating reaffirmed on December 30, 2024.
ICRA Ratings	51.43	[ICRA]AA+(SO)	PTC Series A1 (PLUM 24-6)	[ICRA]AA+(SO)	No change	Rating reaffirmed on January 20, 2025.
ICRA Ratings	186.28	[ICRA]AA(SO)	PTC Series A1 (PLUM 24-7)	[ICRA]AA(SO)	No change	Rating reaffirmed on January 27, 2025.
ICRA Ratings	48.33	[ICRA]AA+(SO)	PTC Series A1 (PLUM 24-10)	[ICRA]AA+(SO)	No change	Provisional rating reaffirmed as final [ICRA]AA+(SO) on April 29, 2024
ICRA Ratings	104.07	[ICRA]AA+(SO)	PTC Series A1 (PLUM 24-11)	[ICRA]AA+(SO)	No change	Provisional rating reaffirmed as final [ICRA]AA+(SO) on April 08, 2024
ICRA Ratings	146.00	[ICRA]AA (SO)	PTC Series A1 (PLUM 24-9)	NA	Newly Assigned	Provisional rating [ICRA]AA(SO); Assigned on April 12, 2024 [ICRA]AA(SO) Provisional rating confirmed as final on June 03, 2024
ICRA Ratings	215.52	Series A1- AAA (SO) Series A2- AA+ (SO)	PTC Series A1 (PLUM 24-8) PTC Series A2 (PLUM 24-8)	NA	Newly Assigned	PTC Series A1: Provisional rating [ICRA]AAA(SO); Assigned on April 08, 2024 PTC Series A2: Provisional rating [ICRA]AA+(SO); Assigned on April 08, 2024 PTC Series A1: [ICRA]AAA(SO) Provisional rating confirmed as final on May 24, 2024 PTC Series A2: [ICRA]AA+(SO) Provisional rating confirmed as final on May 24, 2024
ICRA Ratings	216.31	[ICRA]AA (SO)	PTC Series A1 (PLUM 25-1)	NA	Newly Assigned	Provisional rating [ICRA]AA(SO); Assigned on June 18, 2024 [ICRA]AA(SO) Provisional rating confirmed as final on June 26, 2024
ICRA Ratings	83.25	[ICRA]AA+ (SO)	PTC Series A1 (PLUM 25-2)	NA	Newly Assigned	Provisional rating [ICRA]AA+(SO); Assigned on June 26, 2024 [ICRA]AA+(SO) Provisional rating confirmed as final on July 29, 2024
ICRA Ratings	60.19	[ICRA]AA+ (SO)	PTC Series A1 (PLUM 25-3)	NA	Newly Assigned	Provisional rating [ICRA]AA+(SO); Assigned on July 01, 2024 [ICRA]AA+(SO) Provisional rating confirmed as final on July 08, 2024
ICRA Ratings	186.93	Series A1- AAA (SO) Series A2- AA+ (SO)	PTC Series A1 (PLUM 25-4) PTC Series A2 (PLUM 25-4)	NA	Newly Assigned	PTC Series A1: Provisional rating [ICRA]AAA(SO); Assigned on September 12, 2024 PTC Series A2: Provisional rating [ICRA]AA+(SO); Assigned on September 12, 2024 PTC Series A1: [ICRA]AAA(SO) Provisional rating confirmed as final on October 29, 2024 PTC Series A2: [ICRA]AA+(SO) Provisional rating confirmed as final on October 29, 2024
ICRA Ratings	88.13	[ICRA]AA+ (SO)	PTC Series A1 (PLUM 25-6)	NA	Newly Assigned	Provisional rating [ICRA]AA+(SO); Assigned on September 02, 2024 [ICRA]AA+(SO) Provisional rating confirmed as final on September 09, 2024
ICRA Ratings	282.07	[ICRA]AA (SO)	PTC Series A1 (PLUM 25-7)	NA	Newly Assigned	Provisional rating [ICRA]AA(SO); Assigned on September 30, 2024 [ICRA]AA(SO) Provisional rating confirmed as final on October 07, 2024
ICRA Ratings	199.89	[ICRA]AA (SO)	PTC Series A1 (PLUM 25-8)	NA	Newly Assigned	Provisional rating [ICRA]AA(SO); Assigned on March 24, 2025 [ICRA]AA(SO) Provisional rating confirmed as final on April 02, 2025
ICRA Ratings	211.61	Series A1- AAA (SO) Series A2- AA+ (SO)	PTC Series A1 (APRIUM 25-1)	NA	Newly Assigned	PTC Series A1: Provisional rating [ICRA]AAA(SO); Assigned on October 10, 2024 PTC Series A2: Provisional rating [ICRA]AA+(SO); Assigned on October 10, 2024 PTC Series A1: [ICRA]AAA(SO) Provisional rating confirmed as final on August 23, 2024 PTC Series A2: [ICRA]AA+(SO) Provisional rating confirmed as final on August 23, 2024



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ICRA Ratings	150.00	NA	Long-term Market Linked Debentures	PP-MLD(ICRA)AA (Stable)	Rating Withdrawn	Ratings reaffirmed on 13 August 2024 Ratings reaffirmed on 20 September 2024 Ratings placed on Watch with Negative Implications on 24 October 2024 Ratings reaffirmed to PP-MLD(ICRA)AA (Stable), removed from Rating Watch and Withdrawn on 17 January 2025
ICRA Ratings	1,100.00	(ICRA)A1+	Commercial paper	(ICRA)A1+	Rating enhancement	Ratings reaffirmed on 13 August 2024 Ratings reaffirmed on 20 September 2024 Rating amount enhanced from Rs. 600 Crores to Rs. 1100 Crores on 24 October 2024. Ratings reaffirmed on 17 January 2025
ICRA Ratings	8,462.00	(ICRA)AA (Stable) (ICRA)A1+	Long-term/short-term fund-based/non-fund based others	(ICRA)AA (Stable)	Rating enhancement and (ICRA)A1+ assigned	Rating amount enhanced from Rs. 5962 Crores to Rs. 8462 Crores and (ICRA)A1+ assigned on 13 August 2024 Ratings reaffirmed on 20 September 2024 Long-term ratings placed on Watch with Negative Implications and (ICRA)A1+ reaffirmed on 24 October 2024 Long term ratings reaffirmed to (ICRA)AA (Stable) and removed from Rating Watch. (ICRA)A1+ reaffirmed on 17 January 2025
ICRA Ratings	1,235.00	(ICRA)AA (Stable)	Non-convertible debentures	(ICRA)AA (Stable)	Rating enhancement	Ratings reaffirmed on 13 August 2024 Rating amount enhanced from Rs. 835 Crores to Rs. 1235 Crores on 20 September 2024. Ratings placed on Watch with Negative Implications on 24 October 2024 Ratings reaffirmed to (ICRA)AA (Stable) and removed from Rating Watch on 17 January 2025.

iii) Penalties, if any, levied by any regulator;

The following penalties were imposed on the company during financial Year 2024-25:

- 1) Fine amounting Rs. 75,520/- (inclusive applicable taxes) cumulatively was levied by the Bombay Stock Exchange vide communications dated May 30, 2024 and August 29, 2024 for non-appointment of a qualified company secretary as the compliance officer.
- 2) Fine of Rs. 11,800/- (inclusive applicable taxes) was imposed by the Bombay Stock Exchange on July 1, 2024 for delay in submission of the notice of Record Date.
- 3) Fine of Rs. 56,640/- (inclusive applicable taxes) was imposed by the Bombay Stock Exchange on May 03, 2024 for non-compliance with respect to the requirement of the Para 8.8 of Chapter XVII of SEBI circular dated August 10, 2021.

iv) Information namely, area, country of operation and joint venture partners with regard to joint ventures and overseas subsidiaries

The Company has its main operations in India situated in Delhi/NCR and also has offices situated in Mumbai, Bengaluru, Noida, Gurugram and Kolkata. The Company does not have any overseas subsidiaries. Further, the Company has entered into a Joint Venture with Arsperve DMI Private Limited during the FY 23-24.



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(a)(i) Capital to risk assets ratio (CRAR)

Particulars

i) CRAR (%)

ii) CRAR- Tier I capital (%)

iii) CRAR- Tier II capital (%)

iv) Amount of subordinated debt raised as Tier-II capital

v) Amount raised by issue of Perpetual Debt Instruments

	Numerator	Denominator
	Adjusted Tier I and Tier II Capital	Risk weighted assets
	Adjusted Tier I Capital	Risk weighted assets
	Adjusted Tier II Capital	Risk weighted assets

	March 31, 2025	March 31, 2024
	61.06%	44.76%
	60.83%	43.88%
	0.23%	0.88%

Basis of Ratios

a. Adjusted Tier I Capital

b. Adjusted Tier II Capital

Total Capital

c. Risk weighted assets

	(Amount in Rs. crores)
Year ended	Year ended
31 March 2025	31 March 2024

6,436.59	6,476.44
24.30	130.50
6,460.89	6,606.94
10,581.20	14,760.35

(ii) Investments

Particulars

1) Value of Investments[#]

i) Gross Value of Investments^{*}

a) In India

b) Outside India

ii) Provisions for Depreciation^{}**

a) In India

b) Outside India

iii) Net Value of Investments

a) In India

b) Outside India

2) Movement of provisions held towards depreciation on investments.

i) Opening Balance

ii) Add: Provisions made during the year

iii) Less: Write-off / write-back of excess provisions during the year

iv) Closing Balance

	(Amount in Rs. crores)
March 31, 2025	March 31, 2024

2,404.40	669.39
40.36	40.36
2,364.04	629.03
40.36	111.72
-	(71.36)
40.36	40.36

^{*}The Company has Investment in FVOCI, FVTPL and Amortised Cost category, the fair valuation of which is included in the gross value of investment.

^{**}Provision of depreciation comprises of impairment loss allowance on the investments.

[#] Investments include credit substitutes and pass through certificate.

(iii) Derivatives

a. The Company has not dealt in derivatives during the FY 2024-25 and FY 2023-24, therefore no details are to be disclosed.

b. The derivatives do not include embedded derivatives as per IND AS 109.

c. Exchange Traded Interest Rate (IR) Derivatives

The Company has no dealings in exchange traded interest rate derivatives during the FY 2024-25 and FY 2023-24, therefore no details are to be disclosed.

d. Disclosures on Risk Exposure in Derivatives

The Company does not deal in derivatives therefore no details are to be disclosed.



DMI Finance Private Limited
Notes to the standalone financial statements
(All Amount in Rs. millions, unless otherwise stated)

IV) Asset Liability Management Maturity pattern of certain items of Assets and Liabilities

Maturity Pattern of Assets and Liabilities as on March 31, 2025

(Amount in Rs. crores)

Particulars	1 to 7 days	8 to 14 days	15 days to 30 days	Over 1 month to 2 month	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years and upto 5 years	Over 5 years	Total
Investments*	-	-	1,726.97	48.52	33.96	97.85	114.57	22.44	-	279.37	2,323.68
Borrowings*	-	-	176.48	203.50	357.22	926.30	1,104.95	1,624.70	-	-	4,393.15
Advances*	564.09	4.55	86.62	642.82	658.78	1,525.10	2,055.05	2,246.07	424.48	0.08	8,207.64
-Corporate	-	-	30.46	-	53.42	11.87	8.62	36.41	324.53	-	465.31
-Consumer	564.09	4.55	56.16	642.82	605.36	1,513.23	2,046.43	2,209.66	99.95	0.08	7,742.33
Other financial assets	-	-	0.31	23.15	14.01	2.71	10.81	5.52	1.08	2.27	59.86

* Investments do not include Credit Substitutes, same have been considered as Advances. Advances are gross of impairment loss allowance.

Borrowings includes debt securities.

Maturity Pattern of Assets and Liabilities as on March 31, 2024

(Amount in Rs. crores)

Particulars	1 to 7 days	8 to 14 days	15 days to 30 days	Over 1 month to 2 month	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years and upto 5 years	Over 5 years	Total
Investments*	-	-	29.95	30.57	29.64	86.99	107.13	158.35	-	146.04	588.67
Borrowings*	8.52	269.98	121.48	181.30	389.60	1,042.78	1,376.78	3,314.95	131.75	-	6,837.14
Advances*	972.44	2.30	44.30	950.15	894.79	2,233.21	2,887.50	3,819.59	415.95	159.12	12,379.35
-Corporate	-	-	12.83	0.57	17.01	13.07	124.20	115.11	187.47	159.05	629.31
-Consumer	972.44	2.30	31.47	949.58	877.78	2,220.14	2,763.30	3,704.48	228.48	0.07	11,750.04
Other financial assets	0.08	0.01	2.50	6.58	34.98	68.89	0.94	0.05	1.99	1.09	117.11

* Investments do not include Credit Substitutes, same have been considered as Advances. Advances are gross of impairment loss allowance.

Borrowings includes debt securities.

V) Instances of fraud

(Amount in Rs. crores)

Nature of fraud	March 31, 2025				March 31, 2024			
	No. of cases	Amt. of fraud	Recovery	Amt. written off	No. of cases	Amt. of fraud	Recovery#	Amt. written off
Cash embezzlement	-	-	-	-	-	-	-	-
Loan given against fictitious documents	93*	0.62	0.04	0.62	119*	1.67	0.10	1.16
Fraud by external party	-	-	-	-	-	-	-	-
Fraud Committed by Customer	-	-	-	-	-	-	-	-

* All the frauds reported during the financial year ended March 31, 2025 and March 31, 2024 are fraud committed by external party and reported to RBI upto March 31, 2025 and March 31, 2024 respectively.

Recovered from selling partner under First Loss Default Guarantee (FLDG) arrangement.



DMI Finance Private Limited
Notes to the standalone financial statements
(All Amount in Rs. millions, unless otherwise stated)

VI) Exposures
A Exposure to Real Estate Sector

Category	(Amount in Rs. crores)	
	March 31, 2025	March 31, 2024
a) Direct Exposure (includes loans and credit substitutes)		
i) Residential Mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	23.17	49.38
ii) Commercial Real Estate -		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits	430.27	529.62
iii) Investments in Mortgage Backed Securities (MBS) and other securitized exposures -		
Residential	-	-
Commercial Real Estate	-	-
b) Indirect Exposure		
Total Exposure to Real Estate Sector *	459.44	579.00
*Includes exposure to sub-standards assets as well		

B Exposure to Capital Market**

Category		
(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;	278.90	220.75
(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;	38.49	4.23
(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 Alternative Investment Funds:		
(i) Category I	-	-
(ii) Category II	0.48	0.58
(iii) Category III	-	-
Total Exposure to Capital Market	317.87	225.56

**At carrying value

C Details of financing of parent company products

The Company has not financed any parent company product during the current year and previous year

D Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC

The Company has not exceeded any single or group borrower limits during the FY 2024-25 and FY 2023-24 as per prescribed RBI guidelines therefore no details are being provided

E Unsecured Advances

The Company has not granted unsecured advances against collateral of intangible securities such as charge over the rights, licenses or authority.

Additional Disclosures

VII) Provisions and contingencies	(Amount in Rs. crores)	
	March 31, 2025	March 31, 2024
Break up of 'Provisions and Contingencies' shown under the head expenditure in Statement of Profit and Loss		
Provisions for depreciation on Investment*	-	(71.36)
Provision towards NPA	41.17	(36.28)
Provision made towards Income tax	15.23	222.61
Provision made/(released) towards deferred tax	(12.82)	(91.64)
Other provision and contingencies		
Provision for gratuity	2.14	1.65
Provision for compensated absences	2.82	2.93
Provision for Standard Assets	94.48	95.95
# Investments include credit substitutes		

Figures in brackets represent amounts credited to Statement of Profit and Loss

VIII) Draw Down from Reserves

The Company has not draw downed any amount from the Reserves during the current year and previous year



DMI Finance Private Limited
Notes to the standalone financial statements
(All Amount in Rs. millions, unless otherwise stated)

		(Amount in Rs. crores)	
		March 31, 2023	March 31, 2024
IX)	Concentration of Deposits, Advances, Exposures and NPAs		
	Concentration of Deposits		
	Concentration of Advances*		
	Total Advances to twenty largest borrowers	479.65	636.80
	Percentage of Advances to twenty largest borrowers to Total Advances	5.84%	5.03%
	Concentration of Exposures*		
	Total Exposure to twenty largest borrowers / customers	479.65	636.80
	Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the borrowers / customers	5.84%	5.03%
	Concentration of NPAs**		
	Total Exposure to top four NPA accounts	296.49	289.14
	**Represent Stage III loans including interest		
	*considered gross of unamortised income		
X)	Movement of NPAs		
	Net NPAs to Net Advances (%) *	2.69%	1.58%
	Movement of NPAs (Gross)		
	Opening balance	322.63	270.63
	Additions during the year	130.41	153.08
	Reductions during the year	66.46	101.08
	Closing balance	386.58	322.63
	Movement of Net NPAs		
	Opening balance	193.24	110.13
	Additions during the year	47.85	82.30
	Reductions during the year	25.08	(0.81)
	Closing balance	216.01	193.24
	Movement of provisions for NPAs (excluding provisions on standard assets)		
	Opening balance	129.39	160.50
	Provisions made during the year	82.56	70.78
	Write-off / write-back of excess provisions	41.38	101.89
	Closing balance	170.57	129.39
	* Net Advances are taken net of provisions against Stage 3 assets		
XI)	Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)		
	The Company does not have any Joint Venture or Subsidiary abroad, therefore no details to be reported		
XII)	Off- Balance sheet SPVs sponsored		
	The Company does not have any Off- Balance sheet SPV, therefore no details to be reported		
XIII)	Disclosure of Gold Loan Portfolio		
	Total Gold Loan Portfolio	-	-
	Total Assets	-	-
	Gold loan portfolio as % of Total Assets	-	-
XIV)	Disclosure of Gold Auction		
	Number of loan accounts	-	-
	Outstanding Amount	-	-
	Value fetched on auctions	-	-
XV)	Details of Off balance sheet exposure		
	Refer note 44 for details of contingent liabilities and commitments		
XVI)	Loan accounts past due 90 days and not treated as Impaired		
	Number of loan accounts	-	-
	Loan outstanding	-	-
	Overdue Amount	-	-



DMI Finance Private Limited
Notes to the standalone financial statements
(All Amount in Rs. millions, unless otherwise stated)

XVII) Schedule to the Balance Sheet
As required in terms of Master Direction - Reserve Bank of India (Non-Banking Financial Company-Scale Based Regulations) Directions, 2023

		(Amount in Rs. crores)	
S.No	Particulars Liabilities side	Amount Outstanding (March 31,2025)	Amount Overdue
1	Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid:		
a	Debentures : Secured	382.69	-
	Debentures : Unsecured (other than falling within the meaning of public deposits)	536.60	-
b	Deferred Credits	-	-
c	Term Loans	2,360.37	-
d	Inter corporate loans and borrowings	-	-
e	Commercial Paper	24.39	-
f	Public Deposit	-	-
g	Other loans (lease liability, Cash credit & Securitization)	1,157.06	-
2	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid)		
a	In the form of Unsecured debentures	-	-
b	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
c	Other public deposits	-	-
Assets side		Amount Outstanding (March 31,2025)	
3	Break-up of Loans and Advances including bills receivables (net) *		
a	Secured	1,705.25	
b	Unsecured	5,830.18	
4	Break up of Leased Assets and stock on hire and other assets counting towards asset financing		
1	Lease assets including lease rentals under sundry debtors	-	
(a)	Financial lease	-	
(b)	Operating lease	-	
2	Stock on hire including hire charges under sundry debtors	-	
(a)	Assets on hire	-	
(b)	Repossessed Assets	-	
3	Other loans counting towards asset financing activities	-	
(a)	Loans where assets have been repossessed	-	
(b)	Loans other than (a) above	-	
5	Break up of Investments		
	Current Investments		
1	Quoted	-	
(i)	Shares	-	
	(A) Equity	-	
	(B) Preference	-	
(ii)	Debentures and Bonds	-	
(iii)	Units of Mutual Funds	-	
(iv)	Government Securities	-	
(v)	Others (Please specify)	-	
2	Unquoted		
(i)	Shares	-	
	(A) Equity	-	
	(B) Preference	-	
(ii)	Debentures and Bonds	-	
(iii)	Units of Mutual Funds	1,685.04	
(iv)	Government Securities	-	
(v)	Others - Units of Alternative Investment Fund and Investment in pass through certificate	336.82	



DMI Finance Private Limited
Notes to the standalone financial statements
(All Amount in Rs. millions, unless otherwise stated)

Assets side	Amount Outstanding (March 31, 2025)
Long Term Investments	
1 Quoted	
(i) Shares	-
(A) Equity	-
(B) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of Mutual Funds	-
(iv) Government Securities	-
(v) Others (Please specify)	-
2 Unquoted	
(i) Shares	
(A) Equity	236.93
(B) Preference	41.98
(ii) Debentures and Bonds	40.36
(iii) Units of Mutual Funds	-
(iv) Government Securities	-
(v) Others - Units of Alternative Investment Fund and investment in pass through certificate	22.92

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

Category	Amount net of provision		Total
	Secured	Unsecured	
a Subsidiaries	-	-	-
b Companies in the same group	-	-	-
c other related parties	-	-	-
Other than related parties	1,705.25	5,830.18	7,535.44
Total			

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

Category	Market Value	Book value (net of provisions) #
Related Party		
a Subsidiaries	216.50	216.50
b Companies in the same group	23.78	23.78
c Other related parties	-	-
Other than related parties	2,123.76	2,123.76
Total	2,364.04	2,364.04

8 Other Information

Particulars	Amount
Gross Non Performing Assets	
a. Related parties	-
b. Other than related parties	386.58
Net Non Performing Assets	
a. Related parties	-
b. Other than related parties	216.01

* Net of impairment loss allowance

Book value is carrying value as per IND AS



DMI Finance Private Limited
Notes to the standalone financial statements
(All Amount in Rs. millions, unless otherwise stated)

XVIII) Disclosure relating to Securitization

As required in terms of paragraph 116 of Master Direction – Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021

S.No	Particulars	(Amount in Rs. crores)	
		As on March 31, 2025	As on March 31, 2024
1	No of SPEs holding assets for securitisation transactions originated by the originator (only the SPVs relating to outstanding securitization exposures to be reported here)	17	12
2	Total amount of securitised assets as per books of the SPEs	1,560.71	898.85
3	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet		
a	Off Balance Sheet Exposure		
	(i) First Loss		-
	(ii) Others		-
b	On Balance Sheet Exposure		
	(i) First Loss	219.98	108.26
	(ii) Others	310.20	130.87
4	Amount of exposures to securitisation transactions other than MRR		
a	Off Balance Sheet Exposure		
	(i) Exposure to own securitisations		
	First Loss	-	-
	Others	-	-
	(ii) Exposure to third party securitisations		
	First Loss	-	-
	Others	-	-
b	On Balance Sheet Exposure		
	(i) Exposure to own securitisations		
	First Loss	-	-
	Others	-	-
	(ii) Exposure to third party securitisations		
	First Loss	-	-
	Others	-	-
5	Gain/loss on sale on account of securitisation	2,744.64	1,230.39
6	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	-	-
7	Performance of facility provided Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided.		
	(a) Amount paid	1,393.13	
	(b) Repayment received	1,177.56	
	(c) Outstanding amount	30.45	108.96
8	Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	-	-
9	Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	-	-
10	Investor complaints (a) Directly/Indirectly received and; (b) Complaints outstanding	-	NA

XIX) Loans to Directors, Senior Officers and relatives of Directors

As required in terms of paragraph 7 of Loans and Advances – Regulatory Restrictions - NBFCs

Sr. No. Particulars

- 1 Directors and their relatives
- 2 Entities associated with directors and their relatives
- 3 Senior Officers (including KMP) and their relatives

(Amount in Rs. crores)	
As on March 31, 2025	As on March 31, 2024
-	-
-	-
-	-

XX) There is no financing to Parent Company product in current and previous year.

XXI) There is no postponement of revenue recognition in current and previous year.

XXII) There is no drawdown from reserves in current and previous year.



(xiii) Related party disclosure
 As required by the MFCD (Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023)
 Transactions with related parties, amount outstanding at the year end and the maximum during the year:

S. No.	Item/related party	Parent (in per ownership or control)		Siblings		Associates/joint venture		Directors		Relatives of directors		Key management personnel		Holders of key management personnel		Others		Total	
		Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
(a)	Transactions during the year:																		
1	Advances given	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Repayment of advances given	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Repayment of borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Proceed from borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Dividend income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Sale of investment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Interest income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Interest expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Other income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Other expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Professional fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Balance outstanding at year end:																		
1	Investment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Maximum balance outstanding during the year:																		
1	Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Trade receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Other payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



DMI Finance Private Limited
Notes to the standalone financial statements
(All Amount in Rs. millions, unless otherwise stated)

xxiv) Sectoral Exposure

S.No	Sectors	As at March 31, 2025			As at March 31, 2024		
		Total Exposure (Rs. crore)*	Gross NPAs (Rs. crore)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (Rs. crore)*	Gross NPAs (Rs. crore)	Percentage of Gross NPAs to total exposure in that sector
1	Agriculture and Allied Activities	-	-	-	-	-	-
2	Industry						
	(i) Real Estate	453.44	319.66	70.50%	529.62	239.77	45.27%
	(ii) Manufacturing and Services	-	-	-	-	-	-
	(iii) Micro small and medium enterprises	-	-	-	79.92	0.23	0.29%
	(iv) Others	130.56	0.53	0.40%	52.24	52.24	100.00%
	Total of Industry	584.00	320.19	54.83%	661.78	292.24	44.16%
3	Services						
	(i) Financial Services	11.87	-	-	47.44	-	-
	(ii) Others	-	-	-	-	-	-
	Total of Services	11.87	-	-	47.44	-	-
4	Personal Loans						
	(i) Consumer durables and credit lines	1,551.38	10.02	0.65%	4,249.17	6.59	0.16%
	(ii) Other personal loans	6,060.40	56.37	0.93%	7,420.95	23.80	0.32%
	Total of Personal Loans	7,611.78	66.39	0.87%	11,670.12	30.39	0.26%
5	Others	-	-	-	-	-	-
	Grand Total (1+2+3+4+5)	8,207.64	386.58	4.71%	12,379.35	322.63	2.61%

* Total exposure includes investment in credit substitutes.



DMI Finance Private Limited
Notes to the standalone financial statements
(All Amount in Rs. millions, unless otherwise stated)

(XXV) Disclosure of complaints

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

S.no	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
A.	Complaints received by the NBFC from its customers		
i.	Number of complaints pending at beginning of the year	45	73
ii.	Number of complaints received during the year	6,620	8,637
iii.	Number of complaints disposed during the year	6,607	8,665
	Of which, number of complaints rejected by the NBFC	155	-
iv.	Number of complaints pending at the end of the year	58	45
B.	Maintainable complaints received by the NEFC from Office of Ombudsman		
i.	Number of maintainable complaints received by the NBFC from Office of Ombudsman	1,533	954
	Of (i), number of complaints resolved in favour of the NBFC by Office of Ombudsman	1,533	954
	Of (i), number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	81	0
	Of (i), number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	0	0
ii.	Number of Awards unimplemented within the stipulated time (other than those appealed)	NA	NA

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.

2) Top five grounds of complaints received by the NBFCs from customers

S.no	Grounds of complaints	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% Increase/decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Number of complaints pending beyond 30 days
March 31, 2025						
i.	Incorrect CIBIL updated	8	1,198	53.39%	24	-
ii.	Charged extra fee	15	1,049	(69.10%)	4	-
iii.	Payment not updated	2	857	(76.75%)	2	-
iv.	Bounce charges related	-	-	(100.00%)	-	-
v.	Collection related	17	3,197	545.86%	27	-
vi.	Other complaints	3	319	32.37%	1	-
		45	6,620		58	-
March 31, 2024						
i.	Incorrect CIBIL updated	4	761	(52.09%)	8	-
ii.	Charged extra fee	40	3,395	64.33%	15	-
iii.	Payment not updated	24	3,686	2.62%	2	-
iv.	Bounce charges related	2	39	(45.83%)	-	-
v.	Collection related	3	495	66.37%	17	-
vi.	Other complaints	-	241	72.14%	3	-
		73	8,637		45	-

(XXVI) Unhedged foreign currency exposure

For the details of unhedged foreign currency exposure, refer Note 50 (C)(iii)

(XXVII) Divergence in asset classification and provisioning

- (i) Additional provisioning assessed by RBI, exceeds 5 percent of the reported profits before tax and impairment loss on financial instruments for the reference period
- (ii) Additional Gross NPA Identified by RBI exceeds 5 percent of the Gross NPA for the reference period

There is no divergence assessed by RBI in asset classification and provisioning.

(XXVIII) Intra Group Exposure*

- 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 NBFC on borrowers/customers
- *Comprises of optionally convertible debentures on y

	Year ended March 31, 2025	Year ended March 31, 2024
As at		
March 31, 2025	0	75.29
March 31, 2024	0	75.29
	0.00%	0.59%

(XXIX) Net profit or loss for the period, prior period items and changes in accounting policies

There are no prior period items which are impacting Company's current year Profit and Loss.



DMI Finance Private Limited
Notes to the standalone financial statements
(All Amount in Rs. millions, unless otherwise stated)

- 53 Additional disclosures pursuant to Annex III of Norms on Restructuring of Advances by NBFCs Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated October 19, 2023 (as amended from time to time)-

S.No.	Type of Restructuring Asset Classification Details	Others				Total			
		Standard	Sub-Standard	Doubtful	Loss	Standard	Sub-Standard	Doubtful	Loss
1	Restructured Accounts as on April 01, 2024	No. of Borrowers	1	-	-	-	1	-	-
		Amount Outstanding	2.86	-	-	-	2.86	-	-
		Provision thereon	0.29	-	-	-	0.29	-	-
2	Fresh restructuring during the year	No. of Borrowers	-	-	-	-	-	-	-
		Amount Outstanding	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-
3	Upgradations to restructured standard category during the FY	No. of Borrowers	-	-	-	-	-	-	-
		Amount Outstanding	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of Borrowers	-	-	-	-	-	-	-
		Amount Outstanding	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-
5	Downgradations of restructured accounts during the FY	No. of Borrowers	-	-	-	-	-	-	-
		Amount Outstanding	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-
6	Write-offs of restructured accounts during the FY	No. of Borrowers	1	-	-	-	1	-	-
		Amount Outstanding	2.86	-	-	-	2.86	-	-
		Provision thereon	0.29	-	-	-	0.29	-	-
7	Restructured Accounts as on March 31, 2025	No. of Borrowers	-	-	-	-	-	-	-
		Amount Outstanding	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-

1) CDR restructuring segment and SME Debt Restructuring Mechanism is Nil.



DMI Finance Private Limited
Notes to the standalone financial statements
{All Amount in Rs. millions, unless otherwise stated}

54 Pursuant to RBI circular no. RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 (as amended from time to time), Liquidity credit risk (LCR) disclosures are presented as below:

(i) **Main LCR drivers and evolution of the contribution of inputs in LCR calculation over time**
The numerator of Liquidity Coverage Ratio (LCR) is driven by the quantum and composition of High Quality Liquid Assets (HQLA). The denominator of Liquidity Coverage Ratio (LCR) is driven by various components of the stressed cash flows.

(a) Composition of HQLA

HQLAs comprise of Cash and cash equivalents which include cash in hand and balances with scheduled commercial banks, including any fixed deposit (except pledged)

(b) Unsecured and secured wholesale funding

Borrowing maturities falling due in the next 30 days form a major component of cash outflows. It includes all NCD, Term Loan & Cash credit form of funding. Unsecured wholesale funding includes Unsecured NCDs.

(c) Outflows related to derivative exposures and other collateral requirements

During the reporting period, the Company did not have any derivative exposure.

(d) Other contractual funding obligations

Other contractual funding obligations are taken from other financial liabilities that includes, Trade Payable, Current tax liabilities, Other non-financial liabilities and other operating expenses that are not due shown in the Balance Sheet which are expected to be paid in the next 30 days.

(e) Other contingent funding obligations

Undrawn committed credit lines loans form a part of other contingent funding obligations.

(f) Secured lending

Secured Lending inflows include the Principal Inflows from the Wholesale Exposure of the Loan Book.

(g) Inflows from fully performing exposures

This head includes the Unsecured principal inflows from the Unsecured exposure of the loan book.

(h) Other inflows

For the LCR calculation, under other inflows, the major components are Interest Income, Penal Interest, Cash Income, PF Income, Trade receivables, balance with tax authorities which includes tax input credit and receivables from collection agencies and channel partners maturing in next 30 days.

(ii) **Intra period changes and changes over time**

The Company endeavors to maintain a healthy level of LCR at all points of time. The LCR table shows the movement of changes in each component over the reporting period. The average LCR moved from 404% for the quarter ended June 30, 2024 to 1203% for the quarter ended March 31, 2025.

(iii) **Concentration of funding sources**

The Liquidity Risk Management framework of the Company is governed by its Liquidity Risk Management Policy and Procedures approved by the Board. The Asset Liability Management Committee of the Board (ALCO) oversee the implementation of liquidity risk management strategy of the Company and ensure adherence to the risk tolerance/limits set by the Board. The Company maintains a robust funding profile, which is periodically monitored and reviewed by ALCO.

The Company has a diversified funding profile in the form of Bank term loans and Non-convertible debentures which are long-term in nature. Also, the Company has availed Working Capital Demand loan (WC DL) from various Banks. The Company is a non-deposit taking NBFC and hence, reporting nil deposits. The Company has a wide array of investors / bankers who have funded the Company through various funding instruments.

(iv) **Derivative exposures and collateral calls**

The Company did not indulge in derivative trading activities and hence was not exposed to derivative and collateral call risk during the reporting period.

(v) **Currency mismatches**

The Company was not exposed to any major currency risk during the reporting period.



DMI Finance Private Limited
Notes to the standalone financial statements
(All Amount in Rs. millions, unless otherwise stated)

A. Liquidity coverage ratio

	(Amount in Rs. crores)							
	As at June 30, 2024		As at September 30, 2024		As at December 31, 2024*		As at March 31, 2025*	
	Total un-weighted amount (Average)	Total weighted amount (Average)	Total un-weighted amount (Average)	Total weighted amount (Average)	Total un-weighted amount (Average)	Total weighted amount (Average)	Total un-weighted amount (Average)	Total weighted amount (Average)
High Quality Liquid Assets (HQLAs)	685.87	685.87	632.85	632.85	2,007.10	2,007.10	2,714.06	2,714.06
Cash Outflows								
Deposits (for deposit taking companies)								
Unsecured wholesale funding	87.84	101.02	75.92	87.31	129.21	148.59	13.70	15.76
Secured wholesale funding	382.42	439.78	729.62	839.06	579.14	666.01	647.61	744.75
Additional requirements, of which	-	-	-	-	-	-	-	-
Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
Credit and liquidity facilities	-	-	-	-	-	-	-	-
Other contractual funding obligations	120.44	138.51	138.71	159.52	131.60	151.34	123.71	142.27
Other contingent funding obligations	-	-	-	-	-	-	-	-
TOTAL CASH OUTFLOWS	590.70	679.31	944.25	1,085.89	839.95	965.94	785.02	902.78
Cash Inflows								
Secured lending	6.27	4.70	3.43	2.57	0.41	0.31	-	-
Inflows from fully performing exposures	1,335.95	1,001.96	1,330.01	997.51	1,224.53	918.40	906.11	679.58
Other cash inflows	7.24	5.43	1.24	0.93	4.70	3.53	-	-
TOTAL CASH INFLOWS	1,349.46	1,012.09	1,334.68	1,001.01	1,229.64	922.24	906.11	679.58
Total HQLA		585.87		632.85		2,007.10		2,714.06
Total net cash outflows		169.83		271.47		241.69		225.70
Liquidity coverage ratio (%)		404%		233%		831%		1203%

Notes:

1 The components of LCR is arrived at by taking a stock approach whereby from the month end outstanding of each component (as financial records), the portion expected to be paid in the next 30 days is considered.

2 The Average LCR is computed as simple averages of daily observations over the previous quarter.

3 Interest accrued but not due to be paid for the subsequent month is considered.

4 * Investment in mutual funds is included while computing High-quality liquid assets (HQLA) for Liquidity Coverage ratio.



DMI Finance Private Limited
Notes to the standalone financial statements
(All Amount in Rs. millions, unless otherwise stated)

- 6 Liquidity risk**
Public Disclosure on Liquidity Risk for the year ended March 31, 2025 pursuant to Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023

(Amount in Rs. crores)				
i) Funding concentration based on significant counterparty (refer note 1 below)				
Number of significant counterparties	Number of counterparties	Amount*	% of Total deposits	% of Total liabilities
As at 31 March 2025	20	4,074.45	-	86.45%
As at 31 March 2024**	20	6,369.49	-	88.37%

*Accrued interest but not due and unamortised transaction costs are included in borrowings.

**Above mentioned amount includes borrowing through PTC amounting to Rs 703.49 Cr, which has been considered as a single counterparty.

- ii) **Top 20 large deposits**
There are no deposits accepted by the Company during the year as Company is non-deposit taking NBFC.

(Amount in Rs. crores)		
iii) Top 10 borrowings		
	Total amount of top 10 borrowings*	Percentage of amount of top 10 borrowings to total borrowings
As at 31 March 2025	3,427.65	77.64%
As at 31 March 2024**	4,883.75	70.92%

*Accrued interest but not due and unamortised transaction costs are included in borrowings.

**Above mentioned amount includes borrowing through PTC amounting to Rs 703.49 Cr, which has been considered as a single counterparty.

(Amount in Rs. crores)				
iv) Funding Concentration based on significant instrument/product (refer note 2 below)				
Nature of significant instrument/product	As at March 31, 2025		As at March 31, 2024	
	Amount*	% of Total liabilities	Amount*	% of Total liabilities
Debentures	919.29	19.50%	889.90	12.35%
Term loans	2,360.36	50.08%	5,256.80	72.94%
PTC borrowings	1,110.99	23.57%	703.49	9.76%
Cash Credit	-	0.00%	11.29	0.16%
Total	4,390.64	93.16%	6,861.48	95.20%

*Accrued interest but not due and unamortised transaction costs are included in borrowings.

(Amount in Rs. crores)							
v) Stock ratios:							
Particulars	As at March 31, 2025				As at March 31, 2024		
	Amount	% of Total public funds	% of Total liabilities	% of Total assets	Amount	% of Total public funds	% of Total liabilities
Commercial papers	24.39	0.55%	0.52%	0.21%	24.54	0.36%	0.34%
Non-convertible debentures (original maturity of less than one year)	-	-	-	-	-	-	-
Other short-term liabilities	2,997.02	67.88%	63.59%	25.91%	3,695.90	53.67%	51.28%
Total public funds (refer note 3 below)*					4,415.03		6,886.02
Total liabilities					4,713.15		7,207.48
Total assets					11,566.35		14,023.41

*Accrued interest but not due and unamortised transaction costs are included in public funds.

Notes

1) Significant counterparty is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities as defined in Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023

2) Significant instrument/product is defined as a single instrument/product of group of similar instruments/ products which in aggregate amount to more than 1% of the NBFC NDSI's, NBFC-Ds total liabilities, as defined in Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023

3) Public funds include funds raised either directly or indirectly through public deposits, inter-corporate deposits (except from associate), deposits from corporates (except from associate), bank finance and all funds received from outside sources such as funds raised by issue of Commercial Papers, debentures etc. but excludes funds raised by issue of instruments compulsorily convertible into equity shares within a period not exceeding 5 years from the date of issue, as defined in Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023.

- vi) **Institutional set-up for liquidity risk management**

- a) The company is pro-active in managing liquidity risk with buffer for all repayments as per our liquidity risk management policy.
b) The company is diligent in managing the Asset Liquidity Management and the mis-matches are kept in check at all times.
c) This is reflected in the ALM reported to RBI previously which shows there is no negative cumulative mismatch in any duration bucket.
d) The positive mismatches are not significant showing the Company is efficient with their Liquidity Planning.



DMI Finance Private Limited
Notes to the standalone financial statements
(All Amount in Rs. millions, unless otherwise stated)

55 (a) Details of resolution plan implemented under the Resolution Framework for COVID-19 related stress as per RBI circular dated August 6, 2020 (Resolution Framework – 1.0) and May 5, 2021 (Resolution Framework 2.0) are given below:

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous year (A) March 31, 2024	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	(Amount in Rs. crores) Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this year March 31, 2025
Personal loans					
Of which MSMEs	0.11	-	-	0.10	0.01
Others	4.00	0.01	0.95	2.42	0.62
Corporate Persons*	-	-	-	-	-
Total	4.11	0.01	0.95	2.52	0.61

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

55 (b) Disclosures pursuant to Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 in terms of RBI circular RBI/DOR/2021-22 DOR STR.REC.51/21.04.048/2021-22 dated September 24, 2021:

A. Details of stressed loans transferred during the year ended March 31, 2025

Particulars	No's	To ARCs	To permitted transferees
i. No. of accounts		-	106,501
ii. Aggregate principal outstanding of loans transferred	Rs. crores	-	438.18
iii. Weighted average residual tenor of the loans transferred		-	NA
iv. Net book value of loans transferred (at the time of transfer)	Rs. crores	-	-
v. Aggregate consideration	Rs. crores	-	22.11
vi. Additional consideration realized in respect of accounts transferred in earlier years		-	NA

B. Details of loans acquired during the year ended March 31, 2025

Particulars	No's	From lenders *	From ARCs
i. No. of accounts		17,688	-
ii. Aggregate principal outstanding of loans acquired	Rs. crores	102.64	-
iii. Aggregate consideration paid	Rs. crores	102.64	-
iv. Weighted average residual tenor of loans acquired	In months	17 months	-
v. Retention of beneficial economic interest by the originator	%	-	-
vi. Coverage of tangible security		-	-
vii. Rating wise distribution of rated loans		NA	-
ix. Mode of acquisition of pool		Assignment	-

* Lenders listed in clause 3 of the Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 in terms of RBI circular RBI/DOR/2021-22 DOR STR.REC.51/21.04.048/2021-22 dated September 24, 2021

56 Disclosure on significant ratios:

Particulars	Description	As at March 31, 2025	As at March 31, 2024
Debt-Equity Ratio	[(Debt securities+ Borrowings (other than Debt Securities)] / Total equity	0.64	1.00
Net profit margin	Net profit after tax / total revenue from operations	0.17%	15.74%
Total debts to total assets	[(Debt securities+ Borrowings (other than Debt Securities)] / Total assets	37.98%	48.76%
Gross Non-Performing Assets	Gross Stage III loans EAD / Gross total loans EAD	4.71%	7.61%
Net Non-Performing Assets	(Gross Stage III loans EAD - Impairment loss allowance for Stage III) / (Gross total loans EAD - Impairment loss allowance for Stage III)	2.69%	1.58%
Asset cover ratio (number of times)*	Amount of secured assets / Secured debt	1.30	1.25
Provision coverage ratio (%)	(Impairment loss allowance for Stage III / Gross Stage III loans EAD)	44.12%	40.11%

* Asset Cover ratio is given for listed non convertible debt securities only.



DMI Finance Private Limited
Notes to the standalone financial statements
(All Amount in Rs. millions, unless otherwise stated)

57 Other Statutory Information

- i. During the current financial year, Company has not undertaken any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.
- ii. Penalties imposed by the regulator during the financial year ended 31 March, 2025 are mentioned in Note 52 (A)(iii)
- iii. There are no such transaction which are not recorded in the books of account earlier and have been surrendered or disclosed as income during the current financial year in the tax assessments under the Income tax act, 1961.
- iv. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- v. The Company has not received any fund from any person or entity, including foreign entity (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vi. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding 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, as part of its normal business, grants loans and advances, makes investment, provides guarantees to and accept deposits and borrowings from its customers, other entities and persons. These transactions are part of Company's normal non-banking finance business, which is conducted ensuring adherence to all regulatory requirements.
Other than the transactions described above, 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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).
The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- viii. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31, 2025 and March 31, 2024.
- ix. 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, 2025 and March 31, 2024.
- x. The Company has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed, though idle and surplus funds which were not required for immediate utilization were temporarily invested in liquid funds.
- xi. The Company has not been declared as wilful defaulter by any of banks, financial institution or any other lender.
- xii. No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder in the financial year ended March 31, 2025 and March 31, 2024.
- xiii. Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2025, MCA has notified Ind AS 117 Insurance Contracts and amendments to Ind AS 116 — Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any impact in its financial statements.

- 58** The Company received an order dated October 17, 2024, from the Reserve Bank of India ("RBI") under section 45L(1)(b) of the Reserve Bank of India Act, 1934. This order directed the Company to cease and desist sanction or disbursements of loan with effect from October 21, 2024, until the specific issues outlined in the order are adequately addressed and the identified deficiencies are resolved to the satisfaction of the RBI. RBI vide letter dated January 08, 2025 lifted the cease and desist order following the submission of the company's remediation steps.

- 59** The Income Tax Department ('the Department') conducted a search operation (the 'search') under section 132 of Income Tax Act, 1961 on the Company in the month of April 2025. The Company has provided all support and cooperation and the necessary details to the Department, as requested by the Department. The Company is examining and reviewing the matter and will take appropriate action, including addressing regulatory actions, if and when they occur.

While the uncertainty exists regarding the outcome of the proceedings by the department, the Company after considering all available information and facts as on date, has not identified the need for any adjustments to the current or prior period financial statements.



DMI Finance Private Limited
Notes to the standalone financial statements
(All Amount in Rs. millions, unless otherwise stated)

60 Events occurring after reporting date

There are no significant events after the reporting period which require any adjustment or disclosure in the financial statements except as mentioned in Note number 59.

61 Previous year/periods figures have been regrouped/rearranged to make them comparable with the current year/period classification in accordance with Schedule III.

62 During the year, the company has appointed Nangia & Co LLP as statutory auditor pursuant to mandatory auditor rotation as per applicable regulatory requirements.


63 There are no events observed after the reported period which have an impact on the Company's operation.

64 The Company uses Microsoft Navision software for maintenance of accounting data. Navision has inherent feature that entry once posted cannot be edited/deleted.

65 The financial statements were approved for issue by Board of Directors on May 23, 2025.

For Nangia & Co. LLP
Chartered Accountants

ICAI Firm Registration Number: 002391C/N500069


Jaspreet Singh Bedi
Partner
Membership Number: 601788



Place: Mumbai
Date: May 23, 2025

For and on behalf of the Board of Directors of
DMI Finance Private Limited
CIN: U64990DL2008PTC182749



Shivaish Chatterjee
(Managing Director)
DIN: 02623460

Place: New York
Date: May 23, 2025


Arpit Baheti
(Interim Chief Financial Officer)

Place: New Delhi
Date: May 23, 2025




Yuvraja Chahakya Singh
(Director)
DIN: 02601179

Place: New Delhi
Date: May 23, 2025


Reena Jayara
(Company Secretary)

Place: New Delhi
Date: May 23, 2025

NANGIA & CO LLP

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of DMI Finance Private Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of DMI Finance Private Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its joint venture, which comprise the Consolidated Balance Sheet as at March 31, 2025 and the Consolidated Statement of Profit and Loss, including the Consolidated Statement of Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the Consolidated Financial Statements, including a summary of material accounting policies and other explanatory information ("hereinafter referred to as the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on Separate Financial Statements and on the other financial information of the subsidiaries and joint venture, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, of the Consolidated state of affairs of the Group as at March 31, 2025 and its Consolidated loss including Other Comprehensive Income, their Consolidated Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements 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 Auditor's Responsibilities for the Audit of the Consolidated 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 Consolidated Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Emphasis of Matters

We draw attention to following matters:

Note 57 of the accompanying Consolidated financial statements, which describes the event subsequent to the balance sheet date relating to the search operation conducted by the Income Tax Department under Section 132 of the Income-tax Act, 1961 at the premises of the Holding Company, in April 2025. The management has represented that it is in the process of evaluating the implications of the said proceedings, and that the outcome and the consequential financial impact, if any, are currently not ascertainable.

Registered Office: B-27 Soami Nagar, New Delhi - 110017, India

Corporate Office: 4th Floor, Iconic Tower, Urmi Estate, 95 Ganpatrao Kadam Marg, Lower Parel (West), Mumbai - 400 013, India

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LLP Registration No. AAJ-1379 | (registered with limited liability)

Noida - New Delhi - Gurugram - Mumbai - Bengaluru - Chennai - Pune - Dehradun

NANGIA & CO LLP

CHARTERED ACCOUNTANTS

Emphasis of Matters (Continued)

Note 58 of the accompanying Consolidated financial statements, which describes that Reserve Bank of India ("RBI") on January 08, 2025 lifted the restrictions made on October 17, 2024 through supervisory action, to cease and desist from sanction or disbursements of loans.

Our opinion is not modified in respect of above matters.

Key Audit Matters

Key audit matters are those matters that in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Consolidated Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Financial Statements.

Key audit matters	How our audit addressed the key audit matter
(a) Impairment of loan assets as at balance sheet date (expected credit losses) As described in note 7.1 of the Consolidated Financial Statements	
Ind AS 109: Financial Instruments ("Ind AS 109") requires the Holding Company to provide for impairment of its loan assets using the expected credit loss (ECL) approach. ECL involves an estimation of probability-weighted loss on financial instruments over their life, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions which could impact the credit quality of the Company's loans and advances. In this process, a significant degree of judgement has been applied by the management for: a) Defining Staging of loans (i.e. classification in 'significant increase in credit risk' ("SICR") and 'default' categories); b) Grouping of borrowers based on homogeneity by using appropriate statistical techniques; c) Estimation of behavioural life;	Our audit procedures included the following: <ul style="list-style-type: none">• Evaluated the Holding Company's accounting policies for impairment of loan assets and assessed compliance with the policies in terms of Ind AS 109 and with the governance framework approved by the Board of Directors pursuant to Reserve Bank of India guidelines issued on March 13, 2020.• Evaluated the management estimates by understanding the process of ECL estimation and related assumptions and tested the controls around data extraction and validation• Assessed the criteria for staging of loans based on their past-due status to evaluate compliance with requirement of Ind AS 109.• Tested the ECL model, including assumptions and underlying computation. Tested the input data used for determining the Probability of default and

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<p>d) Estimation of losses for loan products with no / minimal historical default; and</p> <p>e) Management overlay for macro-economic factors and estimation of their impact on the credit quality.</p> <p>In the view of such high degree of management's judgement involved in estimation of ECL, it is identified as key audit matter.</p>	<p>loss given default rates and agreed the data with the underlying books of account and records.</p> <ul style="list-style-type: none">• Tested the arithmetical accuracy of computation of ECL provision performed by the Holding Company.• Read and assessed adequacy of the disclosures included in the Consolidated financial statements in respect of ECL with the requirements of Ind AS 107 Financial Instruments: Disclosure ("Ind AS 107") and Ind AS 109.
(b) Information technology ('IT') systems and controls	
<p>The financial accounting and reporting systems of the Company are fundamentally reliant on IT systems and IT controls to process significant transaction volumes. Automated accounting procedures and IT environment controls, which include IT governance, general IT controls over program development and changes, access to programs and data and IT operations, are required to be designed and to operate effectively to ensure appropriate financial reporting</p> <p>Therefore, due to the pervasive nature and complexity of the IT environment, the assessment of the general IT controls and the application controls specific to the accounting and preparation of the financial information is considered to be a key audit matter.</p>	<p>Our audit procedures, with support from IT specialists, included the following:</p> <ul style="list-style-type: none">• Tested the design and operating effectiveness of IT access controls over the information systems that are critical to financial reporting.• Tested IT general controls (such as logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorised.• Tested the Holding Company's periodic review of access rights. We inspected requests of changes to systems for appropriate approval and authorisation.• In-addition to the above, we tested the design and operating effectiveness of certain application controls (automated and IT dependent manual controls) that were considered as key internal controls over financial reporting.• Where deficiencies were identified, we tested compensating controls or performed alternate procedures.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report and Annual report ("other information"), but does not include the Consolidated Financial Statements and our auditor's report thereon. The Board's Report and Annual report, is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.



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Responsibility of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Financial Statements in terms of the requirement of the Act that give a true and fair view of the Consolidated financial position, Consolidated financial performance including Other Comprehensive Income, Consolidated Cash Flows and Consolidated statement of Changes in Equity of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the

Group and its joint venture and for preventing and detecting frauds and other irregularities; selection and application of 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 Consolidated Financial Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated 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 Consolidated 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.

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Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls system with reference to Consolidated 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 ability of the Group and joint ventures 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 Consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint venture to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Consolidated Financial Statement of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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



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Other Matters

We did not audit the financial statements and other financial information in respect of:

- 3 subsidiaries whose financial statements include total assets of Rs. 1,759.18 millions as at March 31, 2025 and total revenues of Rs. 774.69 millions and net cash outflow of Rs. 267.87 millions for the year ended on that date. These financial statement and other financial information have been audited by the other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management.
- 1 joint venture, The Consolidated Financial Statements also include the Group's share of net profit/(loss) of Rs. (32.83) millions for the year ended March 31, 2025 and total comprehensive income of Rs. (32.83) millions for the year ended March 31, 2025 respectively, as considered in the Consolidated Financial Statements, in respect of one joint venture.

Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture is based solely on the reports of such other auditors.

The comparative financial information of the Company for year ended March 31, 2024 were audited by predecessor auditor who expressed an unmodified opinion on those Consolidated Financial Statements dated May 16, 2024. Accordingly, we do not express any opinion, as the case may be, on the figures reported in the consolidated financial statements for the year ended March 31, 2024.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

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 based on our audit and on the consideration of report of the other auditors on separate financial statements and other financial information of the subsidiary Companies and joint venture, as noted in 'Other Matter', we give in the "Annexure 1" a statement on the matters specified in paragraphs 3(xxi) of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of the audit reports of the other auditors on separate financial statements and other financial information of subsidiaries and its joint venture, as noted in the 'other matter' paragraph, we report to the extent applicable, that:
 - (a) We and the other auditors whose report we have relied upon 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 of the aforesaid Consolidated Financial Statements;



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Report on Other Legal and Regulatory Requirements (*Continued*)

- (b) *In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and reports of the other auditors except for the matters stated in the paragraph 2(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014;*
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Consolidated Statement of Other Comprehensive Income, and the Consolidated Statement of Cash Flow and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
- (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and joint venture, none of the directors of the Group companies and joint ventures is disqualified as on March 31, 2025 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(h)(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 over financial reporting with reference to Consolidated Financial Statements of the Holding Company, its Subsidiary companies and joint venture, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of audit reports of the other auditors on separate financial statements as also the other financial information of the subsidiaries and its joint venture, as noted in the 'Other Matters' paragraph:
 - i. The Group and its joint venture has disclosed the impact of pending litigations on its Consolidated financial position of the Group in its Consolidated financial statements – Refer Note 46(a) to the Consolidated financial statements;
 - ii. The Group and its joint venture did not have any long term contracts including derivative contracts for which there were any material unforeseeable losses, other than those disclosed in the Consolidated financial statements – Refer Note 46(e) to the Consolidated financial statements;



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Report on Other Legal and Regulatory Requirements (Continued)

- iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Group.
- iv. (a) The respective management of the Holding Company and its subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and its joint venture respectively, that, to the best of its knowledge and belief, as disclosed in note 54(7) to the Consolidated financial statements, during the year 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 Holding Company or any of such subsidiaries and joint venture 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.
- (b) The respective managements of the Holding Company and its subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act has represented, that, to the best of its knowledge and belief, as disclosed in note 54(7) to the Consolidated financial statements, during the year no funds have been received by the Holding Company or any of such subsidiaries and its joint venture 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.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances by us and that performed by the auditors of the subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the act, nothing has come to our or other auditor's notice that has caused us to believe that the representations under sub-clause (a) and (b) of Rule 11(e) contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year.
- vi. *Based on our examination, which included test checks, and as per the information and explanations provided to us, except for the instances mentioned below, the Company has used various accounting software, namely Microsoft Navision, Salesforce, Tally ERP and Xero for maintaining its books of accounts. These software has a feature of recording audit trail (edit log) and the same has been operational throughout the year for all transactions recorded in the said software:*
- 

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Report on Other Legal and Regulatory Requirements (Continued)

Instances when the feature of audit trail (edit log) in Microsoft Navision was not enabled:

- a) *The audit trail feature at the application level was not enabled during the period from April 1, 2024 to April 18, 2024.*
- b) *The audit trail feature at the database level was not enabled during the following periods from April 1, 2024 to May 30, 2024 and August 12, 2024 to August 22, 2024.*

Further, for the periods during which the audit trail (edit log) feature was enabled at the application level and remained operational, we did not come across any instance of the audit trail feature being tampered with. Additionally, as represented by the management, Microsoft Navision has inherent feature that entry once posted cannot be edited/deleted. The audit trail has been preserved by the Company in accordance with the statutory requirements for the record retention except for the audit trail feature not enabled during preceding financial year 2023-24.

For Nangia & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 002391C/N500069



Jaspreet Singh Bedi

Partner

Membership Number: 601788

UDIN: 25601788BMKSOU3587

Place: Mumbai

Date: May 23, 2025

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ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' OF OUR REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF DMI FINANCE PRIVATE LIMITED

Based on our audit and on the consideration of the report of the other auditors on separate financial statements and the other financial information of the subsidiary companies and joint venture incorporated in India, as noted in the 'Other Matter' paragraph we state that:

- (xxi) According to the information and explanations given to us and based on the Companies (Auditors Report) Order, 2020 (CARO) issued for the Holding Company, its subsidiaries and joint venture included in the consolidated financial statements of the Company, there are no qualifications or adverse remarks by the respective auditors in their report on Companies (Auditors Report) Order, 2020 except for following where the respective auditor have reported unfavourable or adverse remarks in their audit report.

Sr. No.	Name	CIN	Holding Subsidiary Associate/Venture	Co./ / Joint	Clause No. of CARO report
1.	DMI Capital Private Limited	U67120DL2013PTC252176	Subsidiary		Paragraph 3 clause (xvii)
2.	Appnit Technologies Private Limited	U72900UP2014PTC063266	Subsidiary		Paragraph 3 clause (xvii)
3.	DMI Infotech Solutions Private Limited	U62091DL2016PTC306694	Subsidiary		Paragraph 3 clause (xvii)
4.	DMI Ampverse Private Limited	U82300DL2023PTC411149	Joint Venture		Paragraph 3 clause (xvii)

For Nangla & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 002391C/N500069


Jaspreet Singh Bedi
Partner
Membership Number: 601788
UDIN: 25601788BMKSDU3587

Place: Mumbai
Date: May 23, 2025

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ANNEXURE 2" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF DMI FINANCE PRIVATE LIMITED

[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of DMI Finance Private Limited) on the Consolidated Financial Statements for the year ended March 31, 2025]

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

To
The Members of
DMI Finance Private Limited

In conjunction with our audit of the Consolidated Financial Statements of the DMI Finance Private Limited (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2025, We have audited the internal financial controls with reference to Consolidated Financial Statement of the Holding Company and its Subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and joint venture, which are incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary Companies and its joint venture, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting with reference to Consolidated Financial Statement criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 Group's internal financial controls over financial reporting with reference to Consolidated Financial Statement of the Holding company, its subsidiary companies and its joint venture, which are incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, 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 Consolidated Financial Statement were established and maintained and if such controls operated efficiently in all material respects.



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Auditors' Responsibility (Continued)

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to Consolidated Financial Statement and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to Consolidated Financial Statement included obtaining an understanding of internal financial controls over financial reporting 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, and the audit evidence obtained by the other auditors of the subsidiaries and joint venture which are companies incorporated in India, in terms of their report referred to in the "other matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting with reference to Consolidated Financial Statement.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting with reference to Consolidated Financial Statement, 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 Consolidated Financial Statement to future periods are subject to the risk that the internal financial control over financial reporting with reference to Consolidated Financial Statement may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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



Registered Office: B-27 Soami Nagar, New Delhi - 110017, India

Corporate Office: 4th Floor, Iconic Tower, Urmi Estate, 95 Ganpatrao Kadam Marg, Lower Parel (West), Mumbai - 400 013, India

p : + 91 22 4474 3400 | email: query@nangia.com | website: www.nangia.com

LLP Registration No. AAJ-1379 | (registered with limited liability)

Noida - New Delhi - Gurugram - Mumbai - Bengaluru - Chennai - Pune - Dehradun

NANGIA & CO LLP

CHARTERED ACCOUNTANTS

Other matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements of the Holding Company, in so far as it relates to these 3 subsidiaries and 1 joint venture, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matter.

For Nangia & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 002391C/N500069



Jaspreet Singh Bedi

Partner

Membership Number: 601788

UDIN: 25601788BMKSUDU3587

Place: Mumbai

Date: May 23, 2025

Registered Office: B-27 Soami Nagar, New Delhi - 110017, India

Corporate Office: 4th Floor, Iconic Tower, Urmi Estate, 95 Ganpatrao Kadam Marg, Lower Parel (West), Mumbai - 400 013, India

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LLP Registration No. AAJ-1379 | (registered with limited liability)

Noida - New Delhi - Gurugram - Mumbai - Bengaluru - Chennai - Pune - Dehradun

DMI Finance Private Limited
Consolidated Balance Sheet as at March 31, 2025
(All Amount in Rs. millions, unless otherwise stated)

	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Financial assets			
Cash and cash equivalents	4	9,098.99	10,580.18
Bank balance other than cash and cash equivalents	5	2,514.22	1,162.59
Trade receivables	6	99.93	68.86
Loans	7	75,367.31	1,18,439.86
Investments	8	21,770.30	5,712.82
Other financial assets	9	686.62	1,169.90
Total financial assets		1,09,537.37	1,37,134.21
Non-financial assets			
Current tax assets (net)	10	1,451.24	148.20
Deferred tax assets (net)	11	2,320.90	2,158.37
Property, plant and equipment	12	143.71	142.76
Capital work in progress	13 (a)	-	4.68
Intangible assets under development	13 (b)	3.71	2.54
Goodwill	14	331.63	253.53
Right of use assets	15	398.51	219.48
Other intangible assets	16	689.46	30.97
Other non- financial assets	17	409.36	316.58
Total non-financial assets		5,748.52	3,277.11
Assets held for sale	18	75.00	75.00
TOTAL ASSETS		1,15,360.89	1,40,486.32
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Payables			
A) Trade payables	19 (a)		
(i) total outstanding dues of micro and small enterprises		8.50	25.33
(ii) total outstanding dues of creditors other than micro and small enterprises		1,093.56	1,603.23
B) Other payables	19 (b)		
(i) total outstanding dues of micro and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro and small enterprises		874.99	850.37
Debt securities	20	9,267.30	8,862.16
Borrowings (other than debt securities)	21	34,664.21	59,510.11
Lease liabilities	22	460.69	265.29
Other financial liabilities	23	496.14	682.09
Total financial liabilities		46,865.39	71,798.58
Non financial liabilities			
Provisions	24	186.30	139.44
Other non-financial liabilities	25	224.26	439.65
Total non-financial liabilities		410.56	579.09
EQUITY			
Equity share capital	26	7,426.32	7,424.87
Other equity	27	60,734.89	60,660.68
Equity attributable to equity shareholders of the company		68,161.21	68,085.55
Non Controlling Interest	28	(76.27)	23.10
Total Equity		68,084.94	68,108.65
TOTAL LIABILITIES AND EQUITY		1,15,360.89	1,40,486.32

See accompanying notes forming part of the Consolidated Financial Statement.

In terms of our report attached

For Nangia & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 002391C/N500069

Jaspreet Singh Bedi
Partner
Membership Number: 601788

Place: Mumbai
Date: May 23, 2025



For and on behalf of the Board of Directors of
DMI Finance Private Limited
CIN: U64990DL2008PTC182749

Shivashish Chatterjee
(Managing Director)
DIN: 02623460

Place: New York
Date: May 23, 2025

Arpit Barchi
(Interim Chief Financial Officer)

Place: New Delhi
Date: May 23, 2025

Yuvraja Chanakya Singh
(Director)
DIN: 02601179

Place: New Delhi
Date: May 23, 2025

Reena Jyara
(Company Secretary)

Place: New Delhi
Date: May 23, 2025



DMI Finance Private Limited
Consolidated Statement of profit and loss for the year ended March 31, 2025
(All Amount in Rs. millions, unless otherwise stated)

	Notes	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from operations			
Interest income	29	26,370.65	22,533.79
Fees and commission income	30	4,417.11	3,522.32
Net gain on fair value changes	31	874.15	487.85
Total revenue from operations		31,661.91	26,543.96
Other income	32	135.62	195.59
Total income		31,797.53	26,739.55
Expenses			
Finance costs	33	7,033.75	4,867.53
Fees and commission expense	34	2,743.50	1,758.82
Impairment on financial instruments	35	14,811.50	9,148.66
Employee benefits expense	36	2,108.81	1,696.66
Depreciation, amortization and impairment	37	201.15	117.44
Other expenses	38	5,135.98	3,831.94
Total expenses		32,034.69	21,421.05
Profit/(loss) before tax		(237.16)	5,318.50
Tax expense/ (credit):			
(1) Current tax	49	203.65	2,226.24
(2) Deferred tax	49	(163.36)	(939.20)
Income tax expense		40.29	1,287.04
Net profit/(loss) after tax for the year		(277.45)	4,031.46
Share of (Loss) of associate, using equity method			(20.99)
Share of (Loss) of Joint venture, using equity method		(32.83)	(36.45)
Net Profit/(loss) after Taxes and share of (Loss) of associate/Joint venture		(310.28)	3,974.02
Other comprehensive income			
a) Items that will not be reclassified to profit or loss			
(i) Re-measurement gains/(loss) on gratuity		(3.41)	1.06
(ii) Net gain/(loss) on fair value of equity instruments through other comprehensive income		6.72	0.23
(iii) Income tax relating to above		(0.83)	(0.32)
Subtotal (a)		2.48	0.97
b) Items that will be reclassified to profit or loss			
(i) Gain/(loss) on Fair Value change		-	-
(ii) Income tax relating to above		-	-
Subtotal (b)		-	-
Other comprehensive income (a+b), net of tax		2.48	0.97
Total comprehensive income for the year, net of tax		(307.80)	3,974.99
Profit for the year attributable to			
- Owners of the Company		(244.77)	3,977.57
- Non Controlling Interest		(65.51)	(3.55)
Other comprehensive income for the year attributable to			
- Owners of the Company		2.48	0.97
- Non Controlling Interest		-	-
Total comprehensive income for the year attributable to			
- Owners of the Company		(242.29)	3,978.54
- Non Controlling Interest		(65.51)	(3.55)
Earnings per equity share (face value of Rs. 10 per share)	39		
Basic (Rs.)		(0.42)	5.45
Diluted (Rs.)		(0.42)	5.39

See accompanying notes forming part of the Consolidated Financial Statement.

In terms of our report attached

For Nangia & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 00239/C/N500069

Jaspreet Singh Bedi
Partner
Membership Number: 601788

Place: Mumbai
Date: May 23, 2025



For and on behalf of the Board of Directors of
DMI Finance Private Limited
CIN: U64990DL2008PTC182749

Shivashan Chatterjee
(Managing Director)
DIN: 02623465

Place: New York
Date: May 23, 2025

Arpit Bhatt
(Interim Chief Financial Officer)

Place: New Delhi
Date: May 23, 2025

Yuvraja Chandra Singh
(Director)
DIN: 02601179

Place: New Delhi
Date: May 23, 2025

Reena Sharma
(Company Secretary)

Place: New Delhi
Date: May 23, 2025



DMI Finance Private Limited
Consolidated Statement of Cash Flows for the year ended March 31, 2025
(All Amount in Rs. millions, unless otherwise stated)

	Year ended March 31, 2025	Year ended March 31, 2024
A Cash flow from operating activities:		
Profit/(loss) before tax	(237.16)	5,318.50
Adjustments for		
Depreciation and amortisation	201.15	117.44
Net gain on fair value changes	(874.15)	(487.85)
Impairment on financial instruments	16,330.27	10,523.23
Interest expense for leasing arrangements	43.74	23.73
Effective interest rate adjustment for financial instruments	(5,761.07)	(6,295.24)
Interest income	(26,208.56)	(22,476.56)
Finance cost	6,966.11	4,829.02
Liabilities no longer required written back	(0.18)	(139.20)
Gratuity and compensation absences	65.52	39.08
Interest income deposits with bank	(162.09)	(57.23)
Share of (Loss) of associate/Joint Venture	32.83	(57.44)
Employee stock option/share warrant expense	309.66	345.39
Operating profit/(loss) before working capital changes	(9,293.93)	(8,317.13)
(Increase)/Decrease in financial and other assets	32,868.95	(55,787.02)
Increase/(Decrease) in financial and other liabilities	(417.73)	972.50
(Increase)/Decrease in non financial assets	(92.78)	(66.82)
Increase/(Decrease) in non financial liabilities	(336.94)	176.97
Total of changes in working capital	32,021.49	(54,704.37)
Interest received	26,426.50	22,737.00
Interest (paid)	(7,236.03)	(4,624.26)
Cash flow from/ (used in) from operations	51,211.97	(36,591.63)
Direct taxes paid (net of refunds)	(1,506.69)	(2,175.69)
Net cash flow generated from / (used in) operating activities (A)	40,411.35	(47,084.45)
B Cash flow from investing activities:		
Inflow (outflow) on account of :		
Purchase of Property, plant and equipment	(773.73)	(70.16)
(Including capital work-in-progress)/ intangible assets		
Purchase of investment	(1,38,940.82)	(78,645.31)
Sale of investment	1,23,686.11	82,270.97
Movement of fixed deposits (net)	(1,351.63)	(592.34)
Interest income deposits with bank	139.58	45.76
Net cash flow from / (used in) investing activities (B)	(17,240.49)	3,008.92
C Cash flow from financing activities:		
Proceed from issue of equity shares (including share premium)	8.29	21,585.97
Proceeds from borrowings		
Proceeds from borrowings (other than debt securities)	42,048.77	62,808.56
Repayment of borrowings (other than debt securities)	(66,997.83)	(27,369.22)
Proceeds from debt securities	10,900.72	11,888.82
Repayment of debt securities	(10,501.25)	(19,879.53)
Lease payments	(110.75)	(78.65)
Net cash flow from/(used in) generated from financing activities (C)	(24,652.05)	48,955.95
Net increase in cash and cash equivalents (A+B+C)	(1,481.19)	4,880.42
Cash and cash equivalents as at the beginning of the year	10,580.18	5,699.76
Cash and cash equivalents at the end of the year	9,098.99	10,580.18

Notes:

1) Components of cash and cash equivalents

	As at March 31, 2025	As at March 31, 2024
Cash on hand	0.13	0.09
Balance with banks		
In current accounts and overdraft accounts	8,673.51	10,080.09
deposits with original maturity of less than 3 months	425.35	500.00
Total cash and cash equivalents	9,098.99	10,580.18

2) Statement of Cash Flows has been prepared under indirect method as set out in the IND AS 7 "Statement of Cash Flows"

3) For disclosure of investing and financing activities that do not require the use of cash and cash equivalents, refer note 47.

See accompanying notes forming part of the Consolidated Financial Statement.

In terms of our report attached

For Nangia & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 002301C/N500069

Jaspreet Singh Bedi
Partner
Membership Number: 601788

Place: Mumbai
Date: May 23, 2025



For and on behalf of the Board of Directors of
DMI Finance Private Limited
CIN: U64990DL2008PTC182749

Shivashil Chatterjee
(Managing Director)
DIN: 02623460

Place: New York
Date: May 23, 2025

Arpit Babbar
(Interim Chief Financial Officer)

Place: New Delhi
Date: May 23, 2025

Yuvraj Chanakya Singh
(Director)
DIN: 02601179

Place: New Delhi
Date: May 23, 2025

Reena Jayara
(Company Secretary)

Place: New Delhi
Date: May 23, 2025



DMF Finance Private Limited
Consolidated Statement of Changes in Equity for the year ended March 31, 2025
(All Amount in Rs. millions, unless otherwise stated)

A. Equity share capital (refer note 26)

For the year ended March 31, 2025	
Equity share of INR 10 each issued, subscribed and fully paid	
At April 01, 2024	Amount
79,81,80,000	7,434.87
Changes in Equity Share Capital due to prior period errors	
Rectified balance at April 01, 2024	7,434.87
Issue of share capital (Note 26)	1.45
Reduction and cancellation of equity paid up shares	
At March 31, 2025	7,436.32

For the year ended March 31, 2021

Equity share of INR 10 each issued, subscribed and fully paid	
At April 01, 2020	Amount
71,24,63,142	6,587.75
Changes in Equity Share Capital due to prior period errors	
Rectified balance at April 01, 2020	6,587.75
Issue of share capital (Note 26)	857.12
At March 31, 2021	7,444.87

B. Other equity (refer note 27)

Particulars	Reserves and Surplus			Other Comprehensive Income				Non-controlling interests	Share application money pending allotment	Total other equity
	Statutory reserves as per C of A of RBI Act	Securities premium	Share based payment outstanding reserves	Capital reserves	Upfront monies received on warrants	Retained earnings Carrying amount beginning of the period	Gain/(loss) on fair value change (Date and Equity)	Total other comprehensive income		
Balance as on April 01, 2023	1,741.05	25,711.77	305.07	74.80	81.21	0.72	5.78	854.37	26.85	35,672.90
Profit/(loss) for the year	833.28	-	201.50	-	-	-	-	1,916.46	-	3,977.57
Other Comprehensive Income/(Expense)	-	-	-	-	-	-	-	(6.97)	-	0.59
Net additions to share options during the year	-	-	201.50	-	-	-	-	201.50	-	201.50
Share options exercised during the year	-	-	(94.97)	-	-	-	-	(94.97)	-	(94.97)
Share application money received during the year	-	-	-	-	-	-	-	-	1.84	1.84
Upfront Monies on Share Warrant received during the year	-	-	-	-	-	-	-	-	-	-
Share warrants granted during the year	-	-	-	-	-	-	-	-	-	-
Share warrants exercised during the year	-	-	-	-	-	-	-	-	-	-
Premium on issue of equity shares	-	-	-	-	-	-	-	-	-	-
Profit/(loss) attributable to the non-controlling interests	-	-	-	-	-	-	-	-	-	-
Balance as on March 31, 2024	2,574.33	46,564.46	501.45	100.93	81.21	0.72	6.57	57.97	23.10	60,688.76
Profit/(loss) for the year	-	-	-	-	-	-	-	(244.77)	-	(244.77)
Other Comprehensive Income/(Expense)	-	-	-	-	-	-	-	2.48	-	2.48
Transfer to special reserve	10.62	-	-	-	-	-	-	-	-	10.62
Net additions to share options during the year	-	-	279.68	-	-	-	-	279.68	-	279.68
Share options exercised during the year	-	-	(13.58)	-	-	-	-	(13.58)	-	(13.58)
Share application money received during the year	-	-	-	-	-	-	-	-	-	-
Share allotment from upfront money received in previous year	-	-	-	-	-	-	-	-	-	-
Upfront Monies on Share Warrant received during the year	-	-	-	-	-	-	-	-	-	-
Share warrants granted during the year	-	-	-	-	-	-	-	-	-	-
Share warrants exercised during the year	-	-	-	-	-	-	-	-	-	-
Premium on issue of equity shares	-	-	-	-	-	-	-	-	-	-
Non-controlling interests on acquisition in of DMF InfoTech Solutions Pvt. Ltd.	-	11.26	-	-	-	-	-	11.26	-	11.26
Profit/(loss) attributable to the non-controlling interests	-	-	-	-	-	-	-	-	-	-
Balance as on March 31, 2025	2,584.95	46,572.72	779.65	136.01	81.21	0.72	4.03	796.48	(65.51)	60,568.92

See accompanying notes forming part of the Consolidated Financial Statements.

In terms of our report attached

For Nangia & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 003391/N/500069
Place: Mumbai
Date: May 21, 2025

For and on behalf of the Board of Directors of
DMF Finance Private Limited
CIN: U64700DL2000PTC18719

(Signature)
Chairman
Date: May 21, 2025

(Signature)
Managing Director
Date: May 21, 2025

(Signature)
Place: New Delhi
Date: May 21, 2025

(Signature)
Place: New Delhi
Date: May 21, 2025



(Handwritten signature)

DMI Finance Private Limited
Notes to the consolidated financial statements for the year ended March 31, 2025

1 Corporate Information

DMI Finance Private Limited is a Private Limited Company ("The Holding Company") incorporated on September 02, 2008 under the provisions of the Companies Act, 2013 having Corporate Identification Number is (CIN) U64990DL2008PTC182749.

The Holding Company is engaged in lending activities as a middle-layered Non-Banking Finance Company (NBFC) regulated by the Reserve Bank of India ("RBI"). The Holding Company together with its subsidiaries will be hereinafter collectively referred to as the 'Group'. The Holding Company had obtained its licence from Reserve Bank of India (RBI) to operate as Non deposit Accepting Non Banking Financial Company (NBFC-ND) on January 05, 2009 vide registration No. RBI N-14.03176.

The registered office of the Holding Company is located at Express Building, 3rd Floor 9-10, Bahadur Shah Zafar Marg, New Delhi.

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors on May 23, 2025.

2 Basis of preparation of Financial Statements

a) Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed in the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act, the updated Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 as amended from time to time and other applicable RBI circulars/notifications.

The financial statements have been prepared on an accrual basis as a going concern and under the historical cost convention except for the assets and liabilities measured at fair value as follows:

- certain financial assets and liabilities and contingent consideration is measured at fair value;
- assets held for sale – measured at fair value less cost to sell;
- defined benefit plans – plan assets measured at fair value; and
- share-based payments – measured at fair value.

b) Presentation of financial statements

The Group presents its Consolidated balance sheet in order of liquidity. Financial assets and financial liabilities are generally reported gross in the Consolidated balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Companies in the group and/or its counterparties.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the millions, except when otherwise indicated.

c) Principles of Consolidation

(i) Subsidiaries

The Group controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Holding Company and ceases to be consolidated when the Holding Company loses control of the subsidiary. Fully consolidated means recognition of like items of assets, liabilities, equity, income and expense. Thereafter the portion of net profit or loss and equity is segregated between the Holding Company's share and share of non-controlling stakeholders.

Inter-company transactions, balances and unrealised gains on transactions between the Group companies are eliminated. Unrealised losses are also eliminated if there is a profit on ultimate sale of goods. When necessary, amounts reported by subsidiaries have been adjusted to conform to the Group's accounting policies.

(ii) Investment in Associates/ Joint Venture

Associates include all entities where the Holding Company has the power to exercise a significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

The Group's investment in associates/joint venture are accounted using the equity method as per Ind AS-28 'Investment in Associates and Joint Ventures'. Under equity method of accounting, the investments are initially recorded at cost and adjusted thereafter to recognise the Company's share of post-acquisition profit and loss, and the Company's share of other comprehensive income. Dividend received from associates are recognised as a reduction in the carrying amount of the investments. Unrealised gains on transactions between the Company and its associate/joint venture are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated if there is a profit on ultimate sale of goods.

At each reporting date, the Group determines whether there is objective evidence that the investment in the associate/joint venture is impaired. If there is such evidence, the carrying amount is tested for impairment by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount and impairment, if any, is recognised as 'Share of profit/(loss) in Associates/joint venture in the Consolidated statement of profit and loss.

iii) The consolidated financial statements include results of the following subsidiaries and associate of the Holding Company, consolidated in accordance with Ind AS 110 'Consolidated Financial Statements'.

Name of the Company	Country of Incorporation	Proportion of ownership as at		Consolidated as
		As at March 31, 2025	As at March 31, 2024	
Appnit Technologies Private Limited	India	95.77%	94.78%	Subsidiary
DMI Capital Private Limited	India	100.00%	100.00%	Subsidiary
DMI Infotech Solutions Private Limited (w.e.f 26 Aug 2025)	India	97.14%	NA	Subsidiary
Ampverse DMI Private Limited (w.e.f 05 July 2023)	India	49.00%	49.00%	Joint venture

Figures for preparation of consolidated financial statements have been derived from the audited financial statements of the respective companies in the Group.

3.1 Summary of material accounting policies

a) Use of estimates, judgements and assumptions

The preparation of consolidated financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, as at the reporting date. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future years.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:



DMI Finance Private Limited
Notes to the consolidated financial statements for the year ended March 31, 2025

- i. Business Model Assessment**
Classification and measurement of financial assets depends on the results of the Solely Payments of Principle and Interest ('SPPI') and the business model test. The Group determines the business model at a level that reflects how Group's financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are evaluated. The Group 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 Group'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.
 - ii. Impairment of financial assets**
Judgement is required by management in the estimation of the amount and timing of future cash flows when determining an impairment allowance for loans and advances. In estimating these cash flows, the Group makes judgments about the borrower's financial situation. These estimates are based on assumptions about a number of factors such as credit quality, level of arrears etc. and actual results may differ, resulting in future changes to the impairment allowance.
 - iii. Share-based payments**
Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.
 - iv. Fair value measurement 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 principle (or most advantageous) market at the measurement date under current market conditions (i.e. the 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 Consolidated balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow ("DCF") model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.
 - v. Effective Interest Rate ('EIR') method**
The Group'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 behavioral 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 behavior and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral part of the instrument.
 - vi. Defined employee benefit assets and liabilities**
The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.
- b) Cash and cash equivalents**
For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to immaterial risk of changes in value. In the Consolidated balance sheet, any bank overdrafts, if applicable, are included as a component of borrowings.
- c) Recognition of Income & Expenses**
- i. Interest Income**
Interest income is recorded using the effective interest rate ('EIR') method for all financial instruments measured at amortised cost, debt instruments measured at fair value through other comprehensive income ('FVOCI') and debt instruments designated at fair value through profit and loss ('FVTPL').

The EIR (and therefore, the amortised cost of the assets) is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter year, where appropriate, to the gross carrying amount of the financial asset. The calculation of the effective interest rate takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes transaction costs and fees that are an integral part of the contract but not future credit losses. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is recorded as a positive or negative adjustment to the carrying amount of the asset in the Consolidated balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through interest income in the Consolidated Statement of profit and loss.

The Group calculates interest income by applying the EIR to the gross carrying amount of financial assets, other than credit-impaired assets under stage 3. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Group calculates the interest to the extent recoverable. If the financial assets cures and is no longer credit-impaired, the Group reverts to calculating interest income.
 - ii. Interest Expense**
Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortised over the expected life using the effective interest method. These include fees and commissions payable to arrangers and other expenses such as external legal costs, provided these are incremental costs that are directly related to the issue of a financial liability.
 - iii. Income other than Interest**
Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable, Ind AS 115 - "Revenue from contracts with customers" outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within AS.

• **Fee and commission Income**
All other financial charges such as cheque return charges, legal charges, collection charges etc are recognized on receipt basis. These charges are treated to accrue on realization, due the uncertainty of their realization.
 - **Net gain/loss on fair value changes**
Any differences between the fair values of financial assets classified as fair value through the profit or loss, held by the Group on the balance sheet date is recognised as an unrealised gain/loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed under "Expenses" in the Consolidated statement of profit and loss.



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• **Other Income**

Income on units of mutual funds is recognized on receipt basis as and when redeemed in cash based on the NAV of redemption date. The Group also recognises gain on fair value change of mutual fund measured at FVTPL. All Other income is recognized on accrual basis of accounting principle.

• **Dividend Income**

Dividend income is recognized when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

d) Property, plant and equipment

Property, plant and equipment are stated at acquisition cost (including incidental expenses directly attributable to bringing the asset to its working condition for its intended use) less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price, non-refundable taxes or levies, borrowing costs if capitalization criteria are met and any attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure related to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of item can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

An item of property, plant and equipment and any material part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Consolidated statement of profit and loss when the asset is derecognised.

e) Intangible Assets

(i) Intangible assets

Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to assets will flow to the enterprise and the cost of the assets can be measured reliably. Computer software which is not an integral part of the related hardware is classified as an intangible asset. Intangible assets are measured and recorded at cost and carried at cost less accumulated amortization and accumulated impairment losses, if any. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Consolidated statement of profit and loss when the asset is derecognized.

(ii) Goodwill

Goodwill arising on a business combination represents the excess of the fair value of consideration over the identifiable net asset acquired. Fair value of consideration represents the aggregate of the consideration transferred, a reliable estimate of contingent consideration payable, the amount of any non-controlling interest in the acquiree and the fair value of any previous equity interest in the acquiree on the acquisition date. Net assets acquired represents the fair value of the identifiable assets acquired and liabilities assumed. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Cash generating units (CGUs), or groups of CGUs, that is expected to benefit from the acquisition itself or from the synergies of the combination or both. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes.

Goodwill is not amortised but is tested for impairment. Goodwill impairment reviews are generally undertaken annually. The carrying value of the CGU containing the goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed unless the CGU is classified as "Asset held for sale" and there is evidence of reversal. Goodwill is subsequently measured at cost less amounts provided for impairment.

f) Depreciation and amortization

Depreciation

Depreciation on property, plant and equipment's is calculated on written down value (WDV) basis. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 as under:

Particulars	Useful Life (years)
Furniture and Fixtures	10
Vehicle	8
Computer, printers	3-6
Office Equipment	5

Leasehold improvements and allied office equipment's are amortized on a written down value over useful life estimated by management.

Salvage Value of the assets has been taken five percent of Original Cost (except intangible assets) as prescribed in Schedule II.

Depreciation on assets acquired/sold during the period is recognized on a pro-rata basis to the Consolidated statement of profit and loss from/ upto the date of acquisition/ sale.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial period end and adjusted prospectively, if appropriate.

Amortization

Intangible assets are amortized on a Written Down Value (WDV) basis over the estimated useful economic life as determined by management. The Group estimates that useful life of an intangible asset will not exceed five years from the date when the asset is available for use. If the persuasive evidence exists to the effect that useful life of an intangible asset exceeds five years, the Group amortizes the intangible asset over the best estimate of its useful life. The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is materially different from previous estimates, the amortization period is changed accordingly.

g) Leases

i. Group as a lessee:

The Group's lease asset classes primarily consist of leases for land and buildings. The Group 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 Group assesses whether:

- The contract involves the use of an identified asset
- The Group has substantially all the economic benefits from use of the asset through the period of the lease and
- The Group has the right to direct the use of the asset

ii. Measurement and recognition:

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the Consolidated balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist. At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or Consolidated statement of profit and loss if the right-of-use asset is already reduced to zero.

Short term Lease:

The Group has elected not to recognise right of use asset and lease liabilities for short term leases of property that has lease term of less than 12 months. The Group recognises lease payment associated with these leases as an expense on a straight-line basis over lease term.

iii. Group as a lessor:

As a lessor the Group classifies its leases as either operating or finance leases. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset, and classified as an operating lease if it does not.



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h) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in the Consolidated statement of profit and loss net of any reimbursement, pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

i) Contingent liabilities and assets

i. Contingent liabilities

The Group does not recognize a contingent liability but discloses its existence in the financial statements. Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will not be required to settle the obligation.
- A present obligation arising from past events, when no reliable estimate is possible.
- A possible obligation arising from past event, unless the probability of outflow of resources is remote.

Contingent liabilities are reviewed at each balance sheet date.

ii. Contingent assets

Contingent assets are not recognised. A contingent asset is disclosed, as required by Ind AS 37, where an inflow of economic benefits is probable.

j) Employee benefits

i. Defined contribution plan

The Group pays provident fund contributions to publicly administered provident funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

ii. Defined benefit plan

The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated years mentioned under 'The Payment of Gratuity Act, 1972'. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation at each Balance Sheet date using the Projected Unit Credit Method.

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

Past service costs are recognised in Consolidated statement of profit or loss on the earlier of: The date of the plan amendment or curtailment, and the date that the Group recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the Consolidated statement of profit and loss: Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and Net interest expense or income.

iii. Compensated absences

Entitlements to annual leave are recognized when they accrue to the employees. Leave entitlements can be availed while in service of employment subject to restriction on the maximum number of accumulations. The Group determines the liability for such accumulated leave entitlements on the basis of actuarial valuation carried out by an independent actuary at the Year end.

k) Taxes

Tax expense comprises current and deferred tax. The income tax expense or credit for the period is the tax payable on the taxable income of the current period based on the applicable income tax rates adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses.

i. Current tax

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Group operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the Consolidated statement of profit and loss.

ii. Deferred tax

Deferred tax is recognised for temporary differences between the accounting base of assets and liabilities in the Consolidated Balance Sheet, and their tax bases. Deferred tax is calculated using the tax rates expected to apply in the periods in which the assets will be realised or the liabilities settled. The carrying amount of deferred tax assets is reviewed at each reporting date by the Group and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Deferred tax assets and deferred tax liabilities are offset basis the criteria given under Ind AS 12 'Income Taxes'.

l) Earning per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity shareholders of the Group (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as shared based payments, bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the Group and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

m) Financial Instruments

A financial instrument is any contract that gives rise to: financial asset of one entity and a financial liability or equity instrument of another entity.

i. Financial Assets

• Initial recognition and measurement

The financial asset is held within a business model with the objective to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets, with the exception of loans and advances to customers, are initially recognised on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument. Loans and advances to customers are recognised when funds are disbursed. The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management's intention when acquiring them.

Accordingly, the Group measures bank balances, loans and advances, trade receivables and other financial instruments at amortised cost.



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• **Classification and subsequent measurement**

For the purpose of subsequent measurement, financial assets are classified in three categories:

- Debt instrument at amortised cost
- Debt instrument at fair value through other comprehensive income (FVTOCI)
- Debt instrument and equity instruments at fair value through profit or loss (FVTPL)

The classification depends on the contractual terms of the cash flows of the financial assets, the Group business model for managing financial assets and, in case of equity instruments and the intention of the Group whether strategic or non-strategic. The said classification methodology is detailed below

Business model: The business model reflects how the Group manages the assets in order to generate cash flows. That is, where the Group's objective is solely to collect the contractual cash flows from the assets, the same is measured at amortized cost or where the Group's objective is to collect both the contractual cash flows and cash flows arising from the sale of assets, the same is measured at fair value through other comprehensive income (FVTOCI). If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVTPL.

SPPI Assessment: The Group assesses the contractual terms of the financial assets to identify whether they meet the SPPI test. In making this assessment, the Group considers whether the contractual cash flows represent sole payments of principal and interest which means that whether the cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Principal for the purpose of this test refers to the fair value of the financial asset at initial recognition.

• **Debt instruments at amortised costs**

A debt instrument is measured at the amortised cost if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Consolidated statement of profit or loss. The losses arising from impairment are recognised in the Consolidated statement of profit and loss.

• **Debt instruments at FVTOCI**

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Consolidated Statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Consolidated statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

• **Debt instruments at FVTPL**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

• **Derecognition**

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in Consolidated statement of profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in Consolidated Statement of profit or loss if such gain or loss would have otherwise been recognised in Consolidated Statement of profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

II. **Equity Investments and Mutual funds**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as held at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Consolidated Statement of profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

III. **Financial Liabilities**

• **Initial recognition and measurement**

Financial liabilities are classified and 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 designated as on initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense are recognised in Consolidated Statement of profit and loss. Any gain or loss on derecognition is also recognised in Statement of profit and loss.

The Group's financial liabilities include loans, debentures and borrowings including bank overdrafts and trade & other payables.

• **Loans, Debenture and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Consolidated Statement of profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Consolidated Statement of profit and loss.

• **Financial liabilities subsequently measured at amortised cost**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

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



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• **Financial guarantee contracts**

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised.

• **Derecognition of financial liabilities**

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Consolidated Statement of profit or loss.

• **Reclassification of financial assets and liabilities**

The Group doesn't reclassify its financial asset subsequent to their initial recognition, apart from the exceptional circumstances in which the Group acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

• **Fair value measurement**

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

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group.

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 Group 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.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is material to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is material to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is material to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is material to the fair value measurement as a whole) at the end of each reporting year.

• **Impairment of financial assets**

I. Overview of the Impairment principles ('ECL')

In accordance with Ind AS 109, the Group is required to measure expected credit losses on its financial instruments designated at amortized cost and fair value through other comprehensive income. Accordingly, the Group is required to determine lifetime losses on financial instruments where credit risk has increased materially since its origination. For other instruments, the Group is required to recognise credit losses over next 12 month period. The Group has an option to determine such losses on individual basis or collectively depending upon the nature of underlying portfolio. The Group has a process to assess credit risk of all exposures at each year end as follows:

Stage I

These represent exposures where there has not been a material increase in credit risk since initial recognition or that has low credit risk at the reporting date. The Group has assessed that all standard exposures (i.e. exposures with no overdues) and exposure upto 30 day overdues fall under this category. In accordance with Ind AS 109, the Group measures ECL on such assets over next 12 months:

Stage II

Financial instruments that have had a material increase in credit risk since initial recognition are classified under this stage. Based on empirical evidence, material increase in credit risk is witnessed after the overdues on an exposure exceed for a period more than 30 days. Accordingly, the Group classifies all exposures with overdues exceeding 30 days at each reporting date under this Stage. The Group measures lifetime ECL on stage II loans.

Stage III

All exposures having overdue balances for a period exceeding 90 days are considered to be defaults and are classified under this stage. Accordingly, the Group measures lifetime losses on such exposure. Interest revenue on such contracts is calculated by applying the effective interest rate to the amortized cost (net of impairment allowance) instead of the gross carrying amount. The method is similar to Stage II assets, with the probability of default set at 100%.

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

ii. The calculation of ECLs

The mechanics of the ECL calculation involve the use of following key elements:

Probability of default (PD) — The probability of default is an estimate of the likelihood of default over a given time horizon (12-month or lifetime, depending upon the stage of the asset). PD estimation is done based on historical internal data available with the Group.

Exposure at default (EAD) — It represents an estimate of the exposure of the Group at a future date after considering repayments by the counterparty before the default event occurs. The outstanding balance as at reporting date is considered as EAD by the Group. Considering the PD determined above factors in amount at default, there is no separate requirement to estimate EAD.

Loss given default (LGD) — It represents an estimate of the loss expected to be incurred when the event of default occurs. The Group uses historical loss data/external agency LGD for identified pools for the purpose of calculating LGD.

iii. Definition of Default and cure

The Group considers a financial instrument as defaulted and classifies it as Stage III (credit-impaired) for ECL calculations typically when the borrower becomes 90 days past due on contractual payments. The Group may also classify a loan in Stage III if there is material deterioration in the financial condition of the borrower or an assessment that adverse market conditions may have a disproportionately detrimental effect on the loan repayment. Thus, as a part of the qualitative assessment of whether an instrument is in default, the Group also considers a variety of instances that may indicate delay in or non-repayment of the loan. When such events occur, the Group carefully considers whether the event should result in treating the borrower as defaulted and therefore assessed as Stage III for ECL calculations or whether Stage II is appropriate.

Classification of accounts into Stage II is done when there is a material increase in credit risk since initial recognition, typically when contractual repayments are more than 30 days past due.

It is the Group's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage III or Stage II when none of the default criteria which resulted in their downgrade are present.



DMI Finance Private Limited
Notes to the consolidated financial statements for the year ended March 31, 2025

iv. Forward looking information

While estimating the expected credit losses, the Group reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Group analyses if there is any relationship between key economic trends like GDP, Unemployment rates, Benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD, LGD determined by the Group based on its internal data. While the internal estimates of PD, LGD rates by the Group may not be always reflective of such relationships, temporary overlays are embedded in the methodology to reflect such macro-economic trends reasonably.

v. Write-offs

Financial assets are written off either partially or in their entirety only when the Group has no reasonable expectation of recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference recorded as an expense in the period of write off. Any subsequent recoveries are credited to impairment on financial instrument on Consolidated statement of profit and loss.

vi. Collateral repossessed

The Group's policy is to sell repossessed assets. Non-financial assets repossessed are transferred to asset held for sale at fair value less cost to sell or principal outstanding whichever is less at repossession date.

n) Share based payments

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity settled share based payments is expensed on a straight line basis over the vesting year, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Consolidated Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

o) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group's primary business segments are reflected based on the principal business carried out, i.e. lending activities as Non-Banking Finance Company (NBFC) regulated by the Reserve Bank of India ('RBI'). The risk and returns of the business of the Group is not associated with geographical segmentation, hence there is no secondary segment.

3.2 New and Amended Standards

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS - 117 Insurance Contracts and amendments to Ind AS 116 - Leases, relating to sale and leaseback transactions, applicable to the Group w.e.f. April 1, 2024. The Group has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.



DMI Finance Private Limited
Notes to the consolidated financial statements
(All Amount in Rs. millions, unless otherwise stated)

4 Cash and cash equivalents

	As at March 31, 2025	As at March 31, 2024
Cash on hand	0.13	0.09
Balance with banks		
- balance in current accounts and overdraft accounts	8,673.51	10,080.09
Deposits with original maturity of 3 months or less	425.35	500.00
	<u>9,098.99</u>	<u>10,580.18</u>

5 Bank balance other than cash and cash equivalents

Deposit with original maturity of more than 3 months*	2,514.22	1,162.59
	<u>2,514.22</u>	<u>1,162.59</u>

*Deposits being lien marked against corporate credit cards, overdraft, cash credit, WCDL accounts and pledged for PTC borrowings as external credit enhancement

6 Trade receivables

Considered good - Unsecured	99.93	68.86
Considered good - Secured	-	-
Receivables which have significant increase in credit risk	-	-
Receivables - credit impaired	-	-
	<u>99.93</u>	<u>68.86</u>
Less: Impairment loss allowance	-	-
Total	<u>99.93</u>	<u>68.86</u>

Trade receivables from related parties (refer note 42)

Trade receivables ageing schedule

As at 31 March 2025

Particulars	Less than 6 Months	6 months- 1 year	1 -2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - considered good	96.07	-	-	-	3.86	99.93
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivable - credit impaired	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-
	<u>96.07</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3.86</u>	<u>99.93</u>

As at 31 March 2024

Particulars	Less than 6 Months	6 months- 1 year	1 -2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - considered good	65.00	-	-	-	3.86	68.86
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivable - credit impaired	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-
	<u>65.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3.86</u>	<u>68.86</u>

Note: The ageing of trade receivables has been determined from the transaction date



DMI Finance Private Limited
Notes to the consolidated financial statements
(All Amount in Rs. millions, unless otherwise stated)

7 Loans

	As at March 31, 2025			As at March 31, 2024		
	Amortised cost	Fair value through other comprehensive income	Total	Amortised cost	Fair value through other comprehensive income	Total
(A) Term loans						
Corporate loans*	3,786.55	72.33	3,858.88	5,392.93	104.87	5,497.80
Consumer loans	77,423.34	-	77,423.34	117,500.40	-	117,500.40
Total (A) Gross	81,209.89	72.33	81,282.22	122,893.33	104.87	122,998.20
Less: Impairment loss allowance	5,904.81	10.10	5,914.91	4,546.53	11.81	4,558.34
Total (A) Net	75,305.08	62.23	75,367.31	118,346.80	93.06	118,439.86
(B)						
Secured by tangible assets and intangible assets	19,021.07	72.33	19,093.40	35,820.07	104.87	35,924.94
Unsecured	62,188.82	-	62,188.82	87,073.26	-	87,073.26
Total (B) Gross	81,209.89	72.33	81,282.22	122,893.33	104.87	122,998.20
Less: Impairment loss allowance	5,904.81	10.10	5,914.91	4,546.53	11.81	4,558.34
Total (B) Net	75,305.08	62.23	75,367.31	118,346.80	93.06	118,439.86
(C) Sector						
Public sector	-	-	-	-	-	-
Others	81,209.89	72.33	81,282.22	122,893.33	104.87	122,998.20
Total (C) Gross	81,209.89	72.33	81,282.22	122,893.33	104.87	122,998.20
Less: Impairment loss allowance	5,904.81	10.10	5,914.91	4,546.53	11.81	4,558.34
Total (C) Net	75,305.08	62.23	75,367.31	118,346.80	93.06	118,439.86
(D)						
In India	81,209.89	72.33	81,282.22	122,893.33	104.87	122,998.20
Outside India	-	-	-	-	-	-
Total (D) Gross	81,209.89	72.33	81,282.22	122,893.33	104.87	122,998.20
Less: Impairment loss allowance	5,904.81	10.10	5,914.91	4,546.53	11.81	4,558.34
Total (D) Net	75,305.08	62.23	75,367.31	118,346.80	93.06	118,439.86

*The Holding Company does not have any loans outstanding from employees as on March 31, 2025 and March 31, 2024.

Notes:

- i) Loans are non-derivative financial assets which generate a fixed or variable interest income for the Group. The carrying value may be affected by changes in the credit risk of the counterparties.
- ii) Secured Loans granted by the Holding Company are secured by equitable mortgage/registered mortgage of the property and/or undertaking to create a security and/or personal guarantees and/or hypothecation of assets and/or receivables and/or pledge of shares/debenture units and other securities.
- iii) Corporate loan portfolio includes non-convertible debentures of Rs. 830.61 millions (previous year: Rs. 1,085.87 millions)
- iv) Details of loans given to key managerial personnel (KMP) are provided in Note 42. There is no outstanding balance as on March 31, 2025 and March 31, 2024.



DMI Finance Private Limited
Notes to the consolidated financial statements
(All Amount in Rs. millions, unless otherwise stated)

7.1 Impairment allowance for loans and advances to borrowers

Summary of loans by stage distribution is as follows:

Consumer loans	March 31, 2025				March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	73,013.04	3,741.18	669.12	77,423.34	114,118.34	3,075.86	306.20	117,500.40
Less: Impairment loss allowance	2,073.63	2,350.74	511.74	4,936.11	1,795.57	1,628.45	228.80	3,652.82
Net carrying amount	70,939.41	1,390.44	157.38	72,487.23	112,322.77	1,447.41	77.40	113,847.58

Corporate loans	March 31, 2025				March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	692.84	776.56	2,389.48	3,858.88	2,501.04	883.86	2,112.90	5,497.80
Less: Impairment loss allowance	12.72	175.73	790.35	978.80	132.64	111.32	661.56	905.52
Net carrying amount	680.12	600.83	1,599.13	2,880.08	2,368.40	772.54	1,451.34	4,592.28

Summary of credit substitutes and compulsory convertible debentures by stage distribution is as follows:

Credit substitutes and compulsory convertible debentures	March 31, 2025				March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	-	-	807.16	807.16	-	-	807.16	807.16
Less: Impairment loss allowance	-	-	403.57	403.57	-	-	403.57	403.57
Net carrying amount	-	-	403.59	403.59	-	-	403.59	403.59

An analysis of changes in the gross carrying amount: In relation to consumer and corporate lending (except credit substitutes and compulsory convertible debentures) is, as follows:

Consumer loans	March 31, 2025				March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	114,118.34	3,075.86	306.20	117,500.40	57,309.78	1,690.44	113.81	59,114.03
New Assets originated, Netted off for repayments and loans derecognised during the year	(36,389.27)	(3,319.84)	(367.95)	(40,077.06)	59,073.22	(654.92)	(31.93)	58,386.37
Transfers from Stage 1	(4,759.32)	4,069.59	689.73	-	(2,400.26)	2,195.71	204.55	-
Transfers from Stage 2	39.55	(86.62)	47.07	-	130.86	(156.05)	25.19	-
Transfers from Stage 3	3.74	2.19	(5.93)	-	4.74	0.68	(5.42)	-
Gross carrying amount closing balance	73,013.04	3,741.18	669.12	77,423.34	114,118.34	3,075.86	306.20	117,500.40

Corporate loans	March 31, 2025				March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	2,501.04	883.86	2,112.90	5,497.80	8,167.13	1,784.28	2,240.59	12,192.00
New Assets originated, Netted off for repayments and loans derecognised during the year	(1,031.64)	(316.58)	(290.70)	(1,638.92)	(4,349.74)	(1,722.97)	(621.49)	(6,694.20)
Transfers from Stage 1	(776.56)	776.56	-	-	(1,316.35)	822.55	493.80	-
Transfers from Stage 2	-	(567.28)	567.28	-	-	-	-	-
Transfers from Stage 3	-	-	-	-	-	-	-	-
Gross carrying amount closing balance	692.84	776.56	2,389.48	3,858.88	2,501.04	883.86	2,112.90	5,497.80

An analysis of changes in the gross carrying amount of Investments in relation to Credit Substitutes and Compulsory Convertible Debentures is, as follows:

Particulars	March 31, 2025				March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	-	-	807.16	807.16	3,462.35	-	351.99	3,814.34
New Assets originated, Netted off for repayments and loans derecognised during the year	-	-	-	-	(2,655.19)	-	(351.99)	(3,007.18)
Transfers from Stage 1	-	-	-	-	(807.16)	-	807.16	-
Transfers from Stage 2	-	-	-	-	-	-	-	-
Transfers from Stage 3	-	-	-	-	-	-	-	-
Gross carrying amount closing balance	-	-	807.16	807.16	-	-	807.16	807.16



DMI Finance Private Limited
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An analysis of changes in the ECL allowances in relation to consumer and corporate lending (except Credit Substitutes and Compulsory Convertible Debentures) is, as follows:

Consumer loans*	March 31, 2025				March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Expected credit loss allowance opening balance	1,795.57	1,628.45	228.80	3,652.82	619.78	493.24	113.81	1,226.83
Change in ECL due to change in ECL model rate	1,351.69	304.25	5.38	1,661.32	272.39	393.19	(28.77)	636.81
New Assets originated, Netted off for repayments and loans derecognised/write offs during the year	2,009.79	(2,103.35)	(284.47)	(378.03)	2,188.47	(371.80)	(27.49)	1,789.18
Transfers from Stage 1	(3,084.61)	2,557.10	527.51	-	(1,287.14)	1,134.29	152.85	-
Transfers from Stage 2	1.09	(37.09)	36.00	-	2.01	(20.83)	18.82	-
Transfers from Stage 3	0.10	1.38	(1.48)	-	0.07	0.35	(0.43)	-
Expected credit loss allowance closing balance	2,073.63	2,350.74	511.74	4,936.11	1,795.57	1,628.45	228.80	3,652.82

Corporate loans	March 31, 2025				March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Expected credit loss allowance opening balance	132.64	111.32	661.56	905.52	256.96	1,338.45	1,139.32	2,734.73
Change in ECL due to change in ECL model rate	1.65	-	177.41	179.06	60.22	16.97	78.20	155.39
New Assets originated, Netted off for repayments and loans derecognised/write offs during the year	54.16	(32.07)	(127.87)	(105.78)	(37.63)	(1,336.69)	(610.28)	(1,984.60)
Transfers from Stage 1	(175.73)	175.73	-	-	(146.91)	92.59	54.32	-
Transfers from Stage 2	-	(79.25)	79.25	-	-	-	-	-
Transfers from Stage 3	-	-	-	-	-	-	-	-
Expected credit loss allowance closing balance	12.72	175.73	790.35	978.80	132.64	111.32	661.56	905.52

An analysis of changes in the ECL allowances of Investment in relation to Credit Substitutes and Compulsory Convertible Debentures (refer note 8) is, as follows:

Credit Substitutes	March 31, 2025				March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Expected credit loss allowance opening balance	-	-	403.57	403.57	765.18	-	351.99	1,117.17
Change in ECL due to change in ECL model rate	-	-	-	-	-	-	-	-
New Assets originated, Netted off for repayments and loans derecognised/write offs during the year	-	-	-	-	(361.61)	-	(351.99)	(713.60)
Transfers from Stage 1	-	-	-	-	(403.57)	-	403.57	-
Transfers from Stage 2	-	-	-	-	-	-	-	-
Transfers from Stage 3	-	-	-	-	-	-	-	-
Expected credit loss allowance closing balance	-	-	403.57	403.57	-	-	403.57	403.57

*The increase in ECL is due to increase in the amount of loans classified as Stage II & III as on 31 March 25 as compared to 31 March 24.

7.2 Collateral

In case of corporate term loans the Holding Company is in the business of extending secured loans mainly backed by mortgage of property (residential or commercial).

In addition to the above mentioned collateral, the Holding Company holds other types of collateral and credit enhancements, such as cross-collateralisation on other assets of the borrower, share pledge, guarantees of parent/holding/group companies, personal guarantees of promoters/partners/proprietors, hypothecation of receivables via escrow account and others.

Consumer secured loans are hypothecated by first and exclusive charge on the product financed by the Holding Company.

In its normal course of business, the Holding Company does not physically repossess properties or other assets, but recovery efforts are made on delinquent loans through collection executives, along with legal means to recover due loan repayments.

Once contractual loan repayments are more than 90 days past due, repossession of property may be initiated under the provisions of the SARFAESI Act 2002. Re-possessed property is disposed off in the manner prescribed in the SARFAESI act 2002 to recover outstanding debt.



DMI Finance Private Limited
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8 Investments

As at Mar 31, 2025

(A) Equity Instruments

Equity shares in DMI Infotech Solutions Private Limited

Equity shares in Alchemist Asset Reconstruction Company Limited

Subtotal

Preference shares

Investments in Joint Venture

Compulsorily convertible preference shares in Ampvers: DMI Private Limited

Subtotal

Others

Compulsory convertible preference shares in Alchemist Asset Reconstruction Company Limited

Compulsorily convertible preference shares in Saaraithi Inbiz Private Limited

Subtotal

Mutual funds

5,23,991.11 units of Baroda BNP Paribas Liquid Fund - Direct Growth

6,00,142.41 units of HDFC Liquid Fund - Direct Plan - Growth Option

9,974.52 units of SBI Liquid Fund Direct Growth

6,32,509.46 units of DSP Liquidity Fund - Direct Plan - Growth

4,28,015.35 units of UTI Liquid Cash Plan - Direct Plan - Growth

42,85,260.84 units of Aditya - Direct Plan - Growth

63,873.88 units of ICI Liquid Fund - DP Growth

10,40,537.02 units of Axis Liquid Fund - Direct Growth

5,57,780.86 units of Nippon - Direct Plan - Growth Option

Subtotal

Compulsory or Optionally Convertible Debentures

Optionally convertible debentures in DMI Infotech Solutions Private Limited (Formerly known as DMI Consumer Credit Private Limited) of face value of Rs 1,00,000 each

Subtotal

Credit substitutes

805 units of Saha Estate Developer Private Limited of face value Rs 1,000,000 fully paid up

Subtotal

Investment in Pass through certificates(unquoted)

Other Instruments

Units of DMI AIF Special Opportunities Scheme

Subtotal

Total (A) Gross

Less: Impairment loss allowance

Total (A) Net

(B) Investments outside India

Investments in India

Total (B) Gross

Less: Impairment loss allowance

Total (B) Net

	Amortised cost	At fair value through profit and loss	At fair value through other comprehensive income	Subtotal	Others*	Total
Equity shares in DMI Infotech Solutions Private Limited	-	-	-	-	-	-
Equity shares in Alchemist Asset Reconstruction Company Limited	-	226.20	-	226.20	-	226.20
Subtotal	-	226.20	-	226.20	-	226.20
Preference shares	-	-	-	-	-	-
Investments in Joint Venture	-	-	-	-	-	-
Compulsorily convertible preference shares in Ampvers: DMI Private Limited	-	-	-	-	168.52	168.52
Subtotal	-	-	-	-	168.52	168.52
Others	-	-	-	-	-	-
Compulsory convertible preference shares in Alchemist Asset Reconstruction Company Limited	-	34.50	-	34.50	-	34.50
Compulsorily convertible preference shares in Saaraithi Inbiz Private Limited	-	160.01	-	160.01	-	160.01
Subtotal	-	194.51	-	194.51	-	194.51
Mutual funds	-	-	-	-	-	-
5,23,991.11 units of Baroda BNP Paribas Liquid Fund - Direct Growth	-	1,567.09	-	1,567.09	-	1,567.09
6,00,142.41 units of HDFC Liquid Fund - Direct Plan - Growth Option	-	3,053.20	-	3,053.20	-	3,053.20
9,974.52 units of SBI Liquid Fund Direct Growth	-	40.46	-	40.46	-	40.46
6,32,509.46 units of DSP Liquidity Fund - Direct Plan - Growth	-	2,345.52	-	2,345.52	-	2,345.52
4,28,015.35 units of UTI Liquid Cash Plan - Direct Plan - Growth	-	1,819.58	-	1,819.58	-	1,819.58
42,85,260.84 units of Aditya - Direct Plan - Growth	-	1,789.07	-	1,789.07	-	1,789.07
63,873.88 units of ICI Liquid Fund - DP Growth	-	24.52	-	24.52	-	24.52
10,40,537.02 units of Axis Liquid Fund - Direct Growth	-	3,000.49	-	3,000.49	-	3,000.49
5,57,780.86 units of Nippon - Direct Plan - Growth Option	-	3,540.18	-	3,540.18	-	3,540.18
Subtotal	-	17,180.11	-	17,180.11	-	17,180.11
Compulsory or Optionally Convertible Debentures	-	-	-	-	-	-
Optionally convertible debentures in DMI Infotech Solutions Private Limited (Formerly known as DMI Consumer Credit Private Limited) of face value of Rs 1,00,000 each	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
Credit substitutes	-	-	-	-	-	-
805 units of Saha Estate Developer Private Limited of face value Rs 1,000,000 fully paid up	593.77	-	213.39	807.16	-	807.16
Subtotal	593.77	-	213.39	807.16	-	807.16
Investment in Pass through certificates(unquoted)	3,592.61	-	-	3,592.61	-	3,592.61
Other Instruments	-	-	-	-	-	-
Units of DMI AIF Special Opportunities Scheme	-	-	4.76	4.76	-	4.76
Subtotal	-	-	4.76	4.76	-	4.76
Total (A) Gross	4,186.38	17,180.11	638.86	22,005.35	168.52	22,173.87
Less: Impairment loss allowance	296.88	-	105.69	403.57	-	403.57
Total (A) Net	3,889.50	17,180.11	532.17	21,601.78	168.52	21,770.30
Investments outside India	4,186.38	17,180.11	638.86	22,005.35	168.52	22,173.87
Investments in India	4,186.38	17,180.11	638.86	22,005.35	168.52	22,173.87
Total (B) Gross	4,186.38	17,180.11	638.86	22,005.35	168.52	22,173.87
Less: Impairment loss allowance	296.88	-	105.69	403.57	-	403.57
Total (B) Net	3,889.50	17,180.11	532.17	21,601.78	168.52	21,770.30

* At cost



DMI Finance Private Limited
Notes to the consolidated financial statements
(All Amount in Rs, millions, unless otherwise stated)

As at March 31, 2024	Amortised cost	At fair value through profit and loss	At fair value through other comprehensive income	Subtotal	Others*	Total
(A) Equity Instruments						
Equity shares in DMI Infotech Solutions Private Limited	-	-	3.58	3.58	-	3.58
Equity shares in Alchemist Asset Reconstruction Company Limited	-	-	219.24	219.24	-	219.24
Subtotal	-	-	222.82	222.82	-	222.82
Preference shares						
Investments in Joint Venture						
Compulsorily convertible preference shares in Ampverse DMI Private Limited	-	-	-	-	94.75	94.75
Subtotal	-	-	-	-	94.75	94.75
Investments in Others						
Compulsory convertible preference shares in Alchemist Asset Reconstruction Company Limited	-	-	34.50	34.50	-	34.50
Compulsorily convertible preference shares in Saarathi Finbiz Private Limited	-	-	160.01	160.01	-	160.01
Subtotal	-	-	194.51	194.51	-	194.51
Others						
Mutual funds						
HDFC Cash Management Fund-G	-	365.01	-	365.01	-	365.01
76,949.851 units in HDFC liquid fund-direct plan-growth	-	365.01	-	365.01	-	365.01
Subtotal	-	365.01	-	365.01	-	365.01
Compulsory or Optionally Convertible Debentures						
7,500 Optionally convertible debentures in DMI Infotech Solutions Private Limited (Formerly known as DMI Consumer Credit Private Limited) of face value of Rs 1,00,000 each	-	-	752.88	752.88	-	752.88
Subtotal	-	-	752.88	752.88	-	752.88
Credit Substitutes						
805 units of Saha Estate Developer Private Limited of face value Rs 1,000,000 fully paid up	593.77	-	213.39	807.16	-	807.16
Units of Raheja Icon Entertainment Private Limited of face value Rs 1,000,000 fully paid up***	-	-	-	-	-	-
Subtotal	593.77	-	213.39	807.16	-	807.16
Investment in Pass through certificates(unquoted)	3,673.46	-	-	3,673.46	-	3,673.46
Other Instruments						
Units of DMI AIF Special Opportunities Scheme	-	-	5.80	5.80	-	5.80
Subtotal	-	-	5.80	5.80	-	5.80
Total (A) - Gross	4,267.23	365.01	1,389.40	6,021.64	94.75	6,116.39
Less: Impairment loss allowance	296.88	-	106.69	403.57	-	403.57
Total (A) - Net	3,970.35	365.01	1,282.71	5,618.07	94.75	5,712.82
(B) Investments outside India						
Investments in India	4,267.23	365.01	1,389.40	6,021.64	94.75	6,116.39
Total (B) - Gross	4,267.23	365.01	1,389.40	6,021.64	94.75	6,116.39
Less: Impairment loss allowance	296.88	-	106.69	403.57	-	403.57
Total (B) - Net	3,970.35	365.01	1,282.71	5,618.07	94.75	5,712.82

* At cost

** Sold during the year

*** Written off during the year

Notes:

(i) For movement of Impairment loss allowance refer note 7.1

(ii) Detail of Group's associate/joint venture is given below. These are included in the Group's financial statements using equity method of accounting:

Name of entity	Principal Activity	Place of Incorporation	Principal place of business	Proportion of the ownership	
				As at Mar 31, 2025	As at March 31, 2024
Associate					
DMI Alternatives Private Limited (upto 25 Sep 2023)	Investment Manager	Delhi	Delhi	0.00%	0.00%
Joint Venture					
Ampverse DMI Private Limited (w.e.f 05 July 2023)	Promotion of exports	Delhi	Delhi	49.00%	49.00%

(iii) An analysis of Group's investment in associate/joint venture is as follows:

	Joint Venture		Associate	
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning of the year	94.75	-	-	71.63
Addition/Adjustment	106.60	131.20	-	(5.03)
Disposal	-	-	-	-
Share of Profits/(Loss)	(32.83)	(36.45)	-	(20.99)
Dividend received	-	-	-	-
Less: Sale proceeds	-	-	-	67.05
Add: Profit on sale	-	-	-	21.44
Balance at the end of the year	168.52	94.75	-	-

(iv) Financial information

None of the associates/joint venture of the Group is individually material, financial information aggregating 100% of the results is as follows:

	Joint Venture		Associate	
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
Profit/ (loss) after tax	(67.01)	(74.38)	-	(42.84)
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	(67.01)	(74.38)	-	(42.84)



DMI Finance Private Limited
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9 Other financial assets (at amortized cost)

	As at March 31, 2025	As at March 31, 2024
Security deposit	45.92	33.78
First loss default guarantee recoverable	348.37	130.13
Interest accrued on fixed deposits	45.01	22.50
Unbilled revenue and recoverables	204.59	1,015.99
Others	178.93	30.50
	822.82	1,232.90
Less: Impairment loss allowance	136.20	63.00
Total	686.62	1,169.90

10 Current tax assets (net)

Advance Income-tax (net)	1,451.24	148.20
Total	1,451.24	148.20

11 Deferred tax assets

Deferred tax liability		
Fair value of financial instruments	137.43	21.91
Leased assets	100.30	55.24
Difference in income recognition on unrealized gain on mutual fund investments	8.42	14.47
Total deferred tax liabilities	246.15	91.62
Deferred tax asset		
Provision for employee benefits	47.85	36.00
Difference in written down value as per Companies Act, 2013 and Income-tax Act, 1961	(22.92)	16.57
EIR adjustment for processing fee	622.35	771.95
Liability against leases	115.95	66.26
Impairment loss allowance	1,616.71	1,264.67
Notional Interest on Market linked debentures	-	48.98
Others	0.10	0.09
Carry forward of losses	184.01	45.47
Carry forward of interest disallowed u/s 94B of Income Tax Act, 1961	3.00	-
Total deferred tax asset	2,567.05	2,249.99
Net deferred tax asset	2,320.90	2,158.37

Movement of deferred tax assets	As at March 31, 2024	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at March 31, 2025
Liabilities				
Fair value of financial instruments	21.91	113.83	1.69	137.43
Leased assets	55.24	45.06	-	100.30
Difference in income recognition on unrealized gain on mutual fund investments	14.47	(6.05)	-	8.42
Gross Deferred tax liabilities	91.62	152.84	1.69	246.15
Assets				
Provision for employee benefits	36.00	10.99	0.86	47.85
Difference in written down value as per Companies Act, 2013 and Income-tax Act, 1961	16.57	(39.49)	-	(22.92)
EIR adjustment for processing fee	771.95	(149.60)	-	622.35
Liability against leases	66.26	49.69	-	115.95
Impairment loss allowance	1,264.67	352.04	-	1,616.71
Notional Interest on Market linked debentures	48.98	(48.98)	-	-
Others	0.09	0.01	-	0.10
Carry forward of Losses	45.47	138.54	-	184.01
Carry forward of interest disallowed u/s 94B of Income Tax Act, 1961	-	3.00	-	3.00
Gross Deferred tax assets	2,249.99	316.20	0.86	2,567.05
Net deferred tax asset	2,158.37	163.36	(0.83)	2,320.90

Movement of deferred tax assets	As at March 31, 2023	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at March 31, 2024
Liabilities				
Fair value of financial instruments	321.69	(299.84)	0.06	21.91
Leased assets	49.42	5.82	-	55.24
Difference in income recognition on unrealized gain on mutual fund investments	9.97	4.50	-	14.47
Gross Deferred tax liabilities	381.08	(289.52)	0.06	91.62
Assets				
Provision for employee benefits	30.85	5.41	(0.26)	36.00
Difference in written down value as per Companies Act, 2013 and Income-tax Act, 1961	15.12	1.45	-	16.57
EIR adjustment for processing fee	260.36	511.59	-	771.95
Liability against leases	60.47	5.79	-	66.26
Impairment loss allowance	1,200.30	64.37	-	1,264.67
Notional Interest on Market linked debentures	14.57	34.41	-	48.98
Others	0.08	0.01	-	0.09
Carry forward of Losses	18.82	26.65	-	45.47
Carry forward of interest disallowed u/s 94B of Income Tax Act, 1961	-	-	-	-
Gross Deferred tax assets	1,600.57	649.68	(0.26)	2,249.99
Net deferred tax asset	1,219.49	939.20	(0.32)	2,158.37



DMI Finance Private Limited
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12 Property, plant and equipment (at cost)

	Furniture and fixtures	Computers	Vehicles	Office equipment	Lease hold improvements	Total
Gross carrying amount						
Balance as at March 31, 2023	1.95	88.93	5.55	39.40	181.26	317.09
Additions	0.02	21.48	6.41	7.59	15.45	51.35
Disposals	-	(13.08)	(6.11)	-	-	(19.19)
Balance as at March 31, 2024	1.97	97.33	7.85	47.39	196.71	351.25
Additions	-	37.11	-	7.79	11.45	56.35
Disposals	(0.20)	(5.63)	-	(3.84)	-	(9.67)
Balance as at March 31, 2025	1.77	128.81	7.85	51.34	208.16	397.93
Accumulated depreciation						
Balance as at March 31, 2023	1.34	57.66	4.95	31.91	78.23	174.09
Charge for the year	0.15	23.50	1.11	5.31	20.40	50.47
Disposals	-	(12.18)	(3.69)	-	-	(16.07)
Balance as at March 31, 2024	1.49	68.98	2.37	37.22	98.63	208.49
Charge for the year	0.12	24.28	1.68	6.50	22.29	54.87
Disposals	(0.19)	(5.31)	-	(3.64)	-	(9.14)
Balance as at March 31, 2025	1.42	87.95	4.05	40.08	120.92	254.52
Net carrying amount						
As at March 31, 2023	0.61	31.27	0.60	7.49	103.03	143.00
As at March 31, 2024	0.48	28.55	5.48	10.17	98.08	142.76
As at March 31, 2025	0.35	41.06	3.80	11.26	87.24	143.71

Notes:

- Leasehold improvements comprises expenditure incurred for the construction on the property obtained on lease as disclosed in Note 15 - Right of use assets.
- During the current financial year and in the previous financial year there is no revaluation of Property, plants and equipment.
- There is no proceeding initiated against the Group for the properties under the Benami Transactions (Prohibition) Act, 1908 and the rules made thereunder.

13 (a) Capital work in progress

	As at March 31, 2025	As at March 31, 2024
Capital work in progress	-	4.68
	-	4.68

As at 31 March, 2025	Amount in CWIP for a period				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
	-	-	-	-	-

As at 31 March, 2024	Amount in CWIP for a period				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	4.68	-	-	-	4.68
	4.68	-	-	-	4.68

Contractual commitments to be executed on capital account amounting to Nil (previous year: Rs. 7.17 millions)

Contractual commitments to be executed on capital account amounting to Nil (previous year: Rs. 7.17 millions)

13 (b) Intangible assets under development

3 (b) Intangible assets under development	As at March 31, 2025	As at March 31, 2024			
Intangible assets under development	3.71	2.54			
	3.71	2.54			
As at 31 March, 2025	Amount in intangible assets under development for a period				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	3.71	-	-	-	3.71
	3.71	-	-	-	3.71
As at 31 March, 2024	Amount in intangible assets under development for a period				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	2.54	-	-	-	2.54
	2.54	-	-	-	2.54

Note:

Contractual commitments to be executed on capital account amounting to Rs. 0.58 millions. (previous year: Rs. 0.47 millions)



DMI Finance Private Limited
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14. Goodwill

Particulars	As at March 31, 2025	As at March 31, 2024
Cost or deemed cost	331.63	253.53
Accumulated impairment loss	-	-
	331.63	253.53

Particulars	As at March 31, 2025	As at March 31, 2024
Cost or deemed cost		
Balance at the beginning of the year	253.53	253.53
Additions on account of acquisitions/business combinations	78.10	-
Adjustments	-	-
Foreign currency translation reserve	-	-
Balance at the end of the year	331.63	253.53

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	253.53	253.53
Additions on account of acquisitions/business combinations	78.10	-
Impairment losses recognised in the year	-	-
Balance at the end of the year	331.63	253.53

Notes:

- i) Goodwill represents the cost of business acquisition in excess of the Group's interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. When the net fair value of the identifiable assets, liabilities and contingent liabilities acquired exceeds the cost of business acquisition, the bargain purchase excess is recognized after reassessing the fair value of net assets acquired in the capital reserve. Goodwill is measured at cost less accumulated impairment losses.
- ii) For the purpose of impairment testing, goodwill acquired in subsidiaries is compared with the synergies arising from subsidiaries. After testing, no impairment loss was assessed.

15. Right of use assets

	Right of use assets	Total
Gross carrying amount		
Balance as at March 31, 2023	379.26	379.26
Additions	77.92	77.92
Disposals	-	-
Balance as at March 31, 2024	457.18	457.18
Additions	263.29	263.29
Disposals	(11.42)	(11.42)
Balance as at March 31, 2025	719.05	719.05
Accumulated amortization		
Balance as at March 31, 2023	182.91	182.91
Additions	54.79	54.79
Disposals	-	-
Balance as at March 31, 2024	237.70	237.70
Additions	83.35	83.35
Disposals	(0.51)	(0.51)
Balance as at March 31, 2025	320.54	320.54
Net carrying amount		
As at March 31, 2023	196.35	196.35
As at March 31, 2024	219.48	219.48
As at March 31, 2025	398.51	398.51

Note: For other details please refer Note 48

16. Other Intangible assets

	Software	Total
Gross carrying amount		
Balance as at March 31, 2023	71.15	71.15
Additions	21.64	21.64
Disposals	(3.21)	(3.21)
Balance as at March 31, 2024	89.58	89.58
Additions	721.42	721.42
Disposals	-	-
Balance as at March 31, 2025	811.00	811.00
Accumulated amortization		
Balance as at March 31, 2023	49.49	49.49
Additions	12.18	12.18
Disposals	(3.06)	(3.06)
Balance as at March 31, 2024	58.61	58.61
Additions	62.93	62.93
Disposals	-	-
Balance as at March 31, 2025	121.54	121.54
Net carrying amount		
As at March 31, 2023	21.66	21.66
As at March 31, 2024	30.97	30.97
As at March 31, 2025	689.46	689.46



DMI Finance Private Limited
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	As at March 31, 2025	As at March 31, 2024
17 Other non-financial assets		
Prepaid expenses	278.08	218.81
Balances with statutory / government authorities	58.94	17.38
Advance salary	0.15	0.02
Advances given to service providers	33.31	71.04
Other non-financial assets	38.88	9.33
Total	409.36	316.58
18 Assets held for sale		
Assets held for sale (see note below)	75.00	75.00
	75.00	75.00

Note

- These assets represent assets acquired from the Holding Company's borrowers as a part of Group's risk management strategy. In these cases, the Holding Company had entered into settlement agreement as a prudent measure by the management wherein the borrower was approached and there was a mutual consensus between the Holding Company and borrower to transfer the asset in the name of the Holding Company towards settlement of the loan amount.
- Title deeds of all immovable properties and lease agreements for all the leased premises are held in the name of the Holding Company.



DMI Finance Private Limited
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	As at March 31, 2025	As at March 31, 2024
19 Payables		
a. Trade payables		
i. Total outstanding dues of micro and small enterprises (See note "B" below)	8.50	25.33
ii. Total outstanding dues of creditors other than micro and small enterprises	1,093.56	1,603.23
	1,102.06	1,628.56
b. Other payables		
i. Total outstanding dues of micro and small enterprises (See note "B" below)	-	-
ii. Total outstanding dues of creditors other than micro and small enterprises	874.99	850.37
	874.99	850.37
Total	1,977.05	2,478.93

A) Trade payable and other payable ageing schedule

As at 31 March 2025

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro and small enterprises	8.50	-	-	-	8.50
Total outstanding dues of creditors other than micro and small enterprises	1,350.53	428.69	92.53	96.80	1,968.55
Disputed dues of micro and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-
Total	1,359.03	428.69	92.53	96.80	1,977.05

As at 31 March 2024

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro and small enterprises	25.33	-	-	-	25.33
Total outstanding dues of creditors other than micro and small enterprises	2,278.08	113.38	49.53	12.61	2,453.60
Disputed dues of micro and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-
Total	2,303.41	113.38	49.53	12.61	2,478.93



DMI Finance Private Limited
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B) Amount outstanding of micro and small enterprises

Based on the responses received from certain suppliers, the Group has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

	As at March 31, 2025	As at March 31, 2024
i) The Principal amount and the interest due thereon remaining unpaid to any supplier as at the year end		
- Principal amount	8.42	25.33
- Interest thereon	0.08	-
ii) the amount of interest paid by the buyer in terms of section 16 of MSMED Act, along with the amounts of the payment	-	-
iii) the amount of interest due and payable for the year of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
iv) the amount of interest accrued and remaining unpaid	0.08	-
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises	-	-

20 Debt securities (at amortised cost)

Non convertible debentures (refer note 20.1)	9,023.44	7,122.07
Commercial paper (refer note 20.2)	243.86	245.44
Market linked debentures (refer note 20.3)	-	1,494.65
	9,267.30	8,862.16
Secured **	3,687.74	3,976.72
Unsecured	5,579.56	4,885.44
Total	9,267.30	8,862.16
Debt securities in India	9,267.30	8,862.16
Debt securities outside India	-	-
Total	9,267.30	8,862.16

** Secured against exclusive floating charge by way of hypothecation of loans and receivables of the Holding Company of Rs. 4,981.25 millions (previous year Rs. 5,320.00 millions) to the extent as stated in the respective information memorandum.

The Holding Company has not created the Debenture redemption reserve as it is not mandatorily required in accordance with provisions of the Companies Act 2013.

The Holding Company has, at all times, for the secured NCDs, maintained sufficient asset cover as stated in the respective information memorandum.



DMI Finance Private Limited
Notes to the consolidated financial statements
(All Amount in Rs. millions, unless otherwise stated)

20.1 Terms of redeemable non-convertible debentures (NCD's)

A Secured

ISIN	Date of allotment	Date of redemption	Nominal value per debenture	Number	Rate of interest	Face value (Amount)	Amount outstanding as at March 31, 2025	Amount outstanding as at March 31, 2024	Terms of redemption
INE604O07175	November 28, 2023	August 22, 2025	100,000	20,000	9.75%	2,000.00	1,995.73	1,982.69	633 Days from the date of allotment. Coupon payment frequency is annually
INE604O07183	January 24, 2024	July 24, 2026	100,000	5,000	9.80%	500.00	299.78	499.38	912 Days from the date of Allotment. Coupon and principal payment frequency is half-yearly
INE604O07191	September 30, 2024	January 12, 2027	100,000	14,000	9.70%	1,400.00	1,392.23	-	834 Days from the date of allotment. Coupon payment frequency is annually
Total							3,687.74	2,482.07	

B Unsecured

ISIN	Date of allotment	Date of redemption	Nominal value per debenture	Number	Rate of interest	Face value (Amount)	Amount outstanding as at March 31, 2025	Amount outstanding as at March 31, 2024	Terms of redemption
INE604O08132	March 12, 2024	March 12, 2027	100,000	46,400	9.80%	4,640.00	4,640.00	4,640.00	36 months from date of allotment. Coupon payment frequency is quarterly.
INE604O08157	October 18, 2024	April 18, 2027	100,000	5,617	9.75%	561.70	561.70	-	30 months from date of allotment. Coupon payment frequency is quarterly.
INE604O08140	June 4, 2024	June 4, 2027	100,000	1,340	9.80%	134.00	134.00	-	36 months from date of allotment. Coupon payment frequency is quarterly.
Total							5,335.70	4,640.00	

20.2 Terms of Commercial Paper

Unsecured

ISIN	Date of allotment	Date of redemption	Nominal value per unit/ per commercial paper	Number	Rate of interest	Face value (Amount)	Amount outstanding as at March 31, 2025*	Amount outstanding as at March 31, 2024	Terms of redemption
INE604O14049	March 28, 2024	June 14, 2024	500,000	500	9.05%	250.00	-	245.44	78 days from the date of allotment
INE604O14148	October 17, 2024	July 17, 2025	500,000	500	8.94%	250.00	243.86	-	273 days from the date of allotment
Total							243.86	245.44	

* Includes discount accretion of INR 6.14 million (previous year INR 4.56 million) as at March 31, 2025

20.3 Terms of redeemable Market Linked Debentures (MLD's)

Secured

ISIN No.	Date of allotment	Date of redemption	Nominal value per debenture	Number	Rate of interest	Face value (Amount)	Amount outstanding as at March 31, 2025	Amount outstanding as at March 31, 2024	Terms of redemption
INE604O07167	October 21, 2022	October 21, 2024	1,000,000	1,500	As per Table Below *	1,500.00	-	1,494.65	24 Months from the date of Allotment. Coupon is payable on/at maturity.
Total							-	1,494.65	

* If Yield of GSEC 2032 on Redemption Date	Coupon(XIRR)
Is <= 18%	8.75% XIRR
Is <= 24% and >18%	8.70% XIRR
Is > 24%	-



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21 Borrowings (other than debt securities) (at amortised cost)

	As at March 31, 2025	As at March 31, 2024
Secured		
Term loans		
From banks and financial institutions (See note i, iv and vi below)	23,581.95	52,377.03
Other loans		
Securitisation - PTC Borrowings (See note iii and v below)	11,082.26	7,019.37
Cash credit and overdraft		
From banks (See note i and ii below)	-	112.88
Sub-total (A)	34,664.21	59,509.28
Unsecured		
Term loans		
From Individuals (See note vi below)	-	0.83
Sub-total (B)	-	0.83
Total (A+B)	34,664.21	59,510.11
Borrowings in India	34,664.21	59,510.11
Borrowings outside India	-	-
Total	34,664.21	59,510.11

Notes:

- i) Secured against exclusive floating charge by way of hypothecation of loans and receivables of the Holding Company to the extent of Rs. 38,744.28 millions (Previous year: Rs. 70,552.22 millions),
- ii) Exclusive hypothecation charge on the standard receivables of the Holding Company at all times and cash credit is repayable on demand,
- iii) Secured against exclusive fixed charge by way of hypothecation of loans and receivables of the Company to the extent of Rs 15,607.10 millions (Previous year: Rs 8,988.54 millions)
- iv) Terms of repayment of borrowings are as follows:

Lender	Disbursement Amount	Repayment	Outstanding as on March 31, 2025	Outstanding as on March 31, 2024
Bank of Baroda - 2	500	16 quarterly installments	-	124.80
Bank of Baroda - 3	500	16 quarterly installments	124.82	249.35
Bank of Baroda - 4	1,000	12 quarterly installments	166.48	498.46
Bank of Baroda - 5	1,000	12 quarterly installments	332.66	664.10
Bank of Baroda - 6	3,000	12 quarterly installments	1,742.10	2,730.82
Karnataka Bank Limited - 1	200	11 quarterly installments	-	18.18
Karnataka Bank Limited - 2	250	11 quarterly installments	-	4.55
Karnataka Bank Limited - 3	500	11 quarterly installments	-	181.17
Karnataka Bank Limited - 4	250	34 monthly installments	-	205.41
Karnataka Bank Limited - 5	1,000	34 monthly installments	473.83	909.85
Bank of Maharashtra - 1	500	42 monthly installments	22.61	178.21
Bank of Maharashtra - 2	2,000	42 monthly installments	657.80	1,279.77
Bank of Maharashtra - 3	2,000	33 monthly installments	572.32	1,747.98
Bank of Maharashtra - 4	3,000	33 monthly installments	1,350.93	-
HDFC Bank Limited - 4	1,000	8 quarterly installments	-	249.86
HDFC Bank Limited - 5	1,000	6 quarterly installments	-	166.59
HDFC Bank Limited - 6	2,000	8 quarterly installments	-	997.66
HDFC Bank Limited - 7	2,000	12 quarterly installments	-	1,661.09
HDFC Bank Limited - 8	1,000	12 quarterly installments	-	830.35
HDFC Bank Limited - 9	2,930	8 quarterly installments	-	2,917.79
State Bank of India - 1	1,000	15 quarterly installments	66.59	332.17
State Bank of India - 2	2,000	15 quarterly installments	532.33	1,062.82
State Bank of India - 3	2,000	15 quarterly installments	931.13	1,460.89
State Bank of India - 4	7,500	15 quarterly installments	4,961.95	6,926.12
Kotak Mahindra Bank Limited - 2	750	24 monthly installments	-	93.74
Kotak Mahindra Bank Limited - 3	750	24 monthly installments	93.74	468.36
Kotak Mahindra Bank Limited - 4	250	24 monthly installments	34.09	170.28
Kotak Mahindra Bank Limited - 5	1,500	24 monthly installments	45.64	1,310.93
Kotak Mahindra Bank Limited - 6	500	24 monthly installments	249.83	499.31
Kotak Mahindra Bank Limited - 7	2,000	24 monthly installments	748.43	-
Indusind Bank Limited - 1	500	12 quarterly installments	-	164.36
Indusind Bank Limited - 2	500	12 quarterly installments	-	329.80
Indusind Bank Limited - 3	2,500	12 quarterly installments	815.79	2,055.88
Indusind Bank Limited - 4	500	12 quarterly installments	327.75	491.45
Punjab National Bank - 1	500	35 monthly installments	-	140.60
Punjab National Bank - 2	500	14 quarterly installments	387.59	496.27
South Indian Bank Limited - 2	500	15 quarterly installments	128.63	263.12
South Indian Bank Limited - 3	1,000	7 quarterly installments	395.32	996.84
Indian Bank - 1	750	16 quarterly installments	234.12	420.92
Indian Bank - 2	500	11 quarterly installments	-	361.55
Indian Bank - 3	500	16 quarterly installments	-	497.70
Indian Bank - 4	500	8 quarterly installments	373.68	-
Sumitomo Mitsui Banking Corporation - 2	2,000	Upto 3 Months	-	1,999.45
MUFG Bank Limited	4,000	upto 6 months	-	4,000.00
CSB Bank Limited - 1	500	12 quarterly installments	-	205.32
CSB Bank Limited - 2	250	12 quarterly installments	-	206.59
CSB Bank Limited - 3	500	12 quarterly installments	413.09	-
DCB Bank	250	11 quarterly installments	66.37	157.91
Bandhan Bank - 1	500	45 monthly installments	-	364.84
Bandhan Bank - 2	1,000	45 monthly installments	-	996.72
Utkarsh Small Finance Bank Limited - 1	300	37 monthly installments	81.00	178.12



DMI Finance Private Limited
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Utkarsh Small Finance Bank Limited - 2	380	37 monthly installments	100.83	338.39
Jammu & Kashmir Bank Limited	500	14 quarterly installments	177.11	424.58
Canara Bank	1,000	14 quarterly installments	408.53	922.31
Axis Bank Ltd-1	1,000	8 quarterly installments	-	621.08
Axis Bank Ltd-2	2,000	8 quarterly installments	792.56	1,994.02
Tata Capital Limited	500	36 monthly installments	-	388.04
Indian Overseas Bank	500	14 quarterly installments	237.87	494.84
Bajaj Finance Limited TL-1	1,000	36 monthly installments	554.61	886.42
Bajaj Finance Limited TL-2	1,000	36 monthly installments	347.42	-
Federal Bank Limited 1	500	10 quarterly installments	246.09	445.56
Federal Bank Limited 2	500	10 quarterly installments	79.29	-
Aditya Birla Finance Limited TL-1	500	12 quarterly installments	72.73	456.63
Aditya Birla Finance Limited TL-2	500	12 quarterly installments	407.54	-
Poonawalla Fincorp Ltd TL-1	500	36 Monthly installments	320.93	473.68
Poonawalla Fincorp Ltd TL-2	500	36 Monthly installments	132.40	-
UCO Bank	2,000	12 quarterly installments	1,150.43	1,812.62
HDFC Bank Limited WCDL	450	Upto 90 days	-	450.00
IndusInd Bank Limited WCDL	250	upto 360 days	-	249.81
Indian Bank WCDL	150	Upto 1 year	-	150.00
HSBC Bank TL-1	1,500	24 quarterly installments	652.94	-
Bank of India TL-1	1,000	14 quarterly installments	699.26	-
RBL Bank	1,000	8 quarterly installments	870.79	-
Total			23,581.95	52,377.03

Interest rate ranges from 8.40% p.a to 10.90% p.a

Security cover ratio ranges from 1.10 times to 1.25 times

v) Terms of repayment of Securitization- PTC borrowings are as follows:

Securitisation	Total Amount	Payment Terms	Outstanding as on March 31, 2025	Outstanding as on March 31, 2024
PLUM II	772.70	Monthly Payout to the Trust on the Pay in Date	-	21.20
PLUM I	905.30	Monthly Payout to the Trust on the Pay in Date	-	201.57
PLUM III	1,491.20	Monthly Payout to the Trust on the Pay in Date	-	483.65
PLUM 24-1	830.02	Monthly Payout to the Trust on the Pay in Date	-	213.53
PLUM 24-2	649.09	Monthly Payout to the Trust on the Pay in Date	-	171.88
PLUM 24-3	1,504.46	Monthly Payout to the Trust on the Pay in Date	141.28	811.56
PLUM 24-4	1,272.38	Monthly Payout to the Trust on the Pay in Date	109.04	773.37
PLUM 24-5	977.60	Monthly Payout to the Trust on the Pay in Date	212.83	715.54
PLUM 24-6	514.28	Monthly Payout to the Trust on the Pay in Date	99.47	406.99
PLUM 24-7	1,862.79	Monthly Payout to the Trust on the Pay in Date	632.84	1,713.79
PLUM 24-10	483.34	Monthly Payout to the Trust on the Pay in Date	168.77	481.17
PLUM 24-11	1,028.20	Monthly Payout to the Trust on the Pay in Date	340.55	1,025.12
PLUM 24-8	2,155.20	Monthly Payout to the Trust on the Pay in Date	656.36	-
PLUM 24-9	1,460.00	Monthly Payout to the Trust on the Pay in Date	404.32	-
PLUM 25-1	2,163.05	Monthly Payout to the Trust on the Pay in Date	1,044.06	-
PLUM 25-2	832.52	Monthly Payout to the Trust on the Pay in Date	353.64	-
PLUM 25-3	601.87	Monthly Payout to the Trust on the Pay in Date	326.81	-
APRIUM 25-1	2,116.07	Monthly Payout to the Trust on the Pay in Date	1,063.73	-
PLUM 25-6	881.28	Monthly Payout to the Trust on the Pay in Date	571.72	-
PLUM 25-4	1,869.24	Monthly Payout to the Trust on the Pay in Date	1,032.62	-
PLUM 25-7	2,820.66	Monthly Payout to the Trust on the Pay in Date	1,926.91	-
PLUM 25-8	1,998.88	Monthly Payout to the Trust on the Pay in Date	1,997.31	-
Total			11,087.26	7,019.37

Interest rate ranges from 8.95% p.a to 9.45% p.a

vi) Unsecured interest free loans from individuals were repayable on demand

vii) Secured term loans from banks amounting to Rs. 23,581.95 millions (Previous Year : 52,377.03 millions) and carry rate of interest in the range of 8.40% p.a to 10.90% p.a. (Previous year: 8.00% p.a to 10.10% p.a.) The loans are having tenure of upto 4 years from the date of disbursement and are repayable in both monthly and quarterly installments.

viii) The Group has not defaulted in the repayment of dues to its lenders.

ix) The Group has not been declared as wilful defaulter by any of banks, financial institution or any other lender.

x) The Group has been submitting monthly/quarterly receivable/stock data with the lenders as per the provision of sanction letters and there are no discrepancies between receivable/stock data submitted to the lenders and book of accounts.

xi) The Group doesn't have any charges or satisfaction which is yet to be registered with ROC beyond statutory period.

xii) The Group has utilised the funds raised from banks and financial institutions for the specific purpose for which they are borrowed.



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	As at March 31, 2025	As at March 31, 2024
22 Lease liabilities		
Lease liabilities (refer note 48)	460.69	265.29
	<u>460.69</u>	<u>265.29</u>
23 Other financial liabilities		
Interest accrued but not due		
- Debt securities	169.42	282.25
- Borrowings other than debt securities	49.40	206.49
Payable for employee benefits	277.32	193.35
	<u>496.14</u>	<u>682.09</u>
24 Provisions		
Provision for employee benefits		
- Provision for gratuity (refer note 40)	71.84	56.01
- Provision for compensated absences	114.46	83.43
	<u>186.30</u>	<u>139.44</u>
25 Other non-financial liabilities		
Statutory dues payable	149.53	292.78
Advances for goods and services	72.87	142.16
Security deposit	1.86	4.71
	<u>224.26</u>	<u>439.65</u>



DMI Finance Private Limited
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26 Equity share capital

	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
A. Authorized share capital				
Equity shares of Rs. 10 each	1,965,000,000	19,650.00	1,965,000,000	19,650.00
Compulsorily convertible preference shares of Rs. 10 each	125,000,000	1,250.00	35,000,000	350.00
	2,090,000,000	20,900.00	2,000,000,000	20,000.00
B. Issued, subscribed and paid up				
Fully called-up and paid-up				
Equity shares of Rs. 10 each	742,632,169.00	7,426.32	740,864,608	7,408.65
Sub total (A)	742,632,169	7,426.32	740,864,608	7,408.65
Partly called-up and paid-up				
Equity shares of Rs. 10 each	-	-	57,315,400	16.22
Sub total (B)	-	-	57,315,400	16.22
Total (A+B)	742,632,169	7,426.32	798,180,008	7,424.87

26.1 The reconciliation of equity shares outstanding at the beginning and at the end of the reporting year

Balance at the beginning of year	798,180,008	7,425	712,468,142	6,567.75
Changes in equity share capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the period	798,180,008	7,424.87	712,468,142	6,567.75
Shares issued during the year	145,423	1.45	85,711,866	857.12
First call money called on partly paid up shares	-	-	-	-
Reduction and cancellation of partly paid up shares	(55,693,262)	-	-	-
Balance at the end of year	742,632,169	7,426.32	798,180,008	7,424.87

*The paid up share capital of the Company was reduced by Rs. 6 on reduction and cancellation of partly paid shares.

26.2 Shares held by parent company

	As at March 31, 2025		As at March 31, 2024	
	No. of shares	% holding	No. of shares	% holding
DMI Limited	510,792,426	68.78%	519,272,316	69.94%
	510,792,426	68.78%	519,272,316	69.94%

As per records of the Holding Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

26.3 Details of shareholders holding more than 5% shares in the Holding Company

Name of the shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of shares	% holding	No. of shares	% holding
Equity shares of Rs. 10 each fully paid up and partly paid up				
DMI Limited	510,792,426	68.78%	519,272,316	69.94%
NIS Ganesha S.A.	64,735,441	8.72%	64,735,441	8.72%
MUFG Bank Limited	73,830,443	9.94%	73,830,443	9.94%

Note: As per records of the Holding Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(i) During the current year, the Holding Company has issued 1,45,423 equity shares (previous year: 34,43,272 equity shares) of Rs. 10 per share at applicable exercise price under the ESOP plans. The amount received on these issues aggregates to Rs. 2.28 millions (previous year: 285.39 millions).

(ii) % holding is calculated on the basis of paid up share capital of the Holding Company.

(iii) During the Financial year 2024-25, 84,79,890 equity shares have been transferred by DMI Ltd.



DMI Finance Private Limited
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26.4 Details of shares held by promoters

Particulars	As at March 31, 2025	As at March 31, 2024
Equity shares of Rs. 10 each fully paid up		
No. of shares at the beginning of the year	519,272,316	519,889,603
Change during the year	(8,479,890)	(617,287)
No. of shares at the end of the year	510,792,426	519,272,316
% of total shares	68.78%	69.94%
% change during the year	(1.16%)	(11.65%)

DMI Limited is the promoter of the Holding Company

26.5 Rights, preferences and restrictions

The Holding Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Holding Company, the holder of equity shares will be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of the equity shares held by the shareholders.

26.6 Aggregate number of shares issued for consideration other than cash during the five years

The Holding Company has not issued any shares pursuant to a contract without payment being received in cash nor allotted as fully paid up by the way of bonus shares and there has not been any buy back of shares in the current period and the immediately preceding four years.

26.7 Uncalled and Unpaid Capital

There were 5,73,15,400 partly paid up equity shares issued by the Holding Company. During the year under review, the Holding Company had received an order from the Hon'ble National Company Law Tribunal ("NCLT") on July 9, 2024 approving the reduction of Issued, Subscribed and Paid-up share Capital of the Holding Company pursuant to which the uncalled share capital and consequent number of shares were cancelled and reduced to 16,22,138 fully paid up shares. Further, the paid up share capital was also reduced by Rs. 6.



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27 Other equity

	As at March 31, 2025	As at March 31, 2024
Securities premium	46,572.72	46,561.46
Capital redemption reserve	81.21	81.21
Statutory reserve u/s 45-IC of RBI Act	2,584.95	2,574.33
Share based payment outstanding reserve	773.65	501.65
Share warrant reserve	136.01	100.93
Retained earnings	9,722.13	9,977.52
Other comprehensive income	863.50	861.02
Upfront monies received on share warrant	0.72	0.72
Share application money pending allotment	-	1.84
Total	60,734.89	60,660.68
Securities premium		
Opening balance	46,561.46	25,711.77
Add : Premium on shares issued during the year (Including shares issued under Employees Stock Option plan)	11.26	20,873.32
Less: Expenses related to issue of equity shares*	-	(23.63)
Closing balance	46,572.72	46,561.46
* Includes 18.63 millions incurred in financial year 22-23.		
Capital redemption reserve		
Opening balance	81.21	81.21
Add : Additions during the year	-	-
Closing balance	81.21	81.21
Statutory reserve u/s 45-IC of RBI Act		
Opening balance	2,574.33	1,741.05
Add : Transfer during the year from Surplus in statement of profit and loss	10.62	833.28
Closing balance	2,584.95	2,574.33
Share based payment outstanding reserve		
Opening balance	501.65	305.07
Add: Granted/vested during the year	274.58	291.50
Less : Exercised during the year	(2.58)	(94.92)
Closing balance	773.65	501.65
Share warrant reserve		
Opening balance	100.93	74.80
Add: Granted/vested during the year	35.08	53.89
Less : Exercised during the year	-	(27.76)
Closing balance	136.01	100.93
Retained earnings		
Opening balance	9,977.52	6,833.23
Add : Profit for the year	(244.77)	3,977.57
Less : Transfer to reserve fund as per section 45 IC of RBI Act, 1934	(10.62)	(833.28)
Closing balance	9,722.13	9,977.52



DMI Finance Private Limited
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	As at March 31, 2025	As at March 31, 2024
Upfront monies received on share warrant		
Opening balance	0.72	0.72
Add : Amount received during the year	-	-
Closing balance	<u>0.72</u>	<u>0.72</u>
Other Comprehensive Income		
Opening balance	861.02	860.05
Add: Remeasurement gain on defined benefit plan	(2.55)	0.79
Add : Gain on Fair Value changes (debt and equity)	5.03	(796.30)
Add: Realised Gain on investments	-	796.48
Closing balance	<u>863.50</u>	<u>861.02</u>
Share application money pending allotment		
Opening balance	1.84	-
Add : Amount received during the year	(1.84)	1.84
Closing balance	<u>-</u>	<u>1.84</u>

Security premium

Securities premium represents premium received on issue of shares. The amount is utilised in accordance with the provisions of the Companies Act 2013

Capital redemption reserve

The same had been created in accordance with provisions of the Companies Act 2013 on buy back of shares.

Statutory reserve u/s 45-IC of RBI Act

The reserve is created as per the provision of Section 45 (IC) of Reserve Bank of India Act, 1934. This is a restricted reserve and no appropriation can be made from this reserve fund except for the purpose as may be prescribed by Reserve Bank of India.

Share based payment outstanding reserve

The reserve is used to recognise the fair value of the options issued to employees of the Holding Company and subsidiary companies.

Share warrant reserve

The reserve is used to recognise the fair value of the warrants issued.

Retained earnings

Retained earnings or accumulated surplus represents total of all profits retained since the Holding Company's inception. Retained earnings are credited with current year profits, reduced by losses, if any, dividend payouts, or any such other appropriations to specific reserves.

Upfront monies received on share warrant

Upfront monies received on share warrant represents the upfront monies received against the share warrants issued by the Holding Company.

Share application money pending allotment

The Holding Company received Rs. 1.84 millions in previous financial year on which allotment of shares is made in the current financial year.



DMI Finance Private Limited
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28 Non-controlling Interests

Balance at the beginning of the year
Share of profit/(loss) for the year
Non-controlling Interests on acquisition of DMI Infotech Solutions Private Limited
Balance at the end of the year

As at March 31, 2025		As at March 31, 2024	
Infotech	Appnit	Infotech	Appnit
-	23.10	-	26.65
(64.51)	(1.00)	-	(3.55)
(33.86)	-	-	-
(98.37)	22.10	-	23.10

Details of non-wholly owned subsidiary that have non-controlling interests
The table shows details of non-wholly owned subsidiary of the Group that has non-controlling interests:

Name of Subsidiary	Place of Incorporation and operation	Proportion of ownership interests and voting rights held by non-controlling interests		Profit/(loss) allocated to non-controlling interests	
		As at March 31, 2025	As at March 31, 2024	March 31, 2025	March 31, 2024
Appnit Technologies Private Limited	India	4.23%	5.22%	(1.00)	(3.55)
DMI Infotech Solutions Private Limited	India	2.86%	NA	(64.51)	NA

Summarised financial information in respect of Group's Subsidiaries that have non controlling interest is set out below. The Summarised Financial Information below represents amount before Intra group elimination.

Particulars
Financial assets
Non Financial assets
Financial liabilities
Non Financial liabilities
Equity attributable to the owners of the company
Non-controlling interests

As at March 31, 2025		As at March 31, 2024	
Infotech	Appnit	Infotech	Appnit
139.03	317.90	-	369.63
806.26	107.02	-	135.72
179.13	15.59	-	134.51
4.37	81.15	-	150.00
860.16	305.08	-	197.72
(98.37)	22.10	-	23.10

Particulars
Income
Expenses (including taxes)
Profit/(loss) for the year after tax
Profit/(loss) attributable to the owners of the Company
Profit/(loss) attributable to the non-controlling interests
Other comprehensive income for the year
Other comprehensive income attributable to the owners of the Company
Other comprehensive income attributable to the non-controlling interests
Total comprehensive income of the year

Infotech*	Appnit	Infotech	Appnit
19.71	787.49	-	198.66
240.26	811.43	-	258.23
(220.55)	(23.94)	-	(59.57)
(156.04)	(22.93)	-	(56.02)
(64.51)	(1.01)	-	(3.55)
-	0.30	-	0.08
-	0.29	-	0.08
-	0.01	-	-
(220.55)	(23.65)	-	(59.49)

* Numbers pertain to the period of post acquisition of subsidiary.
Note: Above numbers are before elimination.



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29 Interest income

	For the year ended March 31, 2025			For the year ended March 31, 2024		
	On financial assets measured at fair value through Profit & Loss	On financial assets measured at Amortised cost	On financial assets measured at fair value through OCI	On financial assets measured at fair value through Profit & Loss	On financial assets measured at Amortised cost	On financial assets measured at fair value through OCI
Interest income on portfolio loans	-	25,688.51	14.13	-	21,813.72	14.99
Interest income on Investments	-	505.92	-	-	504.11	143.74
Interest on deposits with bank	-	162.09	-	-	57.23	-
	-	26,356.52	14.13	-	22,375.06	158.73
Total interest income			26,370.65			22,533.79

30 Fees and commission income

	Amount invoiced		Revenue booked	
	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024
Foreclosure Income	154.87	77.56	154.87	77.56
Service and administration income	788.10	313.98	788.10	313.98
Distribution income	160.10	96.71	160.10	96.71
Consulting fee	-	1.11	-	1.11
Payment gateway fee	704.52	111.95	704.52	111.95
Late payment fee	2,433.10	944.35	2,433.10	944.35
Others	-	-	176.42	1,976.66
	4,240.69	1,545.66	4,417.11	3,522.32

31 Net gain on fair value changes

	For the year ended March 31, 2025	For the year ended March 31, 2024
(A) Net gain on financial instruments at fair value through profit and loss		
On financial instruments designated at fair value through profit or loss	874.15	487.85
(B) others		
	874.15	487.85
Analysis of fair value changes		
Realised	695.74	370.60
Unrealised	178.41	117.25
	874.15	487.85

32 Other income

Cost sharing from group companies	104.06	45.46
Interest income on Income tax refund	0.42	0.09
Interest income on unsecured loans	1.19	1.12
Liabilities no longer required written back	0.18	140.41
Foreign exchange gain (net)	0.03	0.02
Miscellaneous income	29.74	8.49
	135.62	195.59

33 Finance costs

Interest on financial liabilities (measured at amortised cost)		
Interest on debt securities		
- on non convertible debentures	808.98	1,017.99
- on market linked debentures	85.14	146.30
- on commercial paper	189.19	48.40
Interest on borrowings (other than debt securities)		
- on bank term loan	4,740.65	3,180.26
- on bank cash credit	0.58	14.66
Other interest expense		
- on delayed deposit of statutory dues	1.00	3.86
- on leasing arrangements	43.74	23.73
- securitisation	1,141.57	421.41
Other borrowing costs		
- Bank charges	9.73	10.92
- Other Finance Cost	13.17	-
	7,033.75	4,867.53



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	For the year ended March 31, 2025	For the year ended March 31, 2024
34 Fees and commission expense		
Selling partner commission	2,026.11	1,584.00
Others	717.39	174.82
	2,743.50	1,758.82
35 Impairment on financial instruments		
Expected credit loss allowance	1,356.57	(116.81)
Write offs	13,454.93	9,265.47
	14,811.50	9,148.66
36 Employee benefits expense		
Salaries, wages and bonus	1,663.51	1,243.39
Contribution to provident and other funds	24.72	19.16
Gratuity expenses (refer note 40)	22.97	17.71
Share based payment to employees **	313.13	351.42
Staff welfare expenses	84.48	64.98
	2,108.81	1,696.66
** Includes Rs. 9.71 millions (Previous year : Rs. 14.41 millions) of warrants issued by Group Company (DMI Housing Finance) to employees of the Holding Company		
37 Depreciation and amortization		
Depreciation on property, plant and equipment (refer note 12)	54.87	50.47
Amortisation of right of use assets (refer note 15)	83.35	54.79
Amortisation of other intangible assets (refer note 16)	62.93	12.18
	201.15	117.44
38 Other expenses		
Advertisement expenses	27.88	54.90
Legal and professional fees*	677.83	423.55
Travelling and conveyance expenses	60.98	68.90
Auditor's remuneration (refer note 38.1)	8.76	6.30
IT expenses	803.93	650.04
Rates and taxes	22.27	28.54
Rent	7.94	9.76
Goods and service tax	813.20	736.43
Director's sitting fee	1.10	0.84
Corporate social responsibility (refer note 38.2)	71.56	37.21
Repair and maintenance	33.62	24.70
Insurance expense	3.92	4.76
Credit evaluation fee	613.95	585.48
Credit rating fee	23.59	18.14
Customer onboarding expenses	1.12	-
Collection charges	1,842.01	1,090.54
Miscellaneous expenses	122.32	91.85
	5,135.98	3,831.94
* Includes share warrant expense amounting to Rs. 5.92 millions (previous year Rs. 8.76 millions)		
38.1 Auditor's remuneration (excluding applicable taxes)		
- as auditors	5.86	4.32
- for tax audit	0.77	0.35
- for other services	1.55	1.30
- out of pocket expenses	0.58	0.33
	8.76	6.30



DMI Finance Private Limited
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38.2 Corporate social responsibility (CSR)

In respect of Corporate Social Responsibility activities, gross amount required to be spent by the Group during the year was Rs. 71.46 millions in FY 2024-25 (Previous Year Rs. 37.19 millions) and Company has spent Rs. 71.56 millions in FY 2024-25 (Previous Year Rs. 36.18 millions).

	For the year ended March 31, 2025	For the year ended March 31, 2024
Gross amount unspent for the last year	1.01	0.94
Gross amount required to be spent by the Group during the year	71.46	37.19
Amount spent during the year	71.56	36.18
Amount of expenditure incurred	71.56	36.18
The shortfall amount (i.e. unspent amount), in respect of other than ongoing projects, transferred to a Fund specified in Schedule VII to the Act, as per section 135(5ca) of the Act	-	1.01
Nature of CSR Activities [see note d]		
Education, Nutrition and Women Empowerment	30.51	22.20
Promoting and development towards healthcare	4.53	0.73
Training and helping Indian Athletes to win Olympic Gold medals	8.90	2.22
Upliftment of abandoned and poor	6.30	3.00
Provision of low cost sanitation	-	2.50
Rural women development	6.80	3.00
Welfare of stray dogs	2.00	1.00
Nourishment of differently abled children	2.70	-
Support by providing basic necessities	5.00	-
Conducting cultural activities	1.50	-
Support in the construction of well	1.00	-

Notes :

- There is no transaction with related parties as defined under the IND AS 24 'Related Party Disclosures'
- There is a provision of Nil in the books as at March 31, 2025 (Previous year Rs. 1.01 millions)
- As per the provisions of the Companies Act, 2013 read with Schedule VII, unspent amount of Rs. 1.01 million in previous financial year was spent within 6 months from the end of previous FY, i.e. latest by Sept 30, 2024 in the specified fund (Unspent amount in the previous year of Rs 1.01 million was transferred to the specified fund on 09th May, 2024)
- The above spent amount of Rs. 71.56 million (previous year : Rs. 36.18 million) includes administrative expenses of Rs. 2.32 million (previous year: Rs. 1.53 million) as allowed as per the CSR Rules.

39 Earning per share (EPS)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Net profit attributable to equity shareholders	(310.28)	3,974.02
Net profit for the year for basic EPS	(310.28)	3,974.02
Dilutive impact of convertible Instruments	-	-
Net profit for the year for dilutive EPS	(310.28)	3,974.02
Nominal value of equity shares (in Rs.)	10.00	10.00
Weighted-average number of equity shares for basic EPS (Face value of share Rs. 10 each)	742,628,313	739,139,701
Add: Weighted average number of potential equity shares on exercise of stock option and warrants	8,141,274	8,289,717
Weighted-average number of equity shares for dilutive EPS (Face value of share Rs. 10 each)	750,769,587	747,429,418
Basic EPS (in Rs.)	(0.42)	5.45
Dilutive EPS (in Rs.)	(0.42)	5.39



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40 Retirement benefit plan

Defined contribution plan

A defined contribution plan is a pension plan under which the Group pays fixed contributions; there is no legal or constructive obligation to pay further contributions. The assets of the plan are held separately from those of the Group in a fund under the control of trustees.

The total expense charged to statement of profit and loss during the current year Rs. 24.72 millions (previous year: Rs. 19.16 millions) represents contributions payable to these plans by the Group at rates specified in the rules of the plan.

Defined benefit plan

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is unfunded.

Provision for unfunded Gratuity for all employees is based upon actuarial valuations carried out at the end of every financial year. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Pursuant to the issuance of the Indian Accounting Standard (IndAS) 19 on 'Employee Benefits', commitments are actuarially determined using the 'Projected Unit Credit' Method. Gains and losses on changes in actuarial assumptions are accounted for in the "Other comprehensive Income".

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

Changes in the defined benefit obligation:

	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	56.01	41.69
Current service cost	18.99	14.64
Interest cost	3.98	3.07
Benefits Paid	(10.55)	(2.33)
Remeasurement (gain)/loss on obligation	3.41	(1.06)
Balance at the end of the year	<u>71.84</u>	<u>56.01</u>

Amount recognised in the statement of profit and loss is as under:

	Year ended March 31, 2025	Year ended March 31, 2024
Current service cost	18.99	14.64
Interest cost on defined benefit obligation	3.98	3.07
Net impact on profit before tax	<u>22.97</u>	<u>17.71</u>

Amount recognised in the other comprehensive income:

Actuarial changes arising from changes in demographic assumptions	1.16	2.05
Actuarial changes arising from changes in financial assumptions	2.25	(3.11)
Experience adjustments	3.41	(1.06)
Impact on other comprehensive income	<u>3.41</u>	<u>(1.06)</u>

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

Economic assumptions		
Discount rate	7.00%	7.11%
Future salary increases	6.00%	6.00%
Demographic assumptions		
Retirement age	60	60
Mortality rates inclusive of provision for disability	100% of IALM (2012-14)	100% of IALM (2012-14)
Attrition at ages (withdrawal rate)		
(i) up to 30 years	3.00%	3.00%
(ii) From 31 to 44 years	2.00%	2.00%
(iii) Above 44 years	1.00%	1.00%

Note: The discount rate is generally based upon the market yields available on Government bonds at the accounting date relevant to currency of benefit payments for a term that matches the liabilities. Salary growth rate is Group's long term best estimate as to salary increases and takes account of inflation, seniority, promotion, business plan, HR policy and other relevant factors on long term basis as provided in relevant Indian accounting standard.



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Sensitivity analysis for significant assumptions

Impact of the change in discount rate

Impact due to Increase of 0.50 %
Impact due to decrease of 0.50 %

As at	As at
March 31, 2025	March 31, 2024
(5.09)	(4.01)
5.63	4.44

Impact of the change in salary

Impact due to Increase of 0.50 %
Impact due to decrease of 0.50 %

4.25	3.25
(4.01)	(3.16)

The following is the maturity profile of defined benefit obligation:
Expected payment for future years

0 to 1 year
1 to 2 year
2 to 3 year
3 to 4 year
4 to 5 year
5 to 6 year
6th year onwards
Total expected payments

As at	As at
March 31, 2025	March 31, 2024
1.30	1.08
1.07	0.81
1.57	0.92
1.74	1.26
2.91	1.33
1.43	2.43
61.82	48.18
71.84	56.01



DMI Finance Private Limited
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41 Employee Stock Option Plan

i. The Holding Company has formulated share-based payment schemes for its group employees. Details of all grants in operation during the year ended March 31, 2025 are as given below:

Scheme Name	Date of grant	Date of Board / Committee approval	Number of options outstanding at the year end	Method of settlement	Graded vesting period *	First vesting date	Vesting conditions	Exercise price per option	Stock price on the date of grant	Exercise period**
DMI ESOP Plan 2019	1-Apr-19	11-Feb-20	350,938	Shares	See Below	31-Mar-20	As per plan	95.49	95.49	8 years
Founder Circle Award 2019-20 (NBFC Apr'20)	16-Mar-20	11-Feb-20	395,000	Shares	See Below	15-Mar-21	As per plan	100.00	101.87	7 years
DMI Finance ESOP Plan 2018-I	1-Apr-18	16-Mar-18	385,205	Shares	See Below	31-Mar-19	As per plan	46.74	24.68	9 years
DMI Finance ESOP Plan 2018-III	1-Apr-18	16-Mar-18	38,784	Shares	See Below	30-Sep-19	As per plan	46.74	24.68	8 years
DMI ESOP Plan, Management Scheme - II	1-Oct-18	1-Oct-18	64,641	Shares	See Below	30-Sep-19	As per plan	46.74	95.49	8 years
DMI ESOP Plan, Legacy Scheme	1-Apr-18	16-Mar-18	-	Shares	See Below	31-Mar-19	As per plan	13.29	24.68	NA
DMI Finance ESOP Plan 2020 - II	16-Feb-21	9-Apr-20	9,228	Shares	See Below	15-Feb-22	As per plan	113.34	113.34	5 years
Founder Circle Award 2019-20 (NBFC Apr'20) - I	21-Apr-20	9-Apr-20	275,000	Shares	See Below	31-Mar-21	As per plan	116.36	116.36	7 years
DMI Finance ESOP Plan 2020	1-Apr-20	9-Apr-20	250,644	Shares	See Below	31-Mar-21	As per plan	116.36	116.36	7 years
DMI Finance ESOP Plan 2020 - III	1-Jan-21	9-Apr-20	6,055	Shares	See Below	31-Mar-21	As per plan	113.34	113.34	5 years
DMI Finance Plan 2021	1-Apr-21	21-Jun-21	459,763	Shares	See Below	1-Apr-22	As per plan	113.00	113.00	5 years
Founder Circle Award 2020-21 (NBFC Apr'21)	1-Apr-21	21-Jun-21	260,000	Shares	See Below	1-Apr-24	As per plan	113.00	113.00	5 years
Founder Circle Award 2020-21 (NBFC Jul'21)	27-Jul-21	21-Jun-21	2,759,000	Shares	See Below	27-Jul-24	As per plan	112.86	112.86	5 years
Employment Contracts - Jan'22	20-Dec-21	21-Jun-21	12,210	Shares	See Below	20-Dec-24	As per plan	209.00	209.00	5 years
DMI ESOP Plan, Management Scheme - III	15-Jan-22	21-Jun-21	18,315	Shares	See Below	15-Jan-23	As per plan	209.00	209.00	5 years
Employment Contracts - Feb'22 - I	28-Jan-22	21-Jun-21	6,105	Shares	See Below	28-Jan-25	As per plan	209.00	209.00	5 years
Employment Contracts - Feb'22 - III	7-Mar-22	21-Jun-21	3,663	Shares	See Below	7-Mar-25	As per plan	209.00	209.00	5 years
DMI Finance ESOP Plan 2022	1-Apr-22	20-May-22	447,949	Shares	See Below	1-Apr-23	As per plan	212.81	212.81	5 years
DMI Finance ESOP Plan 2022 - II	1-Jul-22	20-May-22	749	Shares	See Below	1-Apr-23	As per plan	212.81	212.81	5 years
Employment Contract - Aug'22 - III	25-Aug-22	12-Aug-22	1,670	Shares	See Below	25-Aug-25	As per plan	217.77	217.77	5 years
Employment Contract - Jun'22	22-Jun-22	12-Aug-22	5,945	Shares	See Below	22-Jun-25	As per plan	212.81	212.81	5 years
Employment Contract - Mar'23	1-Mar-23	27-Mar-23	29,154	Shares	See Below	1-Mar-26	As per plan	225.11	225.11	5 years
Employment Contract - Sep'22	30-Sep-22	14-Nov-22	2,188	Shares	See Below	30-Sep-25	As per plan	221.53	217.77	5 years
Employment Contracts - Apr'22	28-Apr-22	20-May-22	1,784	Shares	See Below	28-Apr-25	As per plan	212.81	212.81	5 years
Employment Contracts - Jul'22	1-Jul-22	12-Aug-22	30,000	Shares	See Below	1-Jul-25	As per plan	217.77	217.77	5 years
Employment Contracts - May'22	4-May-22	20-May-22	30,000	Shares	See Below	4-May-25	As per plan	212.81	212.81	5 years
Founder Circle Award 2022-23 (NBFC Feb'23)	1-Feb-23	27-Mar-23	9,405,700	Shares	See Below	1-Feb-28	As per plan	225.11	225.11	6 years
DMI Finance ESOP Plan 2023	1-Apr-23	1-Apr-23	480,755	Shares	See Below	1-Apr-24	As per plan	259.18	259.18	5 years
Founder Circle Award 2023-24 (NBFC Apr'23)	1-Apr-23	1-Apr-23	350,000	Shares	See Below	1-Apr-28	As per plan	259.18	259.18	5 years
Employment Contract - Jul'23	1-Jul-23	30-Jun-23	28,946	Shares	See Below	1-Jul-26	As per plan	259.18	259.18	5 years
Employment Contract - Oct'23	1-Oct-23	25-Sep-23	11,525	Shares	See Below	1-Oct-26	As per plan	281.84	281.84	5 years
Employment Contract - Jan'24	1-Jan-24	15-Dec-23	54,388	Shares	See Below	1-Jan-27	As per plan	285.69	285.69	5 years
DMI Finance ESOP Plan 2024	1-Apr-24	1-Apr-24	339,154	Shares	See Below	1-Apr-25	As per plan	285.00	285.69	5 years
Employment Contract - Apr'24	1-Apr-24	1-Apr-24	30,901	Shares	See Below	1-Apr-27	As per plan	285.00	285.69	5 years
Employment Contract - Jul'24	1-Jul-24	30-May-24	83,817	Shares	See Below	1-Jul-27	As per plan	283.86	283.86	5 years
Total			16,629,176							

Graded vesting period*

*1. As per the vesting schedule 30% Options will vest on completion of one year, 30% on completion of two year and 40% on completion of three year from the grant date respectively.

*2. For Schemes Employment Contract - Aug'22 - III, Employment Contract - Jun'22, Employment Contract - Sep'22, Employment Contracts - Apr'22, Employment Contracts - Feb'22, Employment Contracts - Jan'22, Employment Contracts - Jul'22, Employment Contracts - May'22, Founder Circle Award 2019-20 (NBFC Apr'20), Founder Circle Award 2019-20 (NBFC Mar'20), Founder Circle Award 2020-21 (NBFC Apr'21), Founder Circle Award 2020-21 (NBFC Jul'21), Employment Contract - Mar'23, Employment Contract - Jul'23, Employment Contract - Oct'23, Employment Contract - Jan'24, Employment Contract - Apr'24, Employment Contract - Jul'24 options will vest on completion of three years from the grant dates respectively.

*3. For Scheme Founder Circle Award 2022-23 (NBFC Feb'23), Founder Circle Award 2023-24 (NBFC Apr'23) options will vest on completion of five years from the grant date.

**Exercise period - Represents from grant date

Note for Scheme modified during the period

Exercise period of the following schemes has been extended from 2 years to 3 years. The fair value of the schemes is calculated as per Black-Scholes Model

Scheme name	Original Fair value	Revised Fair Value-FY'24	Revised Fair Value-FY'25	Incremental Fair Value-FY'24	Incremental Fair Value-FY'25
DMI ESOP Plan 2019	38.86	43.83	51.94	4.96	8.11
DMI ESOP Plan, Legacy Scheme	15.32	15.99	15.99	0.67	-
DMI ESOP Plan, Management Scheme	49.45	52.62	57.90	3.17	5.28
DMI Finance ESOP Plan 2018-I	1.15	3.51	9.32	2.36	5.81
DMI Finance ESOP Plan 2018-III	1.15	3.51	7.48	2.36	3.97
DMI Finance ESOP Plan 2020	44.51	-	55.09	-	10.58
Founder Circle Award 2019-20 (NBFC Apr'20)	40.75	-	49.84	-	9.09
Founder Circle Award 2019-20 (NBFC Apr'20)-1	44.51	-	55.09	-	10.58



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II. Reconciliation of options

March 31, 2025

Scheme Name	Options outstanding at the beginning of the year	Granted during the year	Exercised during the year	Lapsed/Cancelled during the year*	Outstanding at the end of the year	Weighted average remaining contractual life (in years)
DMI Finance ESOP Plan 2018-I	407,225	-	-	22,020	385,205	1.82
DMI Finance ESOP Plan 2018-III	38,784	-	-	-	38,784	0.14
DMI ESOP Plan, Management Scheme - II	71,714	-	7,073	-	64,641	1.50
DMI ESOP Plan, Legacy Scheme	138,350	-	138,350	-	-	-
DMI ESOP PLAN 2019	360,043	-	-	9,105	350,938	2.00
Founder Circle Award 2019-20 (NBFC Apr'20)	395,000	-	-	-	395,000	1.97
DMI Finance ESOP Plan 2020 - II	9,228	-	-	-	9,228	0.88
Founder Circle Award 2019-20 (NBFC Apr'20) - I	275,000	-	-	-	275,000	2.06
DMI Finance ESOP Plan 2020	250,644	-	-	-	250,644	2.00
DMI Finance ESOP Plan 2020 - III	6,055	-	-	-	6,055	0.76
DMI Finance Plan 2021	460,392	-	-	629	459,763	1.00
Founder Circle Award 2020-21 (NBFC Apr'21)	260,000	-	-	-	260,000	1.00
Founder Circle Award 2020-21 (NBFC Jul'21)	2,759,000	-	-	-	2,759,000	1.32
Employment Contracts - Jan'22	12,210	-	-	-	12,210	1.72
DMI ESOP Plan, Management Scheme - III	18,315	-	-	-	18,315	1.79
Employment Contracts - Feb'22 - I	6,105	-	-	-	6,105	1.83
Employment Contracts - Feb'22 - III	3,663	-	-	-	3,663	1.93
DMI Finance ESOP Plan 2022	447,949	-	-	-	447,949	2.00
DMI Finance ESOP Plan 2022 - II	749	-	-	-	749	2.25
Employment Contract - Aug'22 - III	1,670	-	-	-	1,670	2.40
Employment Contract - Jun'22	5,945	-	-	-	5,945	2.23
Employment Contract - Mar'23	29,154	-	-	-	29,154	2.92
Employment Contract - Sep'22	2,188	-	-	-	2,188	2.50
Employment Contracts - Apr'22	1,784	-	-	-	1,784	2.08
Employment Contracts - Jul'22	30,000	-	-	-	30,000	2.25
Employment Contracts - May'22	30,000	-	-	-	30,000	2.09
Founder Circle Award 2022-23 (NBFC Feb'23)	9,405,700	-	-	-	9,405,700	3.84
DMI Finance ESOP Plan 2023	480,755	-	-	-	480,755	3.01
Founder Circle Award 2023-24 (NBFC Apr'23)	350,000	-	-	-	350,000	4.01
Employment Contract - Jul'23	28,946	-	-	-	28,946	3.25
Employment Contract - Oct'23	11,525	-	-	-	11,525	3.51
Employment Contract - Jan'24	54,388	-	-	-	54,388	3.76
DMI Finance ESOP Plan 2024	-	339,154	-	-	339,154	4.01
Employment Contract - Apr'24	-	30,901	-	-	30,901	4.01
Employment Contract - Jul'24	-	83,817	-	-	83,817	4.25
Total	16,352,481	453,872	145,423	31,754	16,629,176	

* There are no lapsed options during the FY 2024-25

March 31, 2024

Scheme Name	Options outstanding at the beginning of the year	Granted during the year	Exercised during the year	Lapsed/Cancelled during the year#	Outstanding at the end of the year	Weighted average remaining contractual life (in years)
DMI Finance ESOP Plan 2018 - II	23,038	-	23,038	-	-	-
DMI Finance ESOP Plan 2018-I	1,024,070	-	616,845	-	407,225	-
DMI Finance ESOP Plan 2018-III	38,784	-	-	-	38,784	0.50
DMI ESOP Plan, Management Scheme - I	7,073	-	7,073	-	-	-
DMI ESOP Plan, Management Scheme - II	579,148	-	507,434	-	71,714	0.50
DMI ESOP Plan, Legacy Scheme	281,354	-	143,004	-	138,350	0.00
DMI ESOP PLAN 2019	625,248	-	265,205	-	360,043	1.00
Founder Circle Award 2019-20 (NBFC Apr'20)	1,335,000	-	940,000	-	395,000	1.06
DMI Finance ESOP Plan 2020 - II	23,068	-	13,840	-	9,228	1.88
Founder Circle Award 2019-20 (NBFC Apr'20) - I	275,000	-	-	-	275,000	1.06
DMI Finance ESOP Plan 2020	363,094	-	112,450	-	250,644	1.00
DMI Finance ESOP Plan 2020 - III	9,865	-	3,810	-	6,055	1.76
DMI Finance Plan 2021	552,939	-	88,079	4,468	460,392	2.00
Founder Circle Award 2020-21 (NBFC Apr'21)	270,000	-	-	10,000	260,000	2.00
Founder Circle Award 2020-21 (NBFC Jul'21)	3,011,000	-	30,000	222,000	2,759,000	2.32
Employment Contracts - Jan'22	12,210	-	-	-	12,210	2.72
DMI ESOP Plan, Management Scheme - III	18,315	-	-	-	18,315	2.79
Employment Contracts - Feb'22 - I	6,105	-	-	-	6,105	2.83
Employment Contracts - Feb'22 - II	7,326	-	-	7,326	-	-
Employment Contracts - Feb'22 - III	3,663	-	-	-	3,663	2.93
DMI Finance ESOP Plan 2022	501,364	-	33,877	19,538	447,949	3.00
DMI Finance ESOP Plan 2022 - II	2,497	-	-	1,748	749	3.25
Employment Contract - Aug'22 - II	1,670	-	-	1,670	-	-
Employment Contract - Aug'22 - III	1,670	-	-	-	1,670	3.40
Employment Contract - Jun'22	5,945	-	-	-	5,945	3.23
Employment Contract - Mar'23	29,154	-	-	-	29,154	3.92
Employment Contract - Nov'22	2,188	-	-	2,188	-	-
Employment Contract - Sep'22	2,188	-	-	-	2,188	3.50
Employment Contracts - Apr'22	1,784	-	-	-	1,784	3.08
Employment Contracts - Jul'22	30,000	-	-	-	30,000	3.25
Employment Contracts - May'22	30,000	-	-	-	30,000	3.09
Founder Circle Award 2022-23 (NBFC Feb'23)	10,048,700	-	-	643,000	9,405,700	4.84
DMI Finance ESOP Plan 2023	-	507,595	-	26,840	480,755	4.01
Founder Circle Award 2023-24 (NBFC Apr'23)	-	350,000	-	-	350,000	5.01
Employment Contract - Jul'23	-	28,946	-	-	28,946	4.25
Employment Contract - Oct'23	-	13,621	-	2,096	11,525	4.51
Employment Contract - Jan'24	-	54,388	-	-	54,388	4.76
Total	19,123,460	954,550	2,784,655	940,874	16,352,481	

There are no cancelled options during the FY 2023-24.



DMI Finance Private Limited
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III. Computation of fair value

For undertaking fair valuation of ESOP, the Holding Company is using Black-Scholes Model.

Scheme Name	Fair market value of shares (Rs.)	Volatility	Risk free rate	Dividend Yield	Exercise price (Rs.)	Option fair value
DMI ESOP PLAN 2019	95.49	30.00%	7.35%	-	95.49	38.86
Founder Circle Award 2019-20 (NBFC Apr'20)	101.87	30.00%	6.50%	-	100.00	40.75
DMI Finance ESOP Plan 2018 - II	22.81	15.00%	6.00%	-	43.90	0.67
DMI Finance ESOP Plan 2018	24.68	15.00%	7.50%	-	46.74	1.15
DMI ESOP Plan, Management Scheme - I	24.68	15.00%	7.50%	-	46.74	1.15
DMI ESOP Plan, Management Scheme - II	95.49	15.00%	7.50%	-	46.74	49.45
DMI ESOP Plan, Legacy Scheme	24.68	15.00%	7.00%	-	13.29	15.32
DMI Finance ESOP Plan 2020 - II	113.34	30.00%	6.14%	-	113.34	43.35
Founder Circle Award 2019-20 (NBFC Apr'20) - I	116.36	30.00%	6.14%	-	116.36	44.51
DMI Finance ESOP Plan 2020	116.36	30.00%	6.14%	-	116.36	44.51
DMI Finance ESOP Plan 2020 - III	113.34	30.00%	6.14%	-	113.34	43.35
DMI Finance Plan 2021	113.00	30.00%	6.60%	-	113.00	43.49
Founder Circle Award 2020-21 (NBFC Apr'21)	113.00	30.00%	6.14%	-	113.34	43.49
Founder Circle Award 2020-21 (NBFC Jul'21)	112.86	30.00%	6.14%	-	112.86	43.17
Employment Contracts - Jan'22	209.00	30.00%	6.60%	-	209.00	81.89
DMI ESOP Plan, Management Scheme - III	209.00	30.00%	6.60%	-	209.00	81.89
Employment Contracts - Feb'22 - I	209.00	30.00%	6.60%	-	209.00	81.89
Employment Contracts - Feb'22 - II	209.00	30.00%	6.60%	-	209.00	81.89
Employment Contracts - Feb'22 - III	209.00	30.00%	6.60%	-	209.00	81.89
DMI Finance ESOP Plan 2022	212.81	29.82%	6.83%	-	212.81	84.13
DMI Finance ESOP Plan 2022 - II	212.81	29.82%	6.83%	-	212.81	84.13
Employment Contract - Aug'22 - II	217.77	29.91%	7.65%	-	217.77	89.83
Employment Contract - Aug'22 - III	217.77	29.91%	7.65%	-	217.77	89.83
Employment Contract - Jun'22	212.81	29.82%	6.83%	-	212.81	84.13
Employment Contract - Mar'22	225.11	29.91%	7.65%	-	225.11	92.86
Employment Contract - Nov'22	217.77	29.91%	7.65%	-	221.53	88.32
Employment Contract - Sep'22	217.77	29.91%	7.65%	-	221.53	88.32
Employment Contracts - Apr'22	212.81	29.82%	6.83%	-	212.81	84.13
Employment Contracts - Jul'22	217.77	29.91%	7.65%	-	217.77	89.83
Employment Contracts - May'22	212.81	29.82%	6.83%	-	212.81	84.13
Founder Circle Award 2022-23 (NBFC Feb'23)	225.11	29.91%	7.65%	-	225.11	103.28
DMI Finance ESOP Plan 2023	259.18	24.15%	7.18%	-	259.18	95.57
Founder Circle Award 2023-24 (NBFC Apr'23)	259.18	24.15%	7.18%	-	259.18	107.15
Employment Contract - Jul'23	259.18	19.29%	7.10%	-	259.18	88.09
Employment Contract - Oct'23	276.54	19.09%	7.72%	-	281.84	95.44
Employment Contract - Jan'24	285.69	18.09%	7.13%	-	285.69	95.61
DMI Finance ESOP Plan 2024	285.69	16.90%	7.07%	-	285.00	93.84
Employment Contract - Apr'24	285.69	16.90%	7.07%	-	285.00	93.84
Employment Contract - Jul'24	283.86	17.05%	7.09%	-	283.86	92.51

The Holding Company applies the fair value method of accounting to account for stock options issued by it to the employees of the Group. The fair market value of such instruments as at the grant date is recognized as an expense over the period in which the related services are received. Accordingly, fair value of the stock options and restricted stock units is amortized on a straight-line basis over the vesting period of the stock options. The Holding Company recognise share based compensation in the Statement of Profit and Loss with a corresponding credit to Share based payments outstanding reserve.

The employees' compensation expense for Stock options during the year ended 31 March 2025 amounts to Rs. 273.04 millions (previous year Rs. 287.45 millions).

Details of Group ESOP plan

Options have been given to employees of the Group in accordance with "DMI Employee Stock Option Plan - 2018".

The Holding Company has entered into cost chargeback agreement with the grantor and post this agreement the Holding Company would be required to pay the difference of market price of the options and exercise price of the options exercised by the employees of the Holding Company, to DMI Housing Finance Private Limited. Therefore, in the current year, share based compensation expense has been recognized in the Statement of Profit and Loss with a corresponding credit to a liability account.

During the financial year 2018-19, as per the scheme options were granted to employees of the Grantor. The Holding Company has recognised the expense of Rs. 0.34 Millions (previous year: Rs. 2.81 Millions) as share based compensation expense in relation to these options with a corresponding credit to a liability account which is Rs. 2.25 millions as on March 31, 2025 (Rs. 12.87 Millions as on March 31, 2024).



DMI Finance Private Limited
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42 Disclosures in respect of Related Parties as per Indian Accounting Standard (Ind AS) – 24 'Related Party Disclosures'

(a) List of related parties

Parent company
DMI Limited

Associate
DMI Alternatives Private Limited (upto 25 Sep 2023)

Fellow subsidiaries
DMI Housing Finance Private Limited
DMI Infotech Solutions Private Limited (upto 25 Aug 2024)

Joint Venture
Amperve DMI Private Limited (w.e.f 05 July 2023)

Key managerial personnel (KMP)

Name	Designation
Mr. Yuvraj Chanakya Singh	Non-Executive Director (Joint Managing Director upto Jan 20, 2025)
Mr. Shivashish Chatterjee	Managing Director (Joint Managing Director upto Jan 20, 2025)
Mrs. Bina Singh	Non Executive Director (upto Dec 25, 2024)
Mrs. Jayati Chatterjee	Non Executive Director (upto Dec 25, 2024)
Mr. Gurcharan Das	Non Executive Director
Mr. Nipendar Kochhar	Non Executive Director
Mr. Alfred Victor Mendoza	Nominee Director
Mr. Masakazu Osawa	Nominee Director (w.e.f May 22, 2023 upto Mar 25, 2025)
Ms. Naomii Kuske Hauer	Nominee Director (w.e.f April 13, 2024)
Mr. Tamir Amr	Independent Director (w.e.f Dec 26, 2024)
Mr. Arjun Malhotra	Independent Director (w.e.f Dec 26, 2024)
Ms. Jyoti Kheria	Company Secretary (w.e.f May 16, 2024 upto Dec 11, 2024)
Mr. Niraj Khandelwal	Chief Financial Officer (w.e.f Nov 13, 2024 upto Apr 29, 2025)
Mr. Vivek Wadhwa	Chief Financial Officer (w.e.f Aug 14, 2023 to Apr 01, 2024)
Mr. Jatinder Bhasin	Interim Chief Financial Officer (w.e.f April 25, 2024 upto 12 Nov 2024)
Ms. Reena Jayara	Company Secretary (w.e.f Feb 14, 2025)
Mr. Masashige Nakazono	Nominee Director (w.e.f Mar 28, 2025)

Note:

1. Mr. Arpit Baheti appointed as Interim Chief Financial Officer w.e.f May 23, 2025.

Relatives of KMP

Relative of Mr. Yuvraj Chanakya Singh
Mrs. Bina Singh
Relative of Mr. Shivashish Chatterjee
Ms. Promita Chatterjee
Mrs. Jayati Chatterjee

Enterprises over which key management personnel and relatives of such personnel exercise significant influence with whom transactions have been undertaken:

Quickwork Technologies Private Limited
2022 Revocable Trust of Yuvraj C. Singh
Shivashish Chatterjee Revocable Trust
DMI Alternatives Private Limited (w.e.f 26 Sep 2023)
DMI Management Services Private Limited (w.e.f 2 Nov 2023)

Entity with significant influence

Ganesha Fixed Income Limited

(b) Significant transactions with related parties:

Name of related party	Nature of transaction	For the year ended	For the year ended
		1 Apr 31, 2025	March 31, 2024
DMI Housing Finance Private Limited	Cost share recovery	15.68	38.32
	Share based expense	10.05	17.21
	Amount paid in respect of exercise of warrant/ESOP	14.97	-
	Reimbursement of expense paid by related party on behalf of entity	7.51	1.52
DMI Infotech Solutions Private Limited	Investment in optionally convertible debentures	220.00	752.88
	Investment in compulsory convertible debentures	30.00	-
	Interest income from optionally convertible debentures	46.88	-
	Interest income from compulsory convertible debentures	0.31	-
	other expense	14.81	-
DMI Alternatives Private Limited	Cost share recovery	85.24	44.18
	Share based expense	0.66	2.48
	Payment received for options and warrants	5.03	-
	Reimbursement of expense paid by related party on behalf of entity	2.62	2.38
	Other expenses	-	38.66
	Sale of units of Alternative Investment Fund (Special Opportunities Scheme)	-	1.45
	Sale of shares held in DMI Management	-	4.59
Amperve DMI Private Limited	Investment in compulsorily convertible preference shares	106.60	131.20
Ganesha Fixed Income Limited	Interest expense	10.79	10.83
	Repayment of loan	-	134.00
	Debt raised (NCD)	134.00	-
2022 Revocable Trust of Yuvraj C. Singh	Sale of shares held in DMI Alternatives	-	33.52
	Sale of units of Alternative Investment Fund (Special Opportunities Scheme)	-	1.89
Shivashish Chatterjee Revocable Trust	Sale of shares held in DMI Alternatives	-	33.52
	Sale of units of Alternative Investment Fund (Special Opportunities Scheme)	-	1.89
Quickwork Technologies Private Limited	Other Expenses	12.94	10.29
General Mobile Technology India Private Limited	other expense	15.05	-



DMI Finance Private Limited
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Name of related party	Nature of transactions	For the year ended	For the year ended
		March 31, 2025	March 31, 2024
Mr. Sahib Pahwa	Remuneration	-	5.59
	Loan granted	-	7.79
	Options exercised	-	5.20
	Reimbursement of expenses	-	0.01
	Repayment of loan granted	-	7.79
Mrs. Bina Singh	Sitting fee	0.16	0.18
	Reimbursement of expenses	0.21	0.13
Mr. Yuvraaj Chanakya Singh	Remuneration	53.40	61.06
	Post employment benefits	0.29	0.36
	Issue of equity shares	-	-
	Sitting fee	0.06	-
Mr. Shivashish Chatterjee	Remuneration	51.24	60.70
	Post employment benefits	0.36	0.36
	Issue of equity shares	-	-
	Reimbursement of expenses	10.38	7.56
Mrs. Jayati Chatterjee	Sitting fees	0.26	0.24
Mr. Tamim Amr	Sitting fees	0.06	-
Mr. Gurcharan Dass	Sitting fees	0.20	0.16
Mr. Nipender Kochhar	Sitting fees	0.34	0.26
	Loan granted	-	5.21
	Interest income on loan	-	0.02
	Warrants exercised	-	5.21
	Repayment of loan granted	-	5.23
Mr. Arjun Malhotra	Sitting fees	0.02	-
Mr. Vivek Wadhwa*	Remuneration	0.68	11.36
	Reimbursement of expenses	-	0.06
Mr. Krishan Gopal*	Remuneration	-	3.16
	Loan granted	-	0.81
	Options exercised	-	0.67
	Repayment of loan granted	-	0.81
Ms. Promita Chatterjee	Consultancy Fee	1.58	1.48
Ms. Shilpi Varshney*	Remuneration	-	1.00
Ms. Jyoti Kheria*	Remuneration	1.44	-
Mr. Jatinder Bhasin*	Remuneration	19.36	-
Ms. Reena Jayara*	Remuneration	0.83	-
Mr. Niral Khandehwal*	Remuneration	4.41	-

* Remuneration does not include post employment benefits

(c) Outstanding balances with related parties:

Name of related party	Nature of balances	As at	As at
		March 31, 2025	March 31, 2024
DMI Alternatives Private Limited	Employee Stock Option Plan recoverable	2.21	6.58
	Trade Receivable	40.27	33.96
DMI Housing Finance Private Limited	Employee Stock Option Plan payable	34.75	39.65
	Other payable	0.34	-
	Trade Receivable	10.74	-
Ganesha Fixed Income Limited	Borrowings from Non-convertible debentures	134.00	-
	Interest expense	10.79	-
Quickwork Technologies Private Limited	Other payable	0.26	-
DMI Infotech Solutions Private Limited	Investment in equity	NA	3.58
	Other payables	NA	-
	Investment in optionally convertible debentures	NA	752.88
Ampverse DMI Private Limited	Investment in compulsorily convertible preference shares	168.52	94.75



DMI Finance Private Limited
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43 The Holding Company and two of its subsidiary uses Microsoft Navision software for maintenance of accounting data. Navision has inherent feature that entry once posted cannot be edited/deleted.

44 As per Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated October 19, 2023 (as amended from time to time), Non-banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset classification and provisioning (IRACP) norms (including provision on Standard Asset). The impairment allowances under Ind AS 109 made by the Holding Company exceeds the total Provision required under IRACP (including Standard Asset provisioning), as at March 31, 2025 and accordingly no amount is required to be transferred to impairment reserve.

45 Capital

The Holding Company actively manages its capital base to cover risk inherent to its business and meets the capital adequacy requirements of the regulator, Reserve Bank of India (RBI).

(i) Capital management:

Objective

The Holding Company's objective is to maintain appropriate levels of capital to support its business strategy taking into account the regulatory, economic and commercial environment. The Holding Company aims to maintain a strong capital base to support the risks inherent to its business and its growth strategy. The Holding Company endeavours to maintain a higher capital base than the mandated regulatory capital at all times.

Planning

The Holding Company's assessment of capital requirement is aligned to its planned growth which forms part of an annual operating plan which is approved by the Board and also a long range strategy. These growth plans are aligned to assessment of risks- which include credit, liquidity and interest rate.

The Holding Company endeavours to maintain its Capital Risk Adequacy Ratio (CRAR) higher than the mandated regulatory norm. Accordingly, increase in capital is planned well in advance to ensure adequate funding for its growth.

(ii) Regulatory capital

Tier I Capital
Tier II Capital
Total Capital (Tier I + Tier II)

As at March 31, 2025	As at March 31, 2024
64,365.93	64,764.42
243.06	1,304.96
64,608.99	66,069.38

Risk weighted assets

105,812.06 147,603.48

CRAR - Tier I capital (%)
CRAR - Tier II capital (%)
CRAR (%)

60.83% 43.88%
0.23% 0.88%
61.06% **44.76%**

The CRAR is computed as per Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated October 19, 2023 (as amended from time to time).

In order to achieve this overall objective, the Holding Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025 and March 31, 2024.

46 Contingent liabilities and commitments (to the extent not provided for)

a. Contingent liabilities

GST matter in respect of mismatch of GSTR 1 and GSTR 3B
GST matter in respect of mismatch of GSTR 2A and Table 8A of GSTR 9
GST matter in respect of mismatch of place of supply between the invoice entered by counterparty and the Holding Company

As at March 31, 2025	As at March 31, 2024
3.57	-
1.14	-
6.73	-

b. Commitments

Commitments for acquisition of property, plant and equipment (net of advances)
Commitments for Intangible assets under development (net of advances)

- 7.17
0.58 0.47

c. Others

In case of un-disbursed loan facility, the Holding Company has sole and absolute discretion to allow or reject any further drawdown request. Hence, undrawn commitment for the Holding Company are amounting to Nil (previous year Rs. Nil).

d. The Holding Company has other commitments, for purchase of goods and services and employee benefits, in the normal course of business.

e. The Holding Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.



DMI Finance Private Limited
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47 Reconciliation of liabilities arising from financing activities

Particulars	Debt securities	Borrowings other than debt securities	Liability against leased assets	Total
April 01, 2023	16,837.91	23,889.34	242.29	40,969.54
Cash flows:				
- Repayment	(19,879.53)	(27,369.22)	(78.65)	(47,327.40)
- Proceeds	11,888.82	62,808.56	-	74,697.38
Non-cash				
- Deferment / amortisation of upfront fees and other charges	14.96	181.43	-	196.39
- Additions during the year	-	-	77.92	77.92
- Others	-	-	23.73	23.73
March 31, 2024	8,862.16	59,510.11	265.29	68,637.56
Cash flows:				
- Repayment	(10,501.25)	(66,997.83)	(110.75)	(77,609.82)
- Proceeds	10,900.72	42,048.77	-	52,949.49
Non-cash				
- Deferment / amortisation of upfront fees and other charges	5.67	103.16	-	108.82
- Additions during the year	-	-	263.29	263.29
- Deletions during the year	-	-	(0.88)	(0.88)
- Others	-	-	43.74	43.74
March 31, 2025	9,267.30	34,664.21	460.69	44,392.20

Note: There is no non cash movement in investing activities except depreciation of Rs. 54.87 millions (previous year Rs. 50.47 millions) in Property, plant and Equipment.

48 Leases

The Holding Company has lease contracts for office and residential spaces taken on lease. The lease terms are between 1 to 10 years. The Holding Company also has certain lease with lease terms of 12 months or less. The Holding Company applies the 'short-term lease' recognition exemptions for these leases.

The carrying amounts of right-of-use assets recognized and the movements during the period are as follows:

Particulars	March 31, 2025	March 31, 2024
Balance at the beginning of the year	219.48	196.35
Additions made during the year	263.29	77.92
Deletions during the year	(0.91)	-
Amortisation on right of use assets	83.35	54.79
Balance at the end of the year	398.51	219.48

The carrying amounts of lease liabilities and the movements during the period are as follows:

Particulars	March 31, 2025	March 31, 2024
Balance at the beginning of the year	265.29	242.29
Additions made during the year	263.29	77.92
Interest accretion for the year	43.74	23.73
Deletions during the year	(0.88)	-
Payments made during the year	(110.75)	(78.65)
Balance at the end of the year	460.69	265.29

The effective interest rate for lease liabilities is .0%, with maturity ranging to 2030-31.

The following are the amounts recognized in profit and loss :

Particulars	March 31, 2025	March 31, 2024
Amortisation expense in respect of right-of-use asset	83.35	54.79
Interest expense in respect of lease liabilities	43.74	23.73
Expense relating to short-term leases (included in other expenses)	7.94	9.76
Total amount recognised in profit or loss	135.03	88.28

The Holding Company's total cash outflows for leases was Rs 110.75 Millions during the year (previous year Rs 78.65 Millions)

Maturity Analysis of Lease Liabilities

Particulars	March 31, 2025	March 31, 2024
Upto 1 month	6.31	5.02
Over 1 month to 2 month	6.56	4.57
Over 2 months to 3 months	6.62	3.75
Over 3 months to 6 months	20.25	10.11
Over 6 months to 1 year	37.82	17.12
Over 1 year to 3 years	143.13	83.74
Over 3 years and upto 5 years	87.96	70.28
Over 5 years	152.04	70.70
Total	460.69	265.29



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49 Tax expenses

The major components of income tax expense for the years ended March 31, 2025 and March 31, 2024 are :

	Year ended March 31, 2025	Year ended March 31, 2024
Current tax	203.65	2,226.24
Deferred tax credit	(163.36)	(939.20)
Income tax expense reported in the statement of profit or loss	40.29	1,287.04

The major components of tax expense and its reconciliation to expected tax expense based on the enacted tax rate applicable to the Group is 25.17% (March 31, 2024: 25.17%) and the reported tax expense in statement of profit and loss are as follows:

	Year ended March 31, 2025	Year ended March 31, 2024
Profit before tax	(237.16)	5,318.50
Income-tax rate	25.17%	25.17%
Expected tax expense	-59.69	1,338.56
Expenditure on Corporate Social Responsibility disallowed u/s 37	18.00	9.36
Interest paid to Associated Enterprise disallowed u/s 94B	2.72	2.73
Disallowance/addition u/s 36(1)(va) and 43B	0.18	-
Capital Expenditure disallowed u/s 37	0.25	5.64
Difference between accounting income and taxable income on investments	-	(62.41)
Differential Tax Rate on Long term capital gains	-	(24.07)
Loss on subsidiary	10.71	20.02
Others	68.12	(2.79)
Tax expense	40.29	1,287.04



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50 Maturity analysis of assets and liabilities:

Particulars	As at March 31, 2025			As at March 31, 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	9,098.99	-	9,098.99	10,580.18	-	10,580.18
Bank balance other than cash and cash equivalents	1,465.38	1,048.84	2,514.22	1,014.58	148.01	1,162.59
Trade receivables	99.93	-	99.93	68.86	-	68.86
Loans	51,830.72	23,536.59	75,367.31	77,319.94	41,119.92	118,439.86
Investments	20,548.32	1,221.98	21,770.30	3,207.88	2,504.94	5,712.82
Other financial assets	545.99	140.63	686.62	1,140.98	28.92	1,169.90
Non- financial assets						
Current tax assets (net)	1,451.24	-	1,451.24	148.20	-	148.20
Deferred tax assets (net)	-	2,320.90	2,320.90	-	2,158.37	2,158.37
Property, plant and equipment	-	143.71	143.71	-	142.76	142.76
Capital work in progress	-	-	-	4.68	-	4.68
Goodwill	-	331.63	331.63	-	253.53	253.53
Right to use assets	84.86	313.65	398.51	44.49	174.99	219.48
Intangible assets	-	689.46	689.46	-	30.97	30.97
Intangible assets under development	3.71	-	3.71	2.54	-	2.54
Other non- financial assets	356.61	52.75	409.36	306.69	9.89	316.58
Assets held for sale	75.00	-	75.00	75.00	-	75.00
	85,560.75	29,800.14	115,360.89	93,914.02	46,572.30	140,486.32
LIABILITIES AND EQUITY						
LIABILITIES						
Financial liabilities						
A) Trade payables						
(i) total outstanding dues of micro and small enterprises	8.50	-	8.50	25.33	-	25.33
(ii) total outstanding dues of creditors other than micro and small enterprises	1,089.70	3.86	1,093.56	1,569.56	33.67	1,603.23
B) Other payables						
(i) total outstanding dues of micro and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro and small enterprises	863.06	11.93	874.99	833.02	17.35	850.37
Debt securities	2,443.86	6,823.44	9,267.30	1,945.40	6,916.76	8,862.16
Borrowings (other than debt securities)	25,240.55	9,423.66	34,664.21	31,959.88	27,550.23	59,510.11
Lease liabilities	77.56	383.13	460.69	40.57	224.72	265.29
Other financial liabilities	393.30	102.84	496.14	682.09	-	682.09
Non financial liabilities						
Provisions	4.15	182.15	186.30	3.37	136.07	139.44
Other non-financial liabilities	222.40	1.86	224.26	434.94	4.71	439.65
Equity						
Equity share capital	-	7,426.32	7,426.32	-	7,424.87	7,424.87
Other equity	-	60,734.89	60,734.89	-	60,660.68	60,660.68
Non Controlling Interest	-	(76.27)	(76.27)	-	23.10	23.10
	30,343.08	85,017.81	115,360.89	37,494.16	102,992.16	140,486.32



DMI Finance Private Limited
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51 Risk management

Introduction and risk profile

The Holding Company is a non-banking financial company in India and is regulated by the Reserve Bank Of India (RBI). In view of the intrinsic nature of operations, the Group is exposed to a variety of risks, which can be broadly classified as liquidity risk, credit risk, interest rate risk and equity price risk. It is also subject to various regulatory risks.

Risk management structure and policies

As a lending institution, Group is exposed to various risks that are related to lending business and operating environment. The Principal Objective in Group's risk management processes is to measure and monitor the various risks that Group is subject to follow policies and procedures to address such risks. Group's risk management framework is driven by Board and its subcommittees including the Audit Committee, the Asset Liability Management Committee and Risk Management Committee. Group gives due importance to prudent lending practices and have implemented suitable measures for risk mitigation, which include verification of credit history from credit information bureaus, personal verification of a customer's business and residence, technical and legal verifications, conservative loan to value.

(A) Liquidity risk

Liquidity risk is the potential for loss to an institution arising from either its inability to meet its obligations or to fund increases in assets as they fall due without incurring unacceptable cost or losses.

The Group manages liquidity risk by measuring and managing net funding requirements using a maturity ladder and calculation of cumulative surplus or deficit of funds at selected maturity dates which has been adopted as a standard tool. The Group's Assets-Liability Committee (ALCO) is responsible for determining the appropriate mix of available funding sources utilized to ensure Group liquidity is managed prudently and appropriately. With regard to the process of liquidity management, ALCO also considers the current economic and market environment, near-term loan growth projections and long-term strategic business decisions.

The table below summarises the maturity profile of the undiscounted cash flows of the Group's financial assets and liabilities

March 31, 2025	upto 1 month	Over 1month to 2 month	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Financial assets									
Cash and cash equivalents	9,099.12	1.78	-	-	-	-	-	-	9,100.90
Bank balance other than Cash and cash equivalents	24.27	-	91.70	580.78	864.79	1,055.07	-	-	2,616.61
Trade receivables	48.07	47.60	0.40	-	3.86	-	-	-	99.93
Loans	7,065.43	7,803.29	7,367.68	18,602.87	25,083.53	27,056.26	4,090.67	1.23	97,070.96
Investments	17,647.42	529.77	378.85	1,071.31	1,235.11	259.69	1,006.80	2,828.30	24,957.25
Other financial assets	3.17	231.51	176.20	27.10	108.06	111.12	10.83	18.68	686.62
Financial liabilities									
Payables	690.96	203.79	198.64	26.06	841.82	15.78	-	-	1,977.05
Debt securities	13.50	-	117.92	2,774.60	369.44	7,554.51	-	-	10,829.97
Borrowings (other than debt securities)	1,998.74	2,298.01	3,849.88	7,535.95	11,610.47	10,220.15	-	-	37,513.19
Lease liabilities	10.15	10.36	10.36	31.13	58.07	205.27	127.81	175.09	629.24
Other financial liabilities	89.54	-	232.73	71.03	-	102.84	-	-	496.14

March 31, 2024	upto 1 month	Over 1month to 2 month	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Financial assets									
Cash and cash equivalents	10,580.60	-	-	-	-	-	-	-	10,580.60
Bank balance other than Cash and cash equivalents	2.75	-	245.75	230.08	598.11	160.48	-	-	1,237.17
Trade receivables	24.56	6.06	38.24	-	-	-	-	-	68.86
Loans	11,957.34	11,190.64	10,511.66	26,591.65	35,050.48	45,379.32	3,798.98	1,591.20	146,065.27
Investments	686.76	342.48	357.15	979.10	1,213.71	1,847.79	807.16	517.88	6,752.03
Other financial assets	25.84	65.77	349.80	688.95	10.62	0.59	19.93	8.40	1,169.90
Financial liabilities									
Payables	1,015.09	371.00	177.97	731.60	176.52	6.75	-	-	2,478.93
Debt securities	-	-	344.59	230.91	2,049.54	8,021.38	-	-	10,646.42
Borrowings (other than debt securities)	4,225.10	2,256.30	4,069.62	11,469.92	13,874.96	28,517.25	1,651.53	-	66,064.68
Lease liabilities	7.23	6.74	5.88	16.33	28.84	120.91	90.29	82.64	358.86
Other financial liabilities	219.97	135.62	70.12	8.07	754.05	48.26	-	-	682.09



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(B) Credit risk

Credit risk arises from the potential that an obligor is either unwilling to perform on an obligation or its ability to perform such obligation is impaired resulting in economic loss to the Group. The Group's credit risk management framework is categorized into following main components:

- Senior management's oversight
- Organizational structure
- Systems and procedures for identification, acceptance, measurement, monitoring and controlling risks.

It is the overall responsibility of the Group's senior management to approve the Group's credit risk strategy and lending policies relating to credit risk and its management.

To maintain credit discipline and to enunciate credit risk management and control process there is a separate risk management department independent of loan origination function. The risk management department performs the function of credit policy formulation, credit limit setting, monitoring of credit exceptions / exposures and review / monitoring of documentation.

The carrying amount of financial assets represents the maximum credit exposure.

Analysis of risk concentration

The following table shows the risk concentration by industry for the financial assets of the Group:

March 31, 2025	Financial services	Government	Real estate	MSME	Services and manufacturing	Retail	Others	Total
Financial asset								
Cash and cash equivalents	9,098.99	-	-	-	-	-	-	9,098.99
Bank balance other than cash and cash equivalents	2,514.22	-	-	-	-	-	-	2,514.22
Loans - Corporate*	118.66	-	2,748.45	-	-	-	12.97	2,880.08
Loans - Consumer loans*	-	-	-	-	-	72,487.23	-	72,487.23
Trade receivables	99.93	-	-	-	-	-	-	99.93
Investments*	17,600.82	-	403.59	-	-	-	3,765.89	21,770.30
Other financial assets	461.77	-	-	-	-	-	224.85	686.62
Total	29,894.39	-	3,152.04	-	-	72,487.23	4,003.71	109,537.37

March 31, 2024	Financial services	Government	Real estate	MSME	Services and manufacturing	Retail	Others	Total
Financial asset								
Cash and cash equivalents	10,580.18	-	-	-	-	-	-	10,580.18
Bank balance other than cash and cash equivalents	1,162.59	-	-	-	-	-	-	1,162.59
Loans - Corporate*	472.14	-	3,643.56	-	-	-	476.58	4,592.28
Loans - Consumer loans*	-	-	-	793.77	-	113,053.81	-	113,847.58
Trade receivables	48.19	-	-	-	-	-	20.67	68.86
Investments*	778.76	-	403.59	-	-	-	4,530.47	5,712.82
Other financial assets	168.39	-	-	-	-	-	1,001.51	1,169.90
Total	13,210.25	-	4,047.15	793.77	-	113,053.81	6,029.23	137,134.21

* Net of impairment loss allowance

(C) Market risk

Market risk is the risk that the value of on and off-balance sheet positions of a financial institution will be adversely affected by movements in market rates or prices such as interest rates, foreign exchange rates, equity prices, credit spreads and/or commodity prices resulting in a loss to earnings and capital.

Financial institutions may be exposed to market risk in variety of ways. Market risk exposure may be explicit in portfolios of securities / equities and instruments that are actively traded. Conversely it may be implicit such as interest rate risk due to mismatch of loans and deposits. Besides, market risk may also arise from activities categorized as off-balance sheet item. Therefore, market risk is potential for loss resulting from adverse movement in market risk factors such as interest rates, forex rates, equity and commodity prices.

The Group's exposure to market risk is primarily on account of interest rate risk and equity price risk.

Total market risk exposure

Particulars	As at March 31, 2025	As at March 31, 2024	Primary risk sensitivity
ASSETS			
Financial assets			
Investments (Other than credit substitutes)**	17,774.10	1,635.77	Equity price
Credit substitutes and pass through certificate**	4,399.77	4,480.62	Interest rate
LIABILITIES			
Financial liabilities			
Debt securities	9,267.30	8,862.16	Interest rate
Borrowings (other than debt securities)	34,664.21	59,510.11	Interest rate

**Gross of impairment loss allowance



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(i) Interest rate risk:-

Interest rate risk arises when there is a mismatch between positions, which are subject to interest rate adjustment within a specified period. The Group's lending, funding and investment activities give rise to interest rate risk. The immediate impact of variation in interest rate is on the Group's net interest income, while a long term impact is on the Group's net worth since the economic value of the assets, liabilities and off-balance sheet exposures are affected. While assessing interest rate risks, signals given to the market by RBI and government departments from time to time and the financial industry's reaction to them shall be continuously monitored.

Due to the very nature of financing, the Group is exposed to moderate to higher interest rate risk. This risk has a major impact on the balance sheet as well as the income statement of the Group. Interest rate risk arises due to:

- i) Changes in regulatory or market conditions affecting the interest rates
- ii) Short term volatility
- iii) Prepayment risk translating into a reinvestment risk
- iv) Real interest rate risk.

Interest rate risk exposure

Variable Rate Borrowings
Fixed Rate Borrowings

As at March 31, 2025	As at March 31, 2024
23,945.52	52,994.37
19,985.99	15,377.90

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) on the Group's statement of profit and loss:

Particulars	Effect on net profit	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Decrease in 50 basis points	234.80	171.08
Increase in 50 basis points	(234.80)	(171.08)

(ii) Equity price risk

Impact on	As at March 31, 2025					
	Increase in equity price(%)	Effect on profit before tax	Effect on Equity	Decrease in equity price(%)	Effect on profit before tax	Effect on Equity
FVTOCI Investments	10%	-	42.55	10%	-	(39.10)
FVTPL Investments	10%	1,718.01	-	10%	(1,718.01)	-

Impact on	As at March 31, 2024					
	Increase in equity price(%)	Effect on profit before tax	Effect on Equity	Decrease in equity price(%)	Effect on profit before tax	Effect on Equity
FVTOCI Investments	10%	-	117.60	10%	-	(117.60)
FVTPL Investments	10%	36.50	-	10%	(36.50)	-

(iii) Foreign Currency risk exposure

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group is exposed to foreign currency fluctuation risk for its foreign currency receivables.

(a) The foreign currency exposures for the year ended are as follows:

Particulars	As at March 31, 2025*		As at March 31, 2024*	
	Total	Unhedged	Total	Unhedged
Trade Receivables (INR - in millions)	0.13	0.13	1.46	1.46
Trade Receivables (USD - in millions)	0.00	0.00	0.02	0.02

* Including indirect taxes

Note: There is no hedged foreign currency exposure

(b) Sensitivity Analysis

The following table demonstrates the sensitivity to a reasonably possible change in foreign exchange rates (all other variables being constant) on the Group's statement of profit and loss:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Decrease by 1%	(0.00)	(0.01)
Increase by 1%	0.00	0.01



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52 Financial instruments

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 in the principal (or most advantageous) market at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using a valuation technique.

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

Valuation governance

The Group's process to determine fair values is part of its periodic financial close process. The Audit Committee exercises the overall supervision over the methodology and models to determine the fair value as part of its overall monitoring of financial close process and controls. The responsibility of ongoing measurement resides with business units. Once submitted fair value estimates are also reviewed and challenged by the risk and finance functions.

Assets and liabilities by fair value hierarchy

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

	31 March 2025				31 March 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets measured at fair value on a recurring basis								
<i>Financial investment measured at FVTPL</i>								
Mutual funds	17,180.11	-	-	17,180.11	365.01	-	-	365.01
Total financial investment measured at FVTPL	17,180.11	-	-	17,180.11	365.01	-	-	365.01
<i>Financial investments measured at FVOCI</i>								
Credit Substitutes	-	-	213.39	213.39	-	-	213.39	213.39
Compulsory convertible preference shares in Alchemist Asset Reconstruction Company Limited	-	-	34.50	34.50	-	-	34.50	34.50
Compulsory convertible preference shares in Saarathi Finbiz Private Limited	-	-	160.01	160.01	-	-	160.01	160.01
7,500 Optionally convertible debentures in DMI Infotech Solutions Private Limited (Formerly known as DMI Consumer Credit Private Limited) of face value of Rs 1,00,000 each	-	-	-	-	-	-	752.88	752.88
Loans								
Non-convertible debentures - unquoted	-	-	72.33	72.33	-	-	104.87	104.87
Equity Instruments								
DMI Infotech Solutions Private Limited (Formerly known as DMI Consumer Credit Private Limited)	-	-	-	-	-	-	3.58	3.58
Alchemist Asset Reconstruction Company Limited	-	-	226.20	226.20	-	-	219.24	219.24
Other instruments								
Units of DMI AIF Special Opportunities Scheme	-	-	4.76	4.76	-	-	5.80	5.80
Total financial investments measured at FVOCI	-	-	711.19	711.19	-	-	1,494.27	1,494.27
Total financial assets measured at fair value	17,180.11	-	711.19	17,891.30	365.01	-	1,494.27	1,859.28



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Valuation techniques

Financial instruments measured at FVTPL (other than CCPS)

The equity instruments which are traded on public stock exchanges with readily available active prices on a regular basis and are classified as level 1. Units held in mutual funds are valued at NAV of respective investment and are classified as Level 1.

Equity instruments measured at FVOCI

Equity instruments in non-listed entities are valued on a case-by-case either based on net worth of investee company or valuation report issued by independent Valuer using discounted cash flow method, are classified as Level 3.

Debt Securities and loans at FVOCI

A. Fair Value is calculated by discounting future cashflows.

B. The discounting spread is calculated as summation of yields of G-Sec for similar tenure, sector specific spread, liquidity spread and spread based on score from internal risk rating model.

C. The risk rating model incorporates both quantitative and qualitative information on the borrower. Some of the factors that risk model considers are –

- Area delivered in past across segments
- Financial strength (of the entity and group)
- Debt track record (debt repaid in past, current & past delinquency)
- Stages of various projects of developer
- Asset cover (Cashflow and Security)

There have been no transfers between Level 1, Level 2 and Level 3 for the Year ended March 31, 2025 and March 31, 2024.

Movements in Level 3 financial instruments measured at fair value

	Equity Shares	Units of DMI AIF Special Opportunities Scheme	Credit Substitutes*	NCD Unquoted*	Compulsorily Convertible Debentures*	Optionally Convertible Debentures*	Compulsorily convertible preference shares	Total
At March 31, 2023	1,365.35	9.73	537.43	137.80	2,160.27	-	34.50	4,245.08
Purchase	45.00	-	-	-	-	750.00	160.01	955.01
Change in classification	-	-	-	-	-	-	-	-
Income Accrued	-	-	32.28	14.99	108.58	2.88	-	158.73
Sales / settlements	(1,270.55)	(5.23)	(356.32)	(47.92)	(2,274.32)	-	-	(3,954.34)
Transfers into Level 3	-	-	-	-	-	-	-	-
Transfer from Level 3	-	-	-	-	-	-	-	-
Gains / loss for the period recognized in the Statement of Profit and Loss	89.54	-	-	-	5.47	-	-	95.01
Gains / loss for the period recognized in the other comprehensive income	(6.52)	1.30	-	-	-	-	-	(5.22)
At March 31, 2024	222.82	5.80	213.39	104.87	-	752.88	194.51	1,494.27
Purchase	-	-	-	-	-	-	-	-
Change in classification	(3.58)	-	-	-	-	(752.88)	-	(756.46)
Income Accrued	-	-	-	-	-	-	-	-
Sales / settlements	-	(1.52)	-	(32.54)	-	-	-	(34.06)
Transfers into Level 3	-	-	-	-	-	-	-	-
Transfer from Level 3	-	-	-	-	-	-	-	-
Gains / loss for the period recognized in the Statement of Profit and Loss	-	-	-	-	-	-	-	-
Gains / loss for the period recognized in the other comprehensive income	6.96	0.48	-	-	-	-	-	7.44
At March 31, 2025	226.20	4.76	213.39	72.33	-	-	194.51	711.19

*Total Gains/Loss for the period recognized in the Statement of Profit and Loss consists of income other than fair value change



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Impact on fair value of level 3 financial instruments measured at fair value of changes to key assumptions

The table summarises the valuation techniques together with the significant unobservable inputs used to calculate the fair value of the Group's level 3 assets and liabilities.

March 31, 2025	Fair value of Level 3 assets	Valuation technique	Significant unobservable inputs
Compulsorily convertible preference shares in Saarathi Finbiz Private Limited	160.01	Comparable company method	Enterprise value
Compulsorily convertible preference shares in Alchemist Asset Reconstruction Company Limited	34.50	Discounted Projected Cash Flows	Discount margin / spread
Equity shares in Alchemist Asset Reconstruction Company Limited	226.20	Discounted Projected Cash Flows	Discount margin / spread
Credit Substitutes	213.39	Discounted Projected Cash Flows	Discount margin / spread
Non-convertible debentures - unquoted	72.33	Discounted Projected Cash Flows	Discount margin / spread
Units of DMI AIF Special Opportunities Scheme	4.76	Assets under management of units of respective class of Investee Fund	Instrument price
Total	711.19		

March 31, 2024	Fair value of Level 3 assets	Valuation technique	Significant unobservable inputs
Equity shares in DMI Infotech Solutions Private Limited (formerly known as Consumer Credit Private Limited)	3.58	Net Worth of Investee Company	Instrument price
7,500 Optionally convertible debentures in DMI Infotech Solutions Private Limited (Formerly known as DMI Consumer Credit Private Limited)	752.88	Net Worth of Investee Company	Instrument price
Compulsorily convertible preference shares in Alchemist Asset Reconstruction Company Limited	34.50	Discounted Projected Cash Flows	Discount margin / spread
Compulsorily convertible preference shares in Saarathi Finbiz Private Limited	160.01	Adjusted Backsolve Method	Enterprise value
Equity shares in Alchemist Asset Reconstruction Company Limited	219.24	Discounted Projected Cash Flows	Discount margin / spread
Credit Substitutes	213.39	Discounted Projected Cash Flows	Discount margin / spread
Non-convertible debentures - unquoted	104.87	Discounted Projected Cash Flows	Discount margin / spread
Units of DMI AIF Special Opportunities Scheme	5.80	Assets under management of units of respective class of Investee Fund	Instrument price
Total	1,494.27		

Quantitative analysis of significant unobservable inputs

Instrument price

Given the nature of this approach, there is no range of prices used as inputs.

Discount margin/spreads

Discount margin/spreads represent the discount rates used when calculating the present value of future cash flows. In discounted cash flow models such spreads are added to the benchmark rate when discounting the future expected cash flows. Hence, these spreads reduce the net present value of an asset or increase the value of a liability. They generally reflect the premium an investor expects to achieve over the benchmark interest rate to compensate for the higher risk driven by the uncertainty of the cash flows caused by the credit quality of the asset. They can be implied from market prices and are usually unobservable for illiquid or complex instruments.



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Sensitivity of fair value measurements to changes in unobservable market data

The table below describes the effect of a 10% movement in the significant unobservable input.
All changes, except for financial instruments at FVOCI would be reflected in Statements of Profit and Loss.

Particulars	March 31, 2025		March 31, 2024	
	Favourable changes	Unfavourable changes	Favourable changes	Unfavourable changes
Instruments measured through FVTPL				
Total (A)	-	-	-	-
Instruments measured through FVTOCI				
Equity shares in DMI Infotech Solutions Private Limited (Formerly known as DMI Consumer Credit Private Limited)	-	-	0.36	(0.36)
Equity shares in Alchemist Asset Reconstruction Company Limited	22.62	(22.62)	21.92	(21.92)
Credit Substitutes	21.34	(21.34)	21.34	(21.34)
Non-convertible debentures - unquoted	7.23	(7.23)	10.49	(10.49)
Units of DMI AIF Special Opportunities Scheme	0.48	(0.48)	0.58	(0.58)
Compulsory convertible preference shares in Alchemist Asset Reconstruction Company Limited	3.45	(3.45)	3.45	(3.45)
Compulsorily convertible preference shares in Saarathi Finbiz Private Limited	16.00	(16.00)	16.00	(16.00)
Optionally convertible debentures in DMI Infotech Solutions Private Limited (Formerly known as DMI Consumer Credit Private Limited)	-	-	75.29	(75.29)
Total (B)	71.12	(71.12)	149.43	(149.43)
Total (A+B)	71.12	(71.12)	149.43	(149.43)

The above analysis has been made without considering the impact of tax.

Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the group's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables.

Borrowings - At Amortised cost

These includes term loans, securitisation and debt securities. The fair values of such liabilities are estimated using a discounted cash flow model based on contractual cash flows using actual or estimated yields and discounting by yields incorporating the counterparties' credit risk. These instrument are classified in Level 3. The carrying value of borrowings is approximately similar to fair value.

Investments - At amortised cost

These includes Credit substitutes, corporate loans, pass through certificates. The fair values of such instruments are estimated using a discounted cash flow model based on contractual cash flows using actual or estimated yields and discounting by yields incorporating the counterparties' credit risk. These Instrument are classified in Level 3. The carrying value of investments classified at amortised cost is approximately similar to fair value.

Assets and liabilities other than above

The carrying value of assets and liabilities other than investments and borrowings at amortised cost represents a reasonable approximation of fair value



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- 53 (a) Previous year figures have been regrouped/rearranged to make them comparable with the current year classification in accordance with amendments in Schedule III.
- 53 (b) There are no event observed after the reported period which have an impact on the Group's operations.
- 53 (c) The financial statements were approved for issue by Board of Directors on May 23, 2025.
- 53 (d) Disclosure on significant ratios:

Particulars	Description	As at March 31, 2025	As at March 31, 2024
Debt-Equity Ratio	[(Debt securities+ Borrowings (other than Debt Securities))/Total equity]	0.64	1.00
Net profit margin	Net profit after tax / total revenue from operations	-0.88%	15.19%
Total debts to total assets	[(Debt securities+ Borrowings (other than Debt Securities))/Total assets]	38.08%	48.67%
Gross Non-Performing Assets	Gross Stage III loans EAD / Gross total loans EAD	4.71%	2.61%
Net Non-Performing Assets	(Gross Stage III loans EAD - Impairment loss allowance for Stage III) / (Gross total loans EAD - Impairment loss allowance for Stage III)	2.69%	1.58%
Asset cover ratio (no. of times)*	Amount of secured assets / Secured debt	1.30	1.25
Provision coverage ratio (%)	(Impairment loss allowance for Stage III/ Gross Stage III loans EAD)	44.12%	40.11%

*It is calculated for listed debt securities

54 Other Statutory Information

- During the current financial year, the Group has not undertaken any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.
- No penalties were imposed by the regulator during the financial year ended 31 March, 2025 except as mentioned in Note number 52 of Financial statements of the Holding company.
- There are no such transaction which are not recorded in the books of account earlier and have been surrendered or disclosed as income during the current financial year in the tax assessments under the Income tax act, 1961.
- The Group has not traded or invested in Cryptocurrency or Virtual Currency during the financial year.
- The Group has not received any fund from any person or entity, including foreign entity (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group 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
- The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding 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 Group (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- 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 Group 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 lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries). The Group has not received any fund from any party(s) (Funding Party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31, 2025 and March 31, 2024.
- There are no transactions of undisclosed income not recorded in the books of accounts.
- No proceedings have been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder in the financial years ended March 31, 2025 and March 31, 2024.
- The Group has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed, though idle and surplus funds which were not required for immediate utilization were temporarily invested in liquid funds.
- No company in the Group has been declared as wilful defaulter by any of banks, financial institution or any other lender.
- Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2025, MCA has notified Ind AS 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Group has reviewed the new pronouncements and based on its evaluation has determined that it does not have any impact in its financial statements



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(All Amount in Rs. millions, unless otherwise stated)

55 Additional information pursuant to para 2 of general instructions for the preparation of consolidated financial statements

Name of the entity in the Group	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
DMI Finance Private Limited	97.91%	68,531.99	-23.26%	53.11	89.19%	1.65	-24.18%	54.76
Subsidiaries								
DMI Capital Private Limited	0.53%	373.72	1.82%	(4.15)	-5.41%	-0.10	1.88%	(4.25)
DMI Infotech Solutions Private Limited	1.09%	761.79	96.58%	(220.55)	0.00%	-	97.37%	(220.55)
Appnit Technologies Private Limited	0.47%	328.18	10.48%	(23.94)	16.22%	0.30	10.44%	(23.64)
Joint Venture (Investment as per equity method)								
Ampverse DMI Private Limited	0.00%	-	14.38%	(32.83)	0.00%	-	14.49%	(32.83)
Total	100.00%	69,995.68	100.0%	-228.36	100.00%	1.85	100.00%	-226.51
Adjustments arising out of consolidation		(1,834.47)		(81.92)		0.63		(81.29)
Total		68,161.21		(310.28)		2.48		-307.80

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DMI Finance Private Limited
Notes to Consolidated Financial Statements
(All Amount in Rs. millions, unless otherwise stated)

56 Segment information

The Managing Director (Chief Operating Decision Maker) review the operations at the Group level. The operations of the Group fall under "financing activities" only, which is considered to be the only reportable segment in accordance with the provisions of Ind AS 108 – Operating Segments. The Group operates in a single geographical segment, i.e., domestic.

- 57** The Income Tax Department ('the Department') conducted a search operation (the 'search') under section 132 of Income Tax Act, 1961 at the premises of the Holding Company in the month of April 2025. The Holding Company has provided all support and cooperation and the necessary details to the Department, as requested by the Department. The Holding Company is examining and reviewing the matter and will take appropriate action, including addressing regulatory actions, if and when they occur.

While the uncertainty exists regarding the outcome of the proceedings by the department, the Holding Company after considering all available information and facts as on date, has not identified the need for any adjustments to the current or prior period financial statements.

- 58** The Holding Company received an order dated October 17, 2024, from the Reserve Bank of India ("RBI") under section 45L(1L(b)) of the Reserve Bank of India Act, 1934. This order directed the Holding Company to cease and desist sanction or disbursements of loan with effect from October 21, 2024, until the specific issues outlined in the order are adequately addressed and the identified deficiencies are resolved to the satisfaction of the RBI. RBI vide letter dated January 08, 2025 lifted the cease and desist order following the submission of the company's remediation steps.

59 Events occurring after reporting date

There are no significant events after the reporting period which require any adjustment or disclosure in the financial statements except as mentioned in Note number 57.

For Nangia & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 002391C/NS00069

Jaspreet Singh Bedi
Partner
Membership Number: 601788

Place: Mumbai
Date: May 23, 2025



For and on behalf of the Board of Directors of
DMI Finance Private Limited
CIN: U64990DL2008PTC182749

Shivamish Chatterjee
(Managing Director)
DIN: 02623460

Place: New York
Date: May 23, 2025

Arpit Baheti
(Interim Chief Financial Officer)

Place: New Delhi
Date: May 23, 2025



Yuvraja Khanakya Singh
(Director)
DIN: 02601179

Place: New Delhi
Date: May 23, 2025

Reena Jayara
(Company Secretary)

Place: New Delhi
Date: May 23, 2025

DIRECTOR'S REPORT

Dear Members,

DMI Finance Private Limited

The Board of Directors ("**Board**") of DMI Finance Private Limited ("**DMI**"/ "**Company**") are pleased to present their 17th Director's Report along with the Audited Standalone & Consolidated Financial Statements of the Company for the financial year ended March 31, 2025. This Report read with the Management Discussion and Analysis Report, provides an overview of the macroeconomic environment, the Company's performance and various initiatives undertaken by the Company during the year.

STATE OF THE COMPANY AFFAIRS

• OVERVIEW

The Company is registered with the Reserve Bank of India ("**RBI**") as a Non-Banking Financial Company and categorized as a NBFC - Investment and Credit Company (NBFC-ICC) as per the Master Direction – Reserve Bank of India (Non-Banking Financial Company–Scale Based Regulation) Directions, 2023 (amended from time to time) ("**Master Direction**") having NBFC registration No. N-14.03176 pursuant to letter no. DNBS.ND.No.4624/Regn.New/ 04.04.004/2008-09 dated January 07, 2009 issued by the RBI. The Company is categorized as a Middle Layer NBFC ('ML-NBFC') under the said Master Direction.

Further, the Company is also registered as an intermediary within the meaning of Insurance Regulatory and Development Authority of India ("**IRDAI**") as a Corporate Agent pursuant to the approval received from the IRDAI, effective from April 23, 2024.

The Company was falling into the category of High-Value Debt Listed Company as prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") and was required to comply with the provisions of Regulation 16 to 27 of Listing Regulations on 'comply or explain' basis until March 31, 2025 as per Regulation 15 of the Listing Regulations. However, as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2025 dated March 27, 2025, the threshold of outstanding value of non-convertible debentures for a High Value Debt Listed Entity was increased from INR 500 Crores to INR 1,000 Crores. Consequently, the Company is not a High Value Debt Listed Entity and the provisions of Regulation 16 to 27 of SEBI Listing Regulations are not applicable on it. However, the Company continues to take initiatives to adopt the Corporate Governance norms of SEBI Listing Regulations on a voluntary basis.

• FINANCIAL PERFORMANCE OF THE COMPANY

During the year under review, the Company received an order dated October 17, 2024, from the RBI under section 45L(1)(b) of the Reserve Bank of India Act, 1934. This order directed the Company to cease and desist sanction or disbursements of loan with effect from October 21, 2024, until the specific issues outlined in the order are adequately addressed and the identified deficiencies are resolved to the satisfaction of the RBI. RBI vide letter dated January 08, 2025 lifted the cease and desist order following the submission of the Company's remediation steps.

The Company subsequently resumed its operations; however, its business and financial performance were affected due to the operational shutdown during the embargo period and the consequential effects thereof.

The management has been making tremendous efforts and taking measures to mitigate any further financial impact on the Company and to make headway to our expansion and advancement plans.

The highlights of the standalone and consolidated financial performance of your Company for the financial years 2024-25 and 2023-24 are presented as under:

Consolidated Financials

(INR in Million)

Particulars	Consolidated	
	March 31, 2025	March 31, 2024
Revenue from Operations	31,661.91	26,543.96
Other Income	135.62	195.59
Total Income	31,797.53	26,739.55
Total Expenditure	32,034.69	21,421.05
Profit/(Loss) before Taxation	(237.16)	5,318.50
Tax Expenses/(Credits)	40.29	1,287.04
Profit/(Loss) for the year	(277.45)	4,031.46
Share of Profit of Associate	(32.83)	(57.44)
Net profit after taxes and Share in profit of Associate	(310.28)	3,974.02
Capital Redemption Reserve	81.21	81.21
Reserve Fund u/s Sec 45 IC of RBI Act, 1934	2,584.95	2,574.33
Balance in Profit/(Loss) Account in balance sheet (Retained Earnings)	9,722.13	9,977.52

Standalone Financials

(INR in Million)

Particulars	Standalone	
	March 31, 2025	March 31, 2024
Revenue from Operations	30,972.43	26,467.17
Other Income	169.70	219.50
Total Income	31,142.13	26,686.67
Total Expenditure	31,064.87	21,210.61
Profit/(Loss) before Taxation	77.26	5,476.06
Tax Expenses / (Credits)	24.15	1,309.68
Profit/(Loss) after Taxation	53.11	4,166.38
Capital Redemption Reserve	81.21	81.21
Reserve Fund u/s Sec 45 IC of RBI Act, 1934	2,584.95	2,574.33
Balance in Profit/(Loss) Account in balance sheet (Retained Earnings)	10,118.26	10,075.77

In addition, the status of some of the important financial parameters of the Company as on March 31, 2025 is mentioned below for your reference:

(INR in Million)

Particulars	March 31, 2025	March 31, 2024
Total Revenue	31,142.13	26,686.67
Total Expenses	31,064.87	21,210.61
PAT	53.11	4,166.38
CRAR	61.06%	44.76%
GNPA	3,865.76	3,226.26
NNPA	2,160.10	1,932.33
Net Owned Funds	64,365.93	64,764.41

The Company ensures that in future, with planned strategies and risk control measures to maintain a stable rate of performance, it achieves positive and incremental growth in its loan portfolio.

Expected Credit Loss (ECL)

In accordance with Indian Accounting Standards ('Ind AS') 109, the Company measures Expected Credit Losses (ECL) on its financial instruments and has an adequate process to assess credit risk of all exposures at each year end. Accordingly, the Company has created adequate ECL provisioning as required. Details of the same are part of the notes to the accounts of the audited financial statements for the period ended March 31, 2025.

While estimating the expected credit losses, the Company reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Company analyses the relationship between key economic trends like Gross Domestic Product ('GDP'), Unemployment rates, Benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of Probability of Default ('PD') and Loss Given Default ('LGD') determined by the Company based on its internal data. While the internal estimates of PD and LGD rates by the Company may not be always reflective of such relationships, temporary overlays are embedded in the methodology to reflect such macro-economic trends reasonably.

The Company had also duly complied with the prudential norms on provisioning requirement as prescribed by the RBI (from time to time) for Standard Loan Asset (category-wise) & for Doubtful-assets, if any.

DIVIDEND

During the year under review, no interim dividend was declared by the Board. Further, considering the capital-intensive nature of the business, the business plan of the Company and with a view to plough back the profits in order to build a strong base for its long-term growth, your Board has not recommended dividend for the financial year ended March 31, 2025.

TRANSFER TO RESERVES

The details of the transfer to reserves as part of regulatory requirements are given below:

Regulatory Reserve u/s 45 (1C) of RBI Act:

In accordance with the provisions of section 45-IC of the Reserve Bank of India ('RBI') Act, 1934, the Company is required to transfer a sum not less than 20% of its net profit every year to its Statutory Reserve. During the current year, INR 10.62 Million were transferred to the statutory reserve.

The break-up of the amounts/profits proposed to be carried to reserves for FY 2024-25, is set out herein below:

<i>(INR in Million)</i>		
Particulars	FY 2024-25	FY 2023-24
Reserve Fund u/s Sec 45 IC of RBI Act, 1934	10.62	833.28

SHARE CAPITAL

During FY 2024-25, the issued, subscribed and paid-up share capital of the Company underwent the following changes:

Authorized Share Capital: During the period under review, the authorized share capital of the Company was increased **from** the existing INR 2000,00,00,000/- (Indian Rupees Two Thousand Crores Only) **to** INR 2090,00,00,000/- (Indian Rupees Two Thousand Ninety Crores Only) by addition of 9,00,00,000 (Nine Crore) Compulsory Convertible Preference Shares of INR 10/- each.

Post this addition, the authorized share capital of the Company as on March 31, 2025 stood at INR 2090,00,00,000/- (Indian Rupees Two Thousand Ninety Crores Only) comprising 196,50,00,000 (One Hundred Ninety-Six Crores Fifty Lakhs Only) Equity Shares of INR 10/- each amounting to INR 1965,00,00,000/- (Indian Rupees One Thousand Nine Hundred Sixty Five Crores Only) and 12,50,00,000 (Twelve Crores Fifty Lakh Only) Compulsory Convertible Preference Shares of INR 10/- each amounting to INR 125,00,00,000/- (Indian Rupees One Hundred Twenty Five Crores Only) and clause V of the Memorandum of Association of the Company was changed accordingly.

Issued, Subscribed and Paid-Up Share Capital: During the year under review, the Company raised equity capital for an amount aggregating to INR 22,78,683/- from the employees of the Company who availed the option to exercise their stock options upon which equity shares of the Company were allotted to them.

In accordance with the provisions of DMI Employee Stock Option Plan, 2018-Extended (as amended from time to time), the details of issuance of equity shares upon the ESOP exercise during the FY 2024-25 are provided hereunder:

Particulars	Date of allotment of equity shares on exercise of stock options	No. of equity shares allotted on exercise of stock options	Face Value per share (INR)	Premium per share (INR)	Total consideration (INR)
Issue of equity shares on the exercise of stock options by employees of the Company	April 01, 2024	1,38,350	10.00	3.29	18,38,672
	October 17, 2024	7,073	10.00	52.21	4,40,011
	Total	1,45,423			22,78,683

Capital Reduction: Furthermore, the Company submitted a petition with the Hon'ble National Company Law Tribunal ("NCLT") on June 08, 2022 for reduction of issued and subscribed share capital of the Company **from** INR 712,39,34,010/- (Indian Rupees Seven Hundred Twelve Crore Thirty Nine Lakhs Thirty Four Thousand and Ten only) consisting of 71,23,93,401 (Seventy One Crore Twenty Three Lakhs Ninety Three Thousand Four Hundred and One) equity shares of INR 10/- (Indian Rupees Ten only) **to** INR 656,70,01,390/- (Indian Rupees Six Hundred Fifty Six Crore Seventy Lakh One Thousand Three Hundred and Ninety only) **by cancellation of** unpaid and uncalled capital of INR 567,34,72,359/- (Indian Rupees Five Hundred Sixty Seven Crores Thirty Four Lakhs Seventy Two Thousand Three Hundred and Fifty Nine only) on/for the 5,73,15,400 partly paid-up shares held by K2VZ, Partnership Firm ("the "Capital Reduction").

The aforesaid Capital Reduction was approved by the NCLT vide Order dated July 09, 2024 which was subsequently registered with the Registrar of Companies, NCT of Delhi and Haryana (“ROC”) vide order dated September 25, 2024.

Accordingly, 5,73,15,400 partly paid-up shares having face value of INR 0.28/- per share with share premium of INR 2.60/- per shares were consolidated into 16,22,138 fully paid up shares of INR 10/- per share with share premium of INR 91.87/- per share and the excess balance amount of INR 6/- was refunded to the concerned shareholder after all adjustment.

The issued, subscribed and paid-up share of the Company stood at INR 7,42,63,21,690/- (Indian Rupees Seven Hundred Forty Two Crore Sixty Three Lakhs Twenty One Thousand Six Hundred and Ninety only) comprising of 74,26,32,169 (Seventy Four Crore Twenty Six Lakhs Thirty Two Thousand One Hundred and Sixty Nine) equity shares of INR 10/- each as on March 31, 2025.

BORROWING PROFILE

During the year ended March 31, 2025, the Company maintained an optimum mix of borrowings between bank term loans and capital markets. During the year under review, the Company had raised INR 23,550 Million by availing the fresh term loan facilities from various Banks and Financial institutions. The details of same are provided as below:

S. No.	Type of Loans	Secured/ Unsecured	Security, if any	Amount (INR in millions)
1	Term Loans	Secured	Hypothecation of Book Debt of the Company	23,550.00

The Company has been able to maintain strong relationships and raise funds through public sector banks, private sector banks and NBFCs like, Bank of Maharashtra, HDFC Bank, Kotak Mahindra Bank, Indian Bank, MUFG, Bajaj Finance, Poonawalla Fincorp and Aditya Birla Finance Ltd and others. The Company onboarded three new bank lenders i.e., RBL Bank, Bank of India and HSBC Bank in the financial year 2024-25.

Further, the Company issued Non- Convertible Debentures (NCDs) amounting to INR 2,095.70 million. The details of the NCDs issued during the financial year 2024-25 are as follows:

S. No	NCDs	Sanction Date	Sanctioned Amount (INR in millions)
1	INE604O08140	04-06-2024	134.00
2	INE604O07191	30-09-2024	1,400.00
3	INE604O08157	18-10-2024	561.70
	Total		2,095.70

The Company also raised funds by issuance of Commercial Papers amounting to INR 9,000 million during the financial year under review. The Company onboarded DSP Mutual Fund as a new capital market lender.

During the year under review, the Company also ventured out in the Securitization market to issue Pass-Through- Certificates (PTC) and raised INR 16,898.86 million through PTC, details of which are given below:

S. No.	Securitization Trust Name	ISIN	Amount raised (INR in millions)
1	PLUM 24-8	INE0VPX15016 & INE0VPX15024	2,155.20
2	PLUM 24-9	INE0VJW15011	1,460.00
3	PLUM 25-1	INE0Y3215015	2,163.05
4	PLUM 25-2	INE0Z2F15014	832.52
5	PLUM 25-3	INE0YNM15026	601.87
6	APRIUM 25-1	INE14EC15018 & INE14EC15026	2,116.10
7	PLUM 25-6	INE13OZ15028	881.28
8	PLUM 25-4	INE15M915011 & INE15M915029	1,869.30
9	PLUM 25-7	INE17GS15012	2,820.66
10	PLUM 25-8	INE1SYA15010	1,998.88
	Total		16,898.86

In furtherance, during the financial year 2024-25, NCDs amounting to INR 1,700 Million and CPs amounting to INR 9,000 Million were redeemed/ repaid by the Company.

Due to the business shutdown for certain period of the financial year caused by RBI's Cease and Desist Order dated October 17, 2024, the Company continued to run with high liquidity in the second half of the financial year. The borrowing mix of the Company consisting of Term Loans, Non-Convertible Debentures, Commercial Papers and Securitization as on March 31, 2025 stood as follows:

S. No.	Type of Security	Amount outstanding (INR in Million)	% of total borrowings as on March 31, 2025
1	Term Loans	23,581.95	53.68
2	Non-Convertible Debentures	9,023.44	20.54
3	Commercial Paper	243.86	0.56
4	Securitization	11,082.26	25.23
	Total	43,931.51	100

DETAILS OF THE DEBENTURE TRUSTEE OF THE COMPANY

The Company has appointed Axis Trustee Services Limited as the Debenture Trustee for its listed NCDs, details of which are provided below:

Name: Axis Trustee Services Limited

Address: The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar West, Mumbai 400028

Website: www.axistrustee.com

Phone: +91 02262300451

Email: complaints@axistrustee.in

BREACH OF COVENANT

During the financial year under review, there were no instances where breach of covenants were observed for any loan availed or debt securities issued. The Company has not defaulted in repayment of loans from any bank and financial institution. There were no delays or defaults in payment of interest/principal of any of its debt securities.

CREDIT RATING

The Company's credit rating by various credit rating agencies as on March 31,2025 are enumerated below:

Name of the rating agency	Amount (in INR Crores)	Rating as on 31st March 2025	Type of facility
ICRA Ratings	149.12	[ICRA]AAA(SO)	PTC Series A1 (PLUM-III)
ICRA Ratings	150.45	[ICRA]AA(SO)	PTC Series A1 (PLUM24-3)
ICRA Ratings	127.24	[ICRA]AA(SO)	PTC Series A1 (PLUM24-4)
ICRA Ratings	97.76	[ICRA]AA(SO)	PTC Series A1 (PLUM24-5)
ICRA Ratings	51.43	[ICRA]AA+(SO)	PTC Series A1 (PLUM24-6)
ICRA Ratings	186.28	[ICRA]AA(SO)	PTC Series A1 (PLUM24-7)
ICRA Ratings	48.33	[ICRA]AA+(SO)	PTC Series A1 (PLUM24-10)
ICRA Ratings	104.07	[ICRA]AA+(SO)	PTC Series A1 (PLUM24-11)
ICRA Ratings	146.00	[ICRA]AA(SO)	PTC Series A1 (PLUM24-9)
ICRA Ratings	215.52	Series A1- AAA (SO) Series A2- AA+ (SO)	PTC Series A1 (PLUM24-8) PTC Series A2 (PLUM24-8)
ICRA Ratings	216.31	[ICRA]AA(SO)	PTC Series A1 (PLUM25-1)
ICRA Ratings	83.25	[ICRA]AA+(SO)	PTC Series A1 (PLUM25-2)
ICRA Ratings	60.19	[ICRA]AA+(SO)	PTC Series A1 (PLUM25-3)
ICRA Ratings	186.93	Series A1- AAA (SO) Series A2- AA+ (SO)	PTC Series A1 (PLUM25-4) PTC Series A2 (PLUM25-4)
ICRA Ratings	88.13	[ICRA]AA+(SO)	PTC Series A1 (PLUM25-6)
ICRA Ratings	282.07	[ICRA]AA(SO)	PTC Series A1 (PLUM25-7)
ICRA Ratings	199.89	[ICRA]AA(SO)	PTC Series A1 (PLUM25-8)
ICRA Ratings	211.61	Series A1- AAA (SO) Series A2- AA+ (SO)	PTC Series A1 (APRIUM25-1) PTC Series A2 (APRIUM25-1)
ICRA Ratings	1100.00	[ICRA]A1+	Commercial paper
ICRA Ratings	8,462.00	[ICRA]AA (Stable)	Long-term/short-term fund based/ non-fund-based others
ICRA Ratings	1235.00	[ICRA]AA (Stable)	Non-convertible debentures

CHANGES IN THE CONTITUTIONAL DOCUMENTS:

Memorandum of Association (MOA): There were no changes in the MOA of the Company during the year under review, except as stated in the para “Authorized Share Capital” under the Share Capital section of this report.

Articles of Association (AOA): The Ministry of Corporate Affairs (‘MCA’) has notified the requirement to issue and hold securities only in dematerialized form for Private Companies (excluding small companies) by inserting Rule 9B in Companies (Prospectus and Allotment of Securities) Rules, 2014 latest by September 30, 2024, further extended to June 30, 2025.

Accordingly, in order to reflect the provisions of dematerialization of securities in accordance with the applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 (as amended from time to time) read with relevant rules framed therein, the Company amended its Articles of Association by addition of clause XXX. (with subclauses 109 and 110) and consequential re-numbering of the remaining articles, which was approved by the shareholders of the Company in their meeting held on July 12, 2024.

EMPLOYEE STOCK OPTIONS

Human Resources are key to the growth and success of an organization, more so in financial services industry. It is therefore imperative to align the interests of the employees and shareholders of the Company. Employee Stock Option schemes have been universally accepted as retention and wealth creation tool.

Accordingly, the Company has constituted DMI Employee Stock Option Plan, 2018 (“**ESOP Plan 2018**”) which was initially approved by the Board of Directors on March 16, 2018 and shareholders in their meeting held on March 19, 2018 for a period of 5 years. The term of the ESOP Plan 2018 was extended thereafter and renamed as DMI Employee Stock Option Plan, 2018 -Extended (“**ESOP Plan 2018-Extended**”). The Company had granted stock options to eligible employees under the ESOP Plan 2018-Extended in different tranches on various dates from time to time under different schemes.

The disclosures required as per Rule 12(9) of Companies (Share Capital & Debentures) Rules, 2014 with respect to stock options issued by the Company during the financial year under review are given below:

- (a) Options granted: **4,53,872**
- (b) Options vested: **6,394**
- (c) Options exercised: **1,45,423**
- (d) Total number of shares arising as a result of exercise of option: **1,45,423**
- (e) Options lapsed: **31,754**
- (f) Exercise price: **INR 13.29/- for 1,38,350 stock options & INR 62.21/- for 7,073 stock options.**
- (g) Variation of terms of options: **As mentioned herein under***
- (h) Money realized by exercise of options: **INR 22,78,683/- (including premium of INR 8,24,453/-)**
- (i) Total number of options in force: **166,29,176 as on March 31, 2025**
- (j) Employee wise details of options granted during the year:
 - (i) Key managerial personnel:
 - Company Secretary- 829
 - (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: **NIL**
 - (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 grants: **NIL**

*During the year under review, the term of the ESOP Plan 2018-Extended was further extended by a period of 4 (four) years pursuant to which the revised term of the DMI ESOP Plan 2018-Extended stands at 10 (Ten) years from the initial date of approval. Further few other changes i.e. removal of reference of employees of an associate company from the definition of Employee, increase of Exercise Period to up to the tenth anniversary of Option Grant Date, increase in maximum vesting period upto 6 (Six) years and other customary changes were made therein in order to align the same with applicable laws. Further, the ESOP pool was increased to 3,44,29,695 options by addition of 1,18,29,695 options to the pool with an objective to attract, retain, motivate and incentivize the employees and to cover the new and growing employee base of the Company. The aforesaid changes were approved by the Board of Directors upon recommendation of the Nomination and Remuneration Committee on February 14, 2025 and approval of shareholders was obtained for the aforesaid changes on March 25, 2025.

CORPORATE GOVERNANCE REPORT

Pursuant to Section II of Annexure VII of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 and Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Corporate Governance Report for the year under review is annexed with the Board Report as **Annexure-A** and forms part of the Annual Report.

DIRECTORS' AND KEY MANAGERIAL PERSONNEL

Board Composition:

The composition of the Board follows the applicable provisions of the Companies Act, 2013, ("Act") and the rules framed thereunder, guideline(s) issued by the Reserve Bank of India, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, inter alia with respect to the statutory requirement of composition of Board of Directors and Key Managerial Personnel ("KMP").

During the year under review, the following changes took place in the composition of the Board of Directors of the Company:

- 1) Ms. Naomi Koike Hauser was appointed as a Nominee Director (on behalf of NIS Ganesha SA) w.e.f April 13, 2024.
- 2) Ms. Bina Singh resigned as a Non-Executive Director w.e.f December 25, 2024.
- 3) Ms. Jayati Chatterjee resigned as a Non-Executive Director w.e.f December 25, 2024.
- 4) Mr. Tammir Amr was appointed as an Independent Director w.e.f December 26, 2024
- 5) Mr. Arjun Malhotra was appointed as an Independent Director w.e.f December 26, 2024
- 6) Mr. Yuvraja Chanakya Singh resigned as Joint Managing Director on January 20, 2025 and was redesignated as Non-Executive Director w.e.f January 21, 2025.
- 7) Mr. Masakazu Osawa resigned as a Nominee Director (on behalf of MUFG Bank Limited) w.e.f March 25, 2025.
- 8) Mr. Masashige Nakazono was appointed as a Nominee Director (on behalf of MUFG Bank Limited) w.e.f March 28, 2025.

The Board places on record their appreciation for the contribution and guidance provided by the outgoing directors during their tenure on the Board.

Further, due to resignation of Mr. Yuvraja Chanakya Singh as Joint Managing Director on January 20, 2025, Mr. Shivashish Chatterjee was re-designated from Joint Managing Director to the Managing Director of the Company.

Key Managerial Personnel:

Further, the following changes took place in the KMP of the Company:

- 1) Mr. Vivek Wadhera resigned from the office of Chief Financial Officer with effect from April 01, 2024.
- 2) Mr. Jatinder Bhasin was appointed as Interim Chief Financial Officer with effect from April 25, 2024.
- 3) Ms. Jyoti Kheria was appointed as Company Secretary & Compliance Officer with effect from May 16, 2024.
- 4) Mr. Jatinder Bhasin ceased to hold the office of Interim Chief Financial Officer with effect from – November 12, 2024.
- 5) Mr. Niraj Khandelwal was appointed as the Chief Financial Officer of the Company w.e.f November 13, 2024.
- 6) Ms. Jyoti Kheria resigned as Company Secretary & Compliance Officer of the Company w.e.f December 11, 2024.

- 7) Ms. Reena Jayara was appointed as the Company Secretary & Compliance Officer of the Company w.e.f February 14, 2025.

In view of the foregoing, the Board of Directors and KMP of the Company as on March 31, 2025 were as follows:

S. No.	Name of the Director	DIN	Designation
1.	Mr. Shivashish Chatterjee	02623460	Managing Director
2.	Mr. Yuvraja Chanakya Singh	02601179	Non- Executive Director
3.	Mr. Nipendar Kochhar	02201954	Non- Executive Director
4.	Mr. Gurcharan Das	00100011	Non- Executive Director
5.	Mr. Alfred Victor Mendoza	08432874	Nominee Director
6.	Mr. Masashige Nakazono	11009991	Nominee Director
7.	Ms. Naomi Koike Hauser	10540517	Nominee Director
8.	Mr. Tammir Amr	07030832	Non-Executive-Independent Director
9.	Mr. Arjun Malhotra	00177397	Non-Executive-Independent Director
10.	Ms. Reena Jayara	Not Applicable	Company Secretary
11.	Mr. Niraj Khandelwal	Not Applicable	Chief Financial Officer

Further, till the date of this Director's Report, the following changes took place in the Directors and Key Managerial Personnel of the Company:

1. Mr. Niraj Khandelwal resigned from the office of Chief Financial Officer with effect from April 29, 2025.
2. Mr. Arpit Baheti was appointed as Interim Chief Financial Officer with effect from May 23, 2025.
3. Mr. Arpit Baheti resigned from the office of Interim Chief Financial Officer with effect from the commencement of business hours of August 13, 2025.
4. Mr. Pratik Adatia was appointed as the Chief Financial Officer of the Company with effect from August 13, 2025.

COMMITTEES OF THE BOARD AND THEIR COMPOSITION

The Company has several Board led Committees and Management Committees which have been established as a part of the best corporate governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes. The Company has complied with the constitution of applicable statutory Committees as per the prescribed regulatory requirements.

Further, in accordance with Standard 9 of the Secretarial Standard-1 on "Meetings of the Board of Directors", the details on the number and dates of meetings of the Committees held during the financial year 2024-25 indicating number of Board and Committee Meetings attended by each Director and respective committee members along with the composition and Terms of Preference (ToR) of these Committees as on March 31, 2025 is laid down specifically in the Corporate Governance Report annexed as **Annexure-A** which forms part of this Board Report.

GENERAL MEETINGS

Annual General Meeting:

During the year under review, the Annual General Meeting of the Company for the Financial Year ended March 31, 2024 was held on September 19, 2024.

Extra-ordinary General Meeting(s):

During the year under review, two (2) Extra-ordinary General Meeting(s) (EGM) of the Company were held. The Members accorded their approval in the requisite manner for the matters taken in the respective EGMs.

S. No.	Type of Meeting (Annual / Extra-Ordinary)	Date & Place	Special resolutions passed
1.	Annual General Meeting	Date of the meeting- September 19, 2024. Place of the meeting- Express Building, 3rd Floor, 9-10, Bahadur Shah Zafar Marg, New Delhi- 110002	Nil
2.	Extra-Ordinary Meeting	Date of the meeting- July 12, 2024 Place of the meeting- Express Building, 3rd Floor, 9-10, Bahadur Shah Zafar Marg, New Delhi- 110002	1. Amendment in Articles of Association of the Company. 2. Approve continuation of directorship of the existing directors serving on the Board of the Company under Regulation 17(1A) of SEBI LODR Regulations.
3.	Extra-Ordinary Meeting	Date of the meeting- March 25, 2025 Place of the meeting- Express Building, 4 th Floor, 9-10, Bahadur Shah Zafar Marg, New Delhi- 110002	1. Amendment/Ratification of DMI ESOP Plan 2018-Extended (“DMI ESOP Plan 2018-Extended”) for employees of the Company. 2. Amendment/Ratification of DMI ESOP Plan 2018-Extended (“DMI ESOP Plan 2018-Extended”) for employees of the Holding company or Subsidiary companies. 3. Appointment of Mr. Tammir Amr (DIN: 07030832) as Independent Director of the Company. 4. Appointment of Mr. Arjun Malhotra (DIN: 00177397) as Independent Director of the Company. 5. Revalidation of the borrowing limit of the Company upto Rs. 20,000 Crore for the financial year 2025-26.

DETAILS OF NON-COMPLIANCE WITH REQUIREMENTS OF COMPANIES ACT, 2013

There was no default in compliance with the requirements of Companies Act, 2013, including with respect to compliance with accounting and secretarial standards. However, the following penalties/fines were levied on the Company during the period under review.

The following penalties were imposed on the Company during financial year 2024-25, for which adequate disclosure have been made in the audited annual financial statements as at March 31, 2025:

- 1) Fine amounting INR 75,520/- (inclusive applicable taxes) cumulatively was levied by BSE Limited vide communications dated May 30, 2024 and August 29, 2024 for non-appointment of a qualified company secretary as the compliance officer as required under Regulation 6(1) of the SEBI Listing Regulations.
- 2) Fine amounting INR 11,800/- (inclusive applicable taxes) was imposed by BSE Limited on July 1, 2024 for delay in submission of the notice of Record Date as required to be submitted under Regulation 60 (2) of the SEBI Listing Regulations.
- 3) Fine amounting INR 56,640/- (inclusive applicable taxes) was imposed by BSE Limited on May 03, 2024 for non-Compliance with respect to the requirement of the Para 8.4 of Chapter XVII of SEBI circular dated August 10, 2021 w.r.t. the intimation of fulfilment of the payment obligation.

DIVERGENCE IN ASSET CLASSIFICATION AND PROVISIONING

There were no instances of divergence in asset classification and provisioning as assessed by RBI during the year ended March 31, 2025.

DIRECTOR'S DISCLOSURES

None of the Directors of the Company are disqualified from being appointed as Director of the Company as per the provisions of section 164(2) of the Companies Act, 2013. The Directors have made necessary disclosures and confirmations as required.

In furtherance, as per RBI Master Direction - Reserve Bank of India (Non- Banking Financial Company - Scale Based Regulation) Directions, 2023, as amended ("Master Direction") and in accordance with the Director's Fit & Proper Criteria Policy of the Company, the Company has received declarations from all the Directors of the Company that they satisfy the 'Fit and Proper' criteria, which have been taken on record by the Nomination and Remuneration Committee of the Company.

DECLARATION BY THE INDEPENDENT DIRECTORS

During the year under review, Mr. Arjun Malhotra and Mr. Tammir Amr were appointed as Independent Directors of the Company w.e.f December 26, 2024 in accordance with the applicable provisions of the Companies Act, 2013 ("Act") and Rules framed thereunder for a term of five (5) years.

The Company has received declarations from both the Independent Directors, confirming that they meet the criteria of independence as prescribed under section 149(6) of the Act and SEBI Listing Regulations. They have registered their names with the data bank of IDs maintained by the Indian Institute of Corporate Affairs (IICA). Further, that they are not aware of any circumstances or situation which exist or may be anticipated, that could impair or impact their ability to discharge their duties. The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and are independent of the management.

Pursuant to the RBI Master Direction, an independent director shall not be on the Board of more than three NBFCs (NBFCs-ML or NBFCs-UL) at the same time and the NBFC shall ensure that there is no conflict arising out of their independent directors being on the Board of another NBFC at the same time. In this respect, the Company has received confirmation from the Independent Directors on the above requirement that they are not on the Board of more than three NBFCs in Upper or Middle Layer.

APPOINTMENT AND REMUNERATION POLICIES

The Company has framed its appointment and remuneration/compensation policies with an objective to retain, motivate and promote talent and to ensure long term sustainability of talented managerial people and to create competitive advantage. The policies further aim to promote effective governance of compensation, ensuring transparency, fairness, and equity in decision-making. It seeks to align compensation with prudent risk-taking and sound decision-making, supporting the long-term sustainability and strategic objectives of the organization and establishing a balanced reward system that links compensation to individual, collective, and organizational performance, while continuously adapting to regulatory changes and industry best practices.

The Nomination and Remuneration Committee of the Company (“NRC”) is responsible to identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, Key Managerial Personnel (“KMP”) or Senior Management level (“SMP”) and recommend their appointment to the Board. The NRC also assesses the independence of Directors at the time of their appointment / re-appointment as per the criteria prescribed under the provisions of the Companies Act, 2013 and other applicable requirements.

The Company has further adopted Director’s Fit and Proper Criteria policy for ascertaining the fit and proper criteria/eligibility and status at the time of appointment of directors and on a continuing basis by assessing their qualifications, technical expertise, track-record, integrity and other ‘fit and proper’ criteria as prescribed therein.

The remuneration of the Directors, KMP, SMP and other employees are governed by the Nomination and Remuneration Policy and Compensation Policy of the Company. The Compensation Policy has been adopted by the Company pursuant to the Guidelines on Compensation of Key Managerial Personnel (“KMP”) and Senior Management in NBFCs issued by the RBI on April 29, 2022. The said Policy includes the framework for role for NRC, composition of compensation in to fixed and variable, risk alignment of the compensation structure, principles of variable compensation – proportion, deferral, compensation of control and assurance function personnel, guidelines for Guaranteed Bonus and provisions of the Malus and Claw back etc.

The aforesaid policies are made available on the Company’s website: <https://www.dmifinance.in/>

Further, during the year under review, the aforesaid Policy is amended to align with the applicable provisions of the Companies Act, 2013 and SEBI LODR Regulations.

HUMAN RESOURCE

The Company is a people-centric organization with a strong belief in empowering its employees and creating a culture of equality, transparency, and respect. The Company provides a nurturing and conducive environment that helps attract amongst the best talent in the market and provides them with a platform that they can use to shape their careers. With a strong focus on growth, the Company strives to build a strong pipeline of leaders by offering unlimited growth opportunities, for those who chase excellence.

DMI is a place that provides an entrepreneurial culture and focuses on working together for a shared purpose. We deeply value our stakeholders and work dedicatedly towards creating a difference in their lives. Over the years, we have worked together through the most turbulent times and have come out stronger. During these journeys, we have imbibed lessons from these challenges and utilized those learnings to set ourselves on the path of winning. More importantly, we have learned to accept defeats and celebrate wins.

Also, the Company continues to take efforts to offer professional growth opportunities and recognitions while continuing to impart and organize various training programs to educate and train the employees on the products, Know Your Customer ('KYC'), Anti Money Laundering ('AML') norms and Policies, of the Company.

Considering the same, the Company has successfully inducted significant talent at senior and mid-level into the Company and has been successful in retaining and developing the existing human resources. Accordingly, there was a significant increase in the total number of employees as on March 31, 2025:

Financial Year	Number of employees
2024-25	532
2023-24	452

SUBSIDIARIES/ASSOCIATES COMPANIES

The Company has the following Subsidiaries and Joint Venture(s) as on March 31, 2025:

S. No.	Name of Subsidiary/Joint Venture Company	Nature of Relationship
1.	DMI Capital Private Limited	Wholly-owned Subsidiary Company
2.	Appnit Technologies Private Limited	Subsidiary Company – 95.63% equity share capital
3.	DMI Infotech Solutions Private Limited (formerly known as DMI Consumer Credit Private Limited)	Subsidiary Company – 97.13% equity share capital
4.	Ampverse DMI Private Limited	Joint Venture - 49% voting rights

During the year under review, pursuant to the conversion of 14% Optionally Convertible Debentures of DMI Infotech Solutions Private Limited (“**DMI Infotech**”) on **August 26, 2024**, it became subsidiary of the Company with 53.89% shareholding on that date.

Pursuant to Section 129(3) of the Companies Act, 2013, the Company has prepared a statement containing the salient features of the Financial Statements of our subsidiaries & joint venture in the prescribed format AOC-1 which is attached to the Consolidated Financial Statements of the Company for the financial year ended March 31, 2025. The Annual Report containing the Financial Statements are available on the website of the Company at <https://www.dmifinance.in/investor-financials.html>.

The said statement contains a report on the performance and financial position of each of the subsidiaries and hence is not repeated here for the sake of brevity.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on Board and General meetings. The Company has complied with the applicable provisions of the said secretarial standards read with the MCA Circulars granting various exemptions and relaxations.

ANNUAL RETURN

The copy of Annual Return for Financial Year 2024-25, is available on the website of the Company and can be accessed at <https://www.dmifinance.in/investor-financials.html> in accordance with provisions of Section 92(3) read with Section 134(3)(a) of Companies Act, 2013 and rules framed thereunder.

DEPOSITS

The Company did not hold any public deposits nor has accepted any public deposit during the year under review. Further, the Company being a Non-Banking Finance Company registered as Non-Deposit Taking Systemically Important Company categorised under Middle Layer as per Master Direction, it does not accept public deposits at any point of time and also ensures the due compliance of applicable guidelines of Reserve Bank of India in this regard.

DETAILS OF FRAUD REPORTING

During the year under review, there were no fraud cases detected in/against the Company committed by its officers or employees, which were required to be reported by the Statutory Auditors in accordance with the provisions of Section 143 (12) read with Section 134 (3)(ca) of the Companies Act, 2013 .

However, the Company detected few historical retail frauds during the year under review, the details and update of which was reported to the Audit Committee/Board on a quarterly and annual basis. Further, the details of the same had also been submitted to the RBI in the prescribed formats at defined periodicity for submission. The details of fraud are also disclosed as a part of the annual financial statements of the Company.

CORPORATE SOCIAL RESPONSIBILITY

In compliance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014 (as amended from time to time), the Company has established a Corporate Social Responsibility (CSR) Committee. The CSR Committee has formulated and recommended to the Board, a CSR Policy indicating the activities to be undertaken by the Company, which has been approved by the Board and the same has been placed on the Company's website and available at the link: <https://www.dmifinance.in/corporate-social-responsibility-policy.html>

The CSR Policy was adopted in May 2014 by the Company with the aim of contributing to the social and economic development of the community in which the Company operates and the said Policy has been amended thereafter to align with the requisite regulatory requirements as and when required. It also talks about the activities out of which the Company may opt to undertake and provides for modalities of execution of the projects undertaken, fixation of CSR budget and provides for mechanism for monitoring and reporting of the CSR activities undertaken.

Further, during the year under review, the aforesaid Policy is amended to align with the applicable provisions of the Companies Act, 2013.

For the year ended March 31, 2025, the Company was required to spend INR 70.91 Million towards the CSR activities as prescribed under Section 135 of the Companies Act, 2013. The Company has duly spent the required CSR expenditure on various CSR projects and cause including administrative expenses required in facilitating the said CSR projects during the year.

The Annual Report on CSR Activities in the format prescribed in Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended is laid down in **Annexure-B** which forms part of this Board's Report.

PARTICULARS OF INVESTMENTS, LOANS AND GUARANTEES

The Company being a Non-Banking Financial Company (NBFC) registered with the Reserve Bank of India (RBI) primarily engaged in the business of lending is exempted from provisions of Section 186 of the Companies Act, 2013 ("Act").

Further, pursuant to Section 134(3)(g) of the Act read with Section 186 and rules made thereto, no Corporate Guarantee was advanced by the Company during the financial year 2024-25.

RELATED PARTY TRANSACTIONS

In compliance with the applicable provisions of the Companies Act, 2013 ("Act") and the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated October 19, 2023 (as amended from time to time) ("**Master Direction**"), the Company has a Board approved Related Party Transaction Policy ("**RPT Policy**") which has been placed on the Company's website. The policy can be accessed at the link: <https://www.dmifinance.in/pdf/Related-Party-Transaction-Policy.pdf>

In accordance with the provisions of Section 188 of the Act and rules made thereunder, all related party transactions entered during FY 2024-25 were on an arm's length basis and in ordinary course of the business. Further, there was no material related party transaction entered by the Company during the year as per the RPT Policy. There are no details required to be provided in Form AOC-2 prescribed under Section 134(3)(h) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

All the Related Party Transactions were placed before the Audit Committee for approval. Further, the details of related party transaction are disclosed in the notes forming part of the standalone financial statements.

DISCLOSURE UNDER PREVENTION OF SEXUAL HARASSMENT POLICY

The Company is committed to create a safe and healthy work environment that enables its employees to work without fear of prejudice, gender bias and sexual harassment. The Company has in place an Anti-Sexual Harassment Policy (Policy) in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"). The Company believes that sexual harassment at the workplace, if involving employees of the Company, shall be considered a grave offence and is therefore punishable under the provisions of the Act. For this purpose, an Internal Complaints Committee (ICC) has been set-up to redress complaints received regarding sexual harassment.

Scope of the Policy:

The provisions of this policy are applicable to:

- All employees of the company, regardless of the nature of their contract, duration of employment or position in the organization
- Associates of the Company whether full-time, part-time, temporary, voluntary, contracted, or casual including researchers, trainees, and consultants
- Volunteers and interns, during their association with the organization
- Partners, clients, service providers and users of the services of the Company

All complaints of sexual harassment against employees are taken seriously and dealt with promptly. The investigations are conducted thoroughly and professionally, and accurate records of the investigation and the findings are properly maintained. Further, any employee who brings forward the charges of any instance of sexual harassment will not face any retaliation. The Company makes sure that anyone violating this policy is subjected to disciplinary action.

The Company conduct annual trainings/ workshops & awareness programmes for all staff and members of the Internal Committee. Various aspects of the POSH Act are covered in this programme. The Policy is also hosted on the internal portal for the employees for awareness. Acknowledgment of Policy is taken from all the employees.

The details regarding the complaint status during the financial year 2024-25 is provided hereunder:

- a) Number of complaints received during the financial year- 1
- b) Number of complaints disposed of during the financial year- 1
- c) Number of complaints pending for more than 90 days- 0

COMPLIANCE WITH THE MATERNITY BENEFIT ACT, 1961

The Company duly complies with the provisions of the Maternity Benefit Act, 1961 (“**Act**”) as amended from time to time. The provisions incorporating the compliance with the provisions of the Act, are comprehensively included in the Working Hours, Attendance and Leave Policy (“**Policy**”) of the Company which are inclusive of the clauses relating to maternity leave, illness during pregnancy- extension of maternity leave, miscarriage/ medical termination of pregnancy, paternity leave, Creche, adoption leave, Maternal & Parental Leave Benefits & tenure of adoption leaves etc.

Further, it is apprised that during the financial year 2024-25, 10 employees availed maternity benefits and leave in compliance with the provisions of our Policy.

RISK MANAGEMENT POLICY AND RISK CONTROL MATRIX

In accordance with RBI Master Directions and the Companies Act, 2013, the Company has Board approved Risk Management Policy. The Board constituted Risk Management Committee and Audit Committee responsible for monitoring the progress of the Risk Control Matrix and loan portfolio and to establish standards to mitigate risks related to operations, credit, compliance and finance.

The Company recognizes the importance of risk management in achieving its strategic goals and safeguarding stakeholder interests. A robust Risk Management Policy, approved by the Board, underpins the Company's approach to identifying, assessing, mitigating, monitoring, and reporting risks across the organization. This Policy fosters a risk-aware culture, encouraging informed decision-making and resilience.

The Company's risk management framework operates on a three-lines-of-defense model. Business units are responsible for managing inherent risks within their operations (First Line of Defense). The Enterprise Risk Management function, led by the Chief Risk Officer, provides independent oversight, ensuring effective identification, assessment, mitigation, and monitoring of all material risks (Second Line of Defense). The Internal Audit Function independently evaluates the adequacy and effectiveness of the risk management systems put in place (Third Line of Defense).

The Board of Directors maintains ultimate accountability for risk oversight delegated to the Risk Management Committee for implementation. A clearly defined risk appetite guides the Company's risk-taking decisions, ensuring they align with strategic objectives.

The Company employs a systematic approach to identify, assess, mitigate, and monitor risks. Material risks, including credit, market, operational, liquidity, interest rate, compliance, strategic, outsourcing, technology (including data privacy and cyber security), credit concentration, and reputational risks, are subjected to both qualitative and quantitative assessment. A tailored risk mitigation strategy is implemented for each risk, and continuous monitoring through key risk indicators enables proactive management of the Company's risk profile.

INTERNAL CONTROL SYSTEM AND INTERNAL FINANCIAL CONTROLS

The Company has a robust Internal Control System in place, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the Internal Audit Manual. The Company has appointed an Internal Audit Head to manage the Internal Audits of the Company. To maintain its objectivity and independence, the Internal Auditor reports to the Audit Committee. The Audit Committee has the responsibility for establishing the audit objectives and for determining the nature, timing and extent of audit procedures as well as the locations where the work needs to be carried out.

The Internal Audit Department monitors and evaluates the efficacy & adequacy of Internal Financial Controls & Internal Control system in the Company to mitigate the risks faced by the organization and thereby achieve its business objective.

Broadly the objectives are-

- Review the adequacy and effectiveness of the internal controls through risk based Internal Audit (RBIA);
- Review the operation of the Control Supervisory Mechanisms;
- Recommend improvements in processes and procedures;
- Surface significant observations and recommendations for process improvement and financial leakages in a concise report for discussion with senior management;
- Review the compliance with operating systems, accounting procedures and policies.

Based on the report of the Internal Audit department, process owners undertake corrective action in their respective areas and thereby strengthen the internal controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors of the Company to the best of their knowledge and ability, confirms that-

- a. in the preparation of the annual financial statements for the year ended March 31, 2025, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. 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 and loss of the company for that period;
- c. they have 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;
- d. they have prepared the annual accounts on a going concern basis; and
- e. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS OR TRIBUNALS

During the year under review, an Executive Order ('Order') dated October 17, 2024 was issued to the Company by the RBI to cease and desist from sanction and disbursal of loans, effective from the close of business of October 21, 2024. Action was based on supervisory concerns observed in the Pricing Policy in terms of their Weighted Average Lending Rate (WALR) and the Interest Spread charged over cost of funds, which were found to be excessive and not in accordance with the regulations.

In response to the said Order, the Company submitted its remediation action plan to the RBI on October 24, 2024 and subsequently submitted various compliances to the RBI in a phased manner.

Having satisfied itself based on Company's submissions and in view of adoption of revamped processes and systems; RBI vide its Press Release dated January 08, 2025 lifted the restrictions placed on the Company. The Company remains committed to strictly complying with regulatory guidelines, particularly to maintain fairness in loan pricing at all times.

Following the removal of these restrictions, the Company resumed its business activities.

Other than the aforesaid, no other significant and material orders were passed by any other regulator or courts or tribunals impacting the going concern status and Company's operations in future.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

In view of the nature of activities which are being carried on by the Company, the particulars as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 regarding conservation of energy and technology absorption are not applicable to the Company and hence have not been provided.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of foreign exchange earnings and outgo of the Company during the year are as under:

Particulars	March 31, 2025	March 31, 2024
Foreign Exchange Earnings (in INR Million)	NIL	1.86
Foreign Exchange Outgo/Expenditure (in INR Million)	78.05	139.08

PARTICULARS OF EMPLOYEES

Your Directors place on record their appreciation for the significant contribution made by all employees, who through their competence, dedication, hard work, co-operation and support have enabled the Company to achieve new milestones on a continual basis.

Further, the requirement of disclosures of remuneration in accordance with Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended is not applicable to the Company.

WHISTLE BLOWER POLICY/ VIGIL MECHANISM

Pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of Companies Act, 2013 and Rule 7 of the Companies (Meeting of Board and its Power) Rules, 2014, the Company has formulated a codified Vigil Mechanism for their Directors and Employees to report their genuine concerns or grievances about unethical and improper practices or any other wrongful conduct in the Company, without fear of punishment, victimization or unfair treatment. The Vigil Mechanism provides adequate safeguards against victimization of Employees and Directors who avail themselves of the Vigil Mechanism and provide direct access to the Chairperson of the Audit Committee.

Also, the Whistle Blower Policy of the Company has been placed up on the Company's website and available at the link:

<https://www.dmifinance.in/whistle-blower-policy.html>

During the year, no complaint was received under the Whistle Blower mechanism and the same was reported to the Audit Committee in its meeting held on May 23, 2025.

SECRETARIAL AUDITORS AND REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with corresponding rules framed thereunder, the Board of Directors of the Company has appointed M/s VLA & Associates, Company Secretaries as the Secretarial Auditor of the Company to conduct the Secretarial Audit for the financial year ended March 31, 2025. The Secretarial Audit Report given by the secretarial auditor in requisite form MR-3 is annexed to this Report as **Annexure-C**.

The Auditors' Report is self-explanatory and has no qualification or adverse remarks.

MAINTENANCE OF COST RECORDS

As per the provisions of Section 148(1) of the Companies Act, 2013, the Company is not required to maintain cost records.

STATUTORY AUDITORS

The Company had appointed **M/s. Nangia & Co LLP, Firm Regd. No. 002391C/N500069** as the new statutory auditors at the 16th Annual General Meeting held on September 19, 2024 to hold office for 3 years commencing from the financial year i.e. 2024-25 till the financial year 2026-27 as per the provisions of the Companies Act, 2013 and Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors ("SAs") of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) dated April 27, 2021 issued by the RBI. The firm carries extensive experience in the financial services sector and is one of the leading statutory audit firms in India.

AUDITOR'S REPORT

The Directors have examined the Auditors' Report on accounts given by the Statutory Auditors for the period ended March 31, 2025.

The Audit Report by Statutory Auditors for the financial year ending March 31, 2025 is unmodified, i.e., it does not contain any qualification, reservation or adverse remark or disclaimer.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion and Analysis Report as mandated by the RBI Directions and pursuant to the SEBI Listing Regulations is part of this Board's Report annexed as **Annexure-D** which forms part of this Board's Report.

DISCLOSURE AS PER FOREIGN EXCHANGE MANAGEMENT (NON-DEBT INSTRUMENTS) RULES, 2019

During the year under review, the Company had entered into the transactions pertaining to investments in other Indian companies, transfer of shares and issue of shares to non-resident investor as mentioned below and made the necessary reporting in this regard with Reserve Bank of India (RBI) on the FIRMS portal of

RBI at <https://firms.rbi.org.in/>, thereby complied with all the reporting requirements as per Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 (as amended from time to time) (“Rules”) within the statutory timeline. Further, as per the applicable provisions of the Rules, the Company has duly obtained an annual certificate from its Statutory Auditor ensuring compliance with respect to Downstream Investment made pursuant to the provisions of the Rules.

S.No	Name of Investee Company	Particulars of transaction	Date of transaction	Type of reporting required	Amount (INR)
1	Appnit Technologies Private Limited	Subscribed to 19,55,222 equity shares at an issue price of INR 67/- per share.	April 15, 2024	DI reporting	13,09,99,874
2	Ampverse DMI Private Limited	Subscribed to 1,06,600 Compulsorily Convertible Preference Shares (CCPS) at an issue price of INR 1,000/- per CCPS.	June 29, 2024	DI reporting	10,66,00,000
3	DMI Infotech Solutions Private Limited (formerly known as DMI Consumer Credit Private Limited)	Subscribed to 300 Compulsorily Convertible Debentures (“CCDs”) at an issue price of INR 1,00,000/- per CCD	July 30, 2024	DI reporting	3,00,00,000
4	DMI Infotech Solutions Private Limited (formerly known as DMI Consumer Credit Private Limited)	Issuance of 34,94,932 equity shares on conversion of 88 Optionally Convertible Debentures (“OCDs”) at an issue price of INR 10/- per share.	August 26, 2024	DI reporting	3,49,49,320
5	DMI Infotech Solutions Private Limited (formerly known as DMI Consumer Credit Private Limited)	Issuance of 10,23,98,970 equity shares on conversion of 9612 Compulsorily Convertible Debentures (“CCDs”) at an issue price of INR 10/- per share.	January 10, 2025	DI reporting	1,02,39,89,700

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION

There are no material changes and commitments adversely 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 (i.e. March 31, 2025) and as of date of the Report i.e. August 13, 2025.

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

During the year under review, the Company had filed an insolvency petition against Square Infrastructures Private Limited, in which one of the promoters of Square Infrastructures Private Limited has filed an interim application against the Company (being the Financial Creditor).

The said matter being I.A.21 of 2025 in CP(IB)-823/2025 titled as Abhi Compusoft Pvt. Ltd. vs. DMI Finance Pvt. Ltd. & Another; filed in the main case being DMI Finance Pvt. Ltd. vs. Square Infrastructures Pvt. Ltd. was last listed on July 14, 2025 when the Applicant was granted 10 day' time to file a counter (if any) to our reply. Now, the matter is to be further listed on August 26, 2025.

Further, in the matter of Kandivali Balaji Private Limited (now under liquidation), Jinku Co-operative Housing Society had filed an application against the erstwhile Resolution Professional wherein the Company (being a Financial Creditor) was arrayed as one of the parties.

DIFFERENCE IN VALUATION

There was no instance of one-time settlement with any Bank or Financial Institution during the year under review and hence, there was no difference between the amount of the valuation done at the time of one time settlement and the valuation done while taking loan from Banks or Financial Institutions.

GENERAL

The Company has not issued during the period under review any equity shares with differential rights as to dividend, voting or otherwise.

ACKNOWLEDGEMENTS

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from the Bankers, Regulatory Bodies, Stakeholders including Financial Institutions, Distributors and other business associates who have extended their valuable sustained support and encouragement during the year under review.

Your Directors take this opportunity to recognize and place on record their gratitude and appreciation for the commitment displayed by all Executives, officers and staff at all levels of the Company. We look forward for your continued support in the future.

**By order of the Board of Directors
For DMI Finance Private Limited**

**Sd/-
Mr. Shivashish Chatterjee
Managing Director
DIN: 02623460**

**Sd/-
Mr. Yuvraja Chanakya Singh
Director
DIN: 02601179**

Regd. Office: Express Building, 3rd Floor,
9-10, Bahadur Shah Zafar Marg, New Delhi- 110002

Date: August 13, 2025

REPORT ON CORPORATE GOVERNANCE

I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

DMI Finance Private Limited (“Company” or “DMI”) philosophy of corporate governance revolves around principles of transparency, accountability, integrity, fairness, responsibility, risk management, sustainability, board independence, competence, and stakeholder engagement. DMI believes that sound corporate governance practices are critical for the functioning of the Company and to create a trustworthy, transparent, moral and ethical environment, both internally and externally and by upholding these principles, the organization can foster a culture of ethical conduct, mitigate risks, and create long-term value for all stakeholders.

The Company ensures good governance through the implementation of effective policies and procedures, which is mandated and regularly reviewed by the Board of Directors of the Company (“Board”) or by the Committees duly constituted by the Board, as the case may be. The Company fully supports and endorses the Corporate Governance practices as envisaged in the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (“SEBI Listing Regulations”) as amended from time to time.

II. BOARD OF DIRECTORS:

a. Composition of the Board of Directors: As on March 31, 2025, the Board of Directors comprised 9 (Nine) Directors of which 8 (Eight) are Non-Executive Directors and 1 (One) is Executive Director. Out of 8 (Eight) Non-executive Directors, 2 (Two) are Independent Directors and 3 (Three) are Nominee Directors. Details are as given hereunder:

S. No	Name of the Director(s)	Category
1.	Mr. Shivashish Chatterjee	Managing Director
2.	Mr. Yuvraja Chanakya Singh	Non- Executive Director
3.	Mr. Nipendar Kochhar	Non- Executive Director
4.	Mr. Gurcharan Das	Non- Executive Director
5.	Mr. Alfred Victor Mendoza	Nominee Director on behalf of DMI Limited (Promoter and Equity Investor)
6.	Mr. Masashige Nakazono	Nominee Director on behalf of MUFG Bank Limited (Equity investor)
7.	Ms. Naomi Koike Hauser	Nominee Director on behalf of NIS Ganesha SA (Equity investor)
8.	Mr. Tammir Amr	Non-Executive-Independent Director
9.	Mr. Arjun Malhotra	Non-Executive-Independent Director

b. Meetings of Board of Directors:

A total of 10 (ten) Board Meetings were held during the financial year under review and the gap between two meetings did not exceed one hundred and twenty days. The necessary quorum was present for all the meetings.

Dates of Board Meetings Held:

1. May 16, 2024
2. August 12, 2024
3. September 14, 2024
4. October 17, 2024
5. October 22, 2024
6. November 01, 2024
7. November 13, 2024
8. November 25, 2024
9. December 31, 2024
10. February 14, 2025

c. Number of other board of directors or committees in which a director is a member or chairperson, along with the names of the listed entities disclosing the details of Director and the category of Directorship as on March 31, 2025 along with list of core skills / expertise / competencies, are given herein below:

Table: 1 Number of Board Meetings attended, attendance of last AGM, Directorship, Committee Chairpersonship / Membership

Name of the Director (DIN)	Category	Number of Board Meetings attended during FY 2024-25	Whether attended last AGM held on September 19, 2024	Number of Directorships in other Companies%	Number of Committee positions held in other Public Companies*		Directorships in other listed entity (Category of Directorship)
					Chair-person	Member	
Mr. Gurcharan Das (DIN: 00100011)	Non-Independent-Non-Executive Director [^]	10	Yes	1	1	1	Procter & Gamble Hygiene and Healthcare Limited [#]
Mr. Shivashish Chatterjee (DIN: 02623460)	Executive Director (Managing Director)	10	No	Nil	Nil	Nil	Nil
Mr. Nipendar Kochhar (DIN: 02201954)	Non-Independent-Non-Executive Director	9	Yes	Nil	Nil	Nil	Nil
Mr. Yuvraja Chanakya Singh (DIN: 02601179) ¹	Non-Independent-Non-Executive Director	9	Yes	Nil	Nil	Nil	Nil
Mr. Alfred Victor Mendoza (DIN:08432874)	Nominee Director	10	No	Nil	Nil	Nil	Nil
Ms. Naomi Koike Hauser (DIN: 10540517) ²	Nominee Director	10	No	Nil	Nil	Nil	Nil
Mr. Tammir Amr (DIN: 07030832) ³	Non-Executive-Independent Director	1	NA	Nil	Nil	Nil	Nil
Mr. Arjun Malhotra (DIN: 00177397) ³	Non-Executive-Independent Director	1	NA	Nil	Nil	Nil	Nil
Mr. Masashige Nakazono (DIN: 11009991) ⁴	Nominee Director	NA	NA	Nil	Nil	Nil	Nil
Mr. Masakazu Osawa (DIN: 10138005) ⁵	Nominee Director	4	No	Nil	Nil	Nil	Nil
Ms. Jayati Chatterjee (DIN: 01401127) ⁶	Non-Independent-Non-Executive Director	8	No	Nil	Nil	Nil	Nil
Ms. Bina Singh (DIN: 01178506) ⁶	Non-Independent-Non-Executive Director	8	Yes	Nil	Nil	Nil	Nil

*It pertains to membership/chairpersonship of the Audit Committee and Stakeholders' Relationship Committee of Indian public companies (excluding the Company) as per Regulation 26(1)(b) of the SEBI Listing Regulations.

% excludes Directorships in Private Limited Companies, Foreign Companies, memberships of Managing Committees of various Chambers/ bodies /Section 8 Companies.

#Non-Executive - Independent Director

[^]Mr. Gurcharan Das has been designated as the Chairman of the Board.

Notes:

1. Mr. Yuvraja Chanakya Singh was redesignated from Joint Managing Director and Key Managerial Personnel to Non-Executive Director w.e.f. January 21, 2025.
2. Ms. Naomi Koike Hauser (DIN:10540517) was appointed as an Additional Director in the category of Nominee Director (Nominated by NIS Ganesha SA) with effect from April 13, 2024 and her appointment was regularised by the shareholders of the Company at Extra-Ordinary General Meeting ("EGM") held on July 12, 2024.

3. *Mr. Tammir Amr and Mr. Arjun Malhotra were appointed as an Additional Director in the capacity of Non-Executive Independent Director w.e.f December 26, 2024. Further, their appointment was regularised by the shareholders in the EGM held on March 25, 2025.*
4. *Mr. Masashige Nakazono was appointed as an Additional Director in the category of Nominee Director (Nominated by MUFG Bank Limited) on the Board of the Company w.e.f. March 28, 2025. His appointment was regularised by the members of the Company in the EGM held on June 25, 2025.*
5. *Mr. Masakazu Osawa (DIN:10138005), who was serving as a Nominee Director (Nominated by MUFG Bank Limited) tendered his resignation on March 25, 2025 with immediate effect.*
6. *Ms. Bina Singh and Ms Jayati Chatterjee resigned from the position of Non-Executive Director on December 25, 2024.*

Table 2: Skills / Expertise / Competencies of Directors:

Name of Director	Leadership & Strategy	Finance, Accounts & Taxation	Governance & Regulatory Affairs	Private Equity & Investment Banking	Capital Markets	Human Resources	Banking, Operations & Credit	Merger & Acquisitions	Risk	Treasury	CSR
Mr. Gurcharan Das	Yes	Yes	Yes	-	-	-	Yes	Yes	Yes	-	Yes
Mr. Shivashish Chatterjee	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Nipendar Kochhar	Yes	Yes	Yes	Yes	-	-	Yes	-	Yes	Yes	-
Mr. Yuvraja Chanakya Singh	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Alfred Victor Mendoza	Yes	Yes	Yes	Yes	Yes	-	Yes	Yes	-	Yes	-
Ms. Naomi Koike	Yes	-	Yes	-	-	Yes	-	-	-	-	-
Mr. Tammir Amr	Yes	Yes	-	Yes	-	-	Yes	-	Yes	-	-
Mr. Arjun Malhotra	Yes	Yes	Yes	Yes	Yes	-	Yes	-	-	-	Yes
Mr. Masashige Nakazono	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

d. Disclosure of relationships between directors inter-se:

S. No.	Name of Director	Name of Relative	Nature of relation
1.	Ms. Jayati Chatterjee*	Mr. Shivashish Chatterjee	Son
2.	Mr. Shivashish Chatterjee	Mrs. Jayati Chatterjee	Mother
3.	Ms. Bina Singh*	Mr. Yuvraja Chanakya Singh	Son
4.	Mr. Yuvraja Chanakya Singh	Mrs. Bina Singh	Mother

* Ms. Bina Singh and Ms Jayati Chatterjee resigned from the position of Non-Executive Director on December 25, 2024.

e. Number of Shares and Convertible instruments held by Non-Executive Directors as on March 31, 2025:

S. No	Name of Non-Executive Director	Type of security held	No. of Shares held	No. of Warrants held
1.	Mr. Yuvraja Chanakya Singh	Shares	13,11,221	Nil
2.	Mr. Gurcharan Das	Warrants	Nil	1,22,500
3.	Mr. Nipendar Kochhar	Warrants	Nil	76,500

Other Non-Executive Directors of the Company do not hold any equity shares or convertible instrument.

f. Web link where details of familiarisation programmes imparted to Independent Directors is disclosed: *Please refer to Note 1 below.

g. Confirmation that in the opinion of the Board, the independent directors fulfil the conditions specified in these regulations and are independent of the management: Yes.

h. Detailed reasons for the resignation of an Independent Director who resigns before the expiry of his/her tenure along with a confirmation by such Director that there are no other material reasons other than those provided: Not Applicable.

**Note 1: The Company was falling into the category of High-Value Debt Listed Company and was required to comply with the provisions of Regulation 16 to 27 of SEBI LODR on 'comply or explain' basis until March 31, 2025 as per Regulation 15 of SEBI LODR. However, as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2025 dated March 27, 2025, the Company is not falling under the category of a High Value Debt Listed Entity and the provisions of Regulation 16 to 27 of SEBI LODR are no longer applicable on it. However, the Company continues to take the initiative to adopt these regulations on a voluntary basis to be best extent possible.*

III. COMMITTEES OF THE BOARD:

1. Audit committee ("AC")

i. Composition, Meetings and Attendance:

During FY 2024-25, 6 (six) meetings of the AC were held on the following dates:

1. May 15, 2024
2. August 07, 2024
3. August 16, 2024
4. November 01, 2024
5. November 11, 2024
6. February 07, 2025

The composition of the AC (including changes) and the attendance details of meetings during FY 2024-25 is given below:

Name of the Members	Member/ Chairman	Category	Number of meetings held during the financial year 2024-25		
			Held	Entitled	Attended
Mr. Nipendar Kochhar	Chairman	Non-Executive Director	6	6	6
Mr. Yuvraja Chanakya Singh ¹	Member	Non-Executive Director	6	6	3
Ms. Jayati Chatterjee ²	Member	Non-Executive Director	6	5	5
Mr. Alfred Victor Mendoza	Member	Nominee Director	6	6	6
Mr. Masakazu Osawa ³	Member	Nominee Director	6	6	1

Notes:

1. Mr. Yuvraja Chanakya Singh was redesignated from Joint Managing Director and Key Managerial Personnel to Non-Executive Director w.e.f. January 21, 2025.
2. Ms. Jayati Chatterjee resigned from the position of Non-Executive Director with effect from December 25, 2025, and consequently ceased to be a member of the Audit Committee as well.
3. Mr. Masakazu Osawa, who was serving as a Nominee Director (Nominated by MUFG Bank Limited), tendered his resignation on March 25, 2025 with immediate effect and consequently ceased to be a member of the Audit Committee as well.

ii. Terms of reference:

The responsibilities of the AC, *inter alia*, include to oversee:

- a) to recommend appointment, remuneration and terms of appointment of auditors of the Company;
- b) review and monitor the auditor's independence and performance, and effectiveness of audit process; examination of the financial statement and the auditors' report thereon;
- c) approval or any subsequent modification of transactions of the company with related parties;
- d) scrutiny of inter-corporate loans and investments;
- e) valuation of undertakings or assets of the company, wherever it is necessary;
- f) evaluation of internal financial controls and risk management systems;
- g) monitoring the end use of funds raised through public offers and related matters.
- h) The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company

- i) The Audit Committee shall have authority to investigate into any matter in relation to the items specified in sub-section (4) or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the Company.

2. Nomination and Remuneration Committee (“NRC”)

i. Composition, Meetings and Attendance:

During FY 2024-25, 6 (Six) meetings of the NRC were held on the following dates:

1. April 01, 2024
2. May 16, 2024
3. May 30, 2024
4. September 23, 2024
5. November 8, 2024
6. February 11, 2025

The composition of the NRC and the attendance details of meetings during FY 2024-25 is, given below:

Name of the Members	Member/ Chairman	Category	Number of meetings held during the financial year 2024-25		
			Held	Entitled	Attended
Mr. Yuvraja Chanakya Singh ¹	Member	Non-Executive Director	6	6	6
Mr. Shivashish Chatterjee	Member	Managing Director	6	6	6
Mr. Masakazu Osawa ²	Member	Nominee Director	6	6	4
Mr. Alfred Victor Mendoza	Member	Nominee Director	6	6	6

Note:

1. Mr. Yuvraja Chanakya Singh was redesignated from Joint Managing Director and Key Managerial Personnel to Non-Executive Director w.e.f. January 21, 2025.
2. Mr. Masakazu Osawa, who was serving as a Nominee Director (Nominated by MUFG Bank Limited), tendered his resignation on March 25, 2025 with immediate effect and consequently ceased to be a member of the NRC as well.

ii. Terms of reference:

The responsibilities of the NRC, *inter alia*, include to oversee:

- a) To ensure that the general character of the management shall not be prejudicial to the interest of its present and future stakeholders and envisages ensuring the ‘fit and proper’ status of proposed or existing Directors.
- b) To nominate for appointment of directors with “fit and proper” credentials.
- c) Administration and superintendence of the Employee Stock Option Scheme and to that extent the scope of reference to the Committee is not restricted to only particular Stock Option scheme but all Stock Option schemes are to be implemented / administered by the Committee.
- d) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors the remuneration of the directors and key managerial personnel.

iii. Performance Evaluation Criteria for Independent Directors: Please refer to the Note 1 above in Section II. *

3. Risk Management Committee (“RMC”)

1. Composition, Meetings and Attendance:

During FY 2024-25, 7 (Seven) meetings of the RMC were held on the following dates:

1. May 02, 2024
2. August 07, 2024
3. October 30, 2024
4. November 26, 2024
5. December 14, 2024
6. December 29, 2024
7. February 11, 2025

The composition of the RMC (including changes) and the attendance details of meetings during FY 2024-25 is given below:

Name of the Members	Member/ Chairman	Category	Number of meetings held during the financial year 2024-25		
			Held	Entitled	Attended
Mr. Tammir Amr ¹	Chairman	Independent Director	7	2	2
Mr. Nipendar Kochhar ¹	Member	Non-executive Director	7	2	2
Mr. Yuvraja Chanakya Singh ²	Member	Non-Executive Director	7	7	6
Mr. Shivashish Chatterjee	Member	Managing Director	7	7	6
Mr. Arindam Das	Member	CEO - Consumer Credit and MSME Loans	7	7	7
Mr. Vivek Gupta ¹	Member	Head- Corporate Real Estate	7	5	5
Mr. Nicky Sharma	Member	Chief Risk Officer	7	7	7

Notes:

1. The RMC was reconstituted by the Board of Directors on December 26, 2024. Pursuant to same, Mr. Tammir Amr was appointed as the member and Chairperson of the Committee and Mr. Nipendar Kochhar was appointed as a member and Mr. Vivek Gupta ceased to be a member with immediate effect.
2. Mr. Yuvraja Chanakya Singh was redesignated from Joint Managing Director and Key Managerial Personnel to Non-Executive Director w.e.f. January 21, 2025.

ii. Terms of reference:

The responsibilities of the RMC, *inter alia*, include to oversee:

- a) Formulate Enterprise Risk Management Policy subject to the approval of the Board.
- b) Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
- c) Monitor and oversee implementation of the risk management policies, including annual review of these policies and evaluating the adequacy of risk management systems.
- d) Evaluate the overall risks faced by the Company including liquidity risk and other material risks.
- e) Review the compliance to the Company's Risk Appetite Framework and ensure that the Company is taking adequate measures to remain within its Risk Appetite.
- f) Make a thorough internal assessment for the need of capital, commensurate with the risks in the business in line with the Internal Capital Adequacy Assessment Process.
- g) Work in close coordination with Nomination and Remuneration Committee (NRC) to achieve alignment between compensation and risk.
- h) Monitoring of Board approved limits in respect of various sub-segments under consumer credit on an ongoing basis
- i) To review the Central record of all material outsourcing arrangements by the Company on a half yearly basis.

4. Corporate Social Responsibility ("CSR") Committee

i. Composition, Meetings and Attendance:

During FY 2024-25, 2 (Two) meetings of the CSR Committee were held on the following dates:

1. May 10, 2024
2. March 28, 2025

The composition of the CSR (including changes) and the attendance details of meetings during FY 2024-25 is given below:

Name of the Members	Member/ Chairman	Category	Number of meetings held during the financial year 2024-25		
			Held	Entitled	Attended
Mr. Arjun Malhotra ¹	Chairman	Independent Director	2	1	1
Mr. Alfred Victor Mendoza	Member	Nominee Director	2	2	2
Ms. Jayati Chatterjee ²	Member	Non-Executive Director	2	1	1
Ms. Bina Singh ²	Member	Non-Executive Director	2	1	1
Mr. Shivashish Chatterjee ¹	Member	Managing Director	2	1	1
Mr. Yuvraja Chanakya Singh ³	Member	Non-Executive Director	2	1	0

Notes:

1. The CSR Committee was reconstituted by the Board of Directors on February 14, 2025. Pursuant to this, Mr. Arjun Malhotra was appointed as the member and Chairperson of the Committee, while Mr. Shivashish Chatterjee and Mr. Yuvraja Chanakya Singh were appointed as members, all with immediate effect.
2. Ms. Bina Singh and Ms Jayati Chatterjee resigned from the position of Non-Executive Director on December 25, 2025 and consequently ceased to be members of the CSR Committee.
3. Mr. Yuvraja Chanakya Singh was redesignated from Joint Managing Director and Key Managerial Personnel to Non-Executive Director w.e.f. January 21, 2025.

ii. Terms of reference:

The responsibilities of the CSR Committee, *inter alia*, include to oversee:

- a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company including the activities as specified in Schedule VII of Companies Act, 2013.
- b) Recommend the amount of expenditure to be incurred on the activities referred to above.
- c) Monitoring the Corporate Social Responsibility Policy of the company as may be amended from time to time.
- d) Formulate and recommend to the Board an annual action plan in pursuance of its CSR policy.
- e) Recommend the manner of execution of CSR projects or programs including approval of implementing agency.
- f) Recommend the modalities of utilization of funds and implementation schedules for the projects or programmes.
- g) Monitoring and reporting of the projects or programmes approved by the Committee.
- h) Such other roles/functions as may be specifically referred to the committee by the Board of Directors and/or other committees of Directors of the Company or specifically mentioned in the applicable laws.

5. Asset Liability Committee (“ALCO”)**i. Composition, Meetings and Attendance:**

During FY 2024-25, 2 (Two) meetings of the ALCO were held on the following dates:

1. August 31, 2024
2. March 24, 2025

The composition of the ALCO (including changes) and the attendance details of meetings during FY 2024-25 is, given below:

Name of the Members	Member/ Chairman	Category	Number of meetings held during the financial year 2024-25		
			Held	Entitled	Attended
Mr. Shivashish Chatterjee ¹	Chairman	Managing Director	2	2	2
Mr. Yuvraja Chanakya Singh ²	Member	Non- Executive Director	2	1	1
Mr. Alfred Victor Mendoza ¹	Member	Nominee Director	2	1	0
Mr. Masakazu Osawa ¹	Member	Nominee Director	2	1	0
Mr. Arindam Das ¹	Member	CEO - Consumer Credit and MSME Loans	2	1	1
Mr. Nicky Sharma ¹	Member	Chief Risk Officer	2	1	1
Mr. Niraj Khandelwal ¹	Member	Chief Financial Officer	2	1	1
Mr. Raj Tripathi ¹	Member	Chief Compliance Officer	2	1	1
Mr. Rachit Gupta ¹	Member	Chief Treasury Officer	2	1	1
Mr. Anmol Avinash Nayyar ¹	Member	Chief Partnerships Officer	2	1	0

Notes:

1. The ALCO Committee was reconstituted by the Board of Directors on December 14, 2025. Pursuant to this, Mr. Shivashish Chatterjee was appointed as the Chairperson of the Committee, and Mr. Arindam Das, Mr. Nicky Sharma, Mr. Niraj Khandelwal, Mr. Raj Tripathi, Mr. Anmol Avinash Nayyar, and Ms. Rachit Gupta were appointed as members, all with immediate effect. Further, Mr. Alfred Victor Mendoza and Mr. Masakazu Osawa were ceased to be the members from the Committee from said date.
2. Mr. Yuvraja Chanakya Singh was redesignated from Joint Managing Director and Key Managerial Personnel to Non-Executive Director w.e.f. January 21, 2025.

ii. Terms of reference:

The responsibilities of the ALCO, *inter alia*, include to oversee:

- a) Attending aspects relating to Asset Liability Management ('ALM') such as availability of adequate funding for projected cash flows.
- b) Monitor the asset liability gap and strategize action to mitigate the risk associated.
- c) Understanding fund-raising requirements and advising on suitable instruments to be used for the same.
- d) Ensuring that the financing costs are managed in an efficient and effective manner
- e) Advising on utilization of excess funds available with the Company.
- f) To evolve appropriate systems and procedures for ongoing identification and analysis of Balance Sheet risks and lay down parameters for efficient management of these risks through Asset Liability Management Policy of the Company.
- g) Formulate and implement optimal ALM strategies at an enterprise level and meeting risk/reward objectives.
- h) To monitor risk exposures, funding & development at periodic intervals and revise ALM strategies where required.
- i) To provide business update on how various segments are performing & projected forecast for next 6 months.
- j) Any other matter as may be required by the relevant policy or considered expedient by the ALCO.

6. IT Steering Committee ("ITSC")-

i. Composition, Meetings and Attendance:

During FY 2024-25, 4 (Four) meetings of the IT Steering Committee (ITSC) were held on the following dates:

- 1. May 02, 2024
- 2. July 30, 2024
- 3. October 23, 2024
- 4. February 07, 2025

The composition of the IT Steering Committee (including changes) and the attendance details of meetings during FY 2024-25 is, given below:

Name of the Members	Member/ Chairman	Category	Number of meetings held during the financial year 2024-25		
			Held	Entitled	Attended
Mr. Manish Srivastava ¹	Chairman	SVP Technology – Infrastructure	4	1	1
Mr. Yuvraja Chanakya Singh	Member	Non-Executive Director	4	3	3
Mr. Shivashish Chatterjee	Member	Managing Director	4	4	4
Mr. Arindam Das	Member	CEO - Consumer Credit and MSME Loans	4	4	4
Mr. Vivek Gupta ¹	Member	Head-Real Estate Corporate	4	3	3
Mr. Saurabh Nigam	Member	Chief Information Officer	4	4	4
Mr. Tarang Gupta ¹	Member	Head – Analytics	4	1	1
Mr. Raj Tripathi ¹	Member	Chief Compliance Officer	4	1	1

Notes:

- 1. *The IT Steering Committee was reconstituted with effect from January 17, 2025. Pursuant to this, Mr. Manish Srivastava was appointed as Chairman of the Committee and Mr. Tarang Gupta, Mr. Raj Tripathi were appointed as member of the Committee. Further, Mr. Vivek Gupta was ceased from the membership from said date.*
- 2. *Mr. Yuvraja Chanakya Singh was redesignated from Joint Managing Director and Key Managerial Personnel to Non-Executive Director w.e.f. January 21, 2025.*

ii. Terms of reference:

- a) Assist the ITSC in strategic IT planning, oversight of IT performance, and aligning IT activities with business needs.
- b) Oversee the processes put in place for Business Continuity Planning and Disaster Recovery Management.
- c) Ensure implementation of a robust IT architecture meeting statutory and regulatory compliance.
- d) Update ITSC and CEO periodically on its activities.
- e) Ensure compliance with the IT Governance Framework and ISMS Manual/ISO 27001 Policy of the company.
- f) To apprise the ITSC on an any action points in this regard.

7. IT Strategy Committee

i. Composition, Meetings and Attendance:

During FY 2024-25, 4 (Four) meetings of the IT Strategy Committee were held on the following dates:

1. May 02, 2024
2. July 30, 2024
3. November 05, 2024
4. February 07, 2025

The composition of the IT Strategy Committee (including changes) and the attendance details of meetings during FY 2024-25 is, given below:

Name of the Members	Member/ Chairman	Category	Number of meetings held during the financial year 2024-25		
			Held	Entitled	Attended
Mr. Arjun Malhotra ¹	Chairman	Independent Director	4	NA	NA
Mr. Alfred Victor Mendoza	Member	Nominee Director	4	4	4
Mr. Yuvraja Chanakya Singh ¹	Member	Non-Executive Director	4	4	3
Mr. Masakazu Osawa ¹	Member	Nominee Director	4	4	3
Mr. Shivashish Chatterjee	Member	Managing Director	4	4	4
Mr. Saurabh Nigam	Member	Chief Information Officer	4	4	4
Mr. Manish Srivastava ¹	Member	Senior Vice President Technology –Infrastructure	4	NA	NA
Mr. Manikant R. Singh ¹	Permanent Invitee	Chief Information Security Officer	4	4	4
Mr. Nikhil Garg ¹	Member	Chief Technology Officer	4	4	4

Notes:

1. The IT Strategy Committee was reconstituted by the Board of Directors on February 14, 2025. Pursuant to this, Mr. Arjun Malhotra was appointed as the member and Chairperson of the Committee. Further, while Mr. Manish Srivastava was appointed as a member, Mr. Yuvraja Chanakya Singh, Mr. Masakazu Osawa & Mr. Nikhil Garg ceased from the membership. Additionally, Mr. Manikant R. Singh was re-designated from a member to a permanent invitee, all with immediate effect.

ii. Terms of reference:

The responsibilities of the IT Strategy Committee, *inter alia*, include to oversee:

- a) Ensure an effective Information Technology (IT) Strategic Planning process is established.
- b) Guide the preparation of the IT Strategy and ensure alignment with the overall business strategy.
- c) Foster an IT and Information System Governance structure that promotes accountability, effectiveness, efficiency, and has adequately skilled resources, clearly defined objectives, and unambiguous responsibilities at all organizational levels.
- d) Implement processes for assessing and managing IT and cybersecurity risks.
- e) Ensure budgetary allocations for the IT function (including IT security) and cybersecurity are commensurate with the organization's IT maturity, digital depth, threat environment, and industry standards, and that they are utilized to meet stated objectives.
- f) Review the adequacy and effectiveness of Business Continuity Planning (BCP) and Disaster Recovery Management (DRM) at least annually.
- g) Approve all policies and strategies related to IT and Information Security and recommend them to the Board.
- h) Review notifications from the Reserve Bank of India and analyze their impact.
- i) Ensure compliance with the IT Governance Framework and ISMS Manual/ISO 27001 Policy of the company.
- j) To review the Policies and items recommended by the respective management committees and recommend the same to the Board of Directors.
- k) To review the minutes of the committees of Management constituted under the Committee.

8. Stakeholders' Relationship Committee

The Company was falling into the category of High-Value Debt Listed Company and was required to comply with the provisions of Regulation 16 to 27 of SEBI LODR on 'comply or explain' basis until March 31, 2025 as per Regulation 15 of SEBI LODR. However, as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2025 dated March 27, 2025, the Company is not falling under the category of a High Value Debt Listed Entity and the provisions of Regulation 16 to 27 of SEBI LODR are no longer applicable on it. However, the Company continues to take initiative to adopt these regulations on a voluntary basis.

Hence, in view of the above, the Company has constituted the Stakeholders Relationship Committee of the Board on February 14, 2025 with the following composition:

- (1) Mr. Gurcharan Das, Non-Executive Director, Member/ Chairperson
- (2) Mr. Shivashish Chatterjee, Managing Director, Member
- (3) Mr. Nipendar Kochhar, Non-Executive Director,
- (4) Mr. Yuvraja Chanakya Singh, Non-Executive Director, Member
- (5) Mr. Tammir Amr - Independent Director, Member

The terms of reference are as follows:

- a. Address and resolve stakeholder grievances and complaints in a timely manner, ensuring a transparent process.
- b. Regularly report to the Board on stakeholder issues, trends, and the effectiveness of engagement strategies.
- c. Resolving the grievances of the security holders including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- d. Review of measures taken for effective exercise of voting rights by shareholders.
- e. Review of adherence to the service standards adopted in respect of various services being rendered by the Registrar & Share Transfer Agent.
- f. Review of initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- g. Such other roles/functions as may be specifically referred to the committee by the Board of Directors and/or other committees of Directors of the Company or specifically mentioned in the applicable laws.

No meetings of the Stakeholders Relationship Committee were held during FY 2024-25.

Ms. Reena Jayara, Company Secretary and Compliance Officer of the Company, acts as a Secretary of the Committee.

Further, no complaints were received from the Debenture Holders during the financial year under review.

IV. SENIOR MANAGEMENT AND CHANGES THEREIN

As on March 31, 2025, the details of Senior Management of the Company are as below:

Sr. No.	Name	Designation
1	Mr. Arindam Das	Chief Executive Officer (Consumer Credit & MSME Loans)
2	Mr. Anmol Avinash Nayyar	Chief Partnerships Officer
3	Mr. Jatinder Bhasin	Chief Operating Officer
4	Mr. Niraj Khandelwal	Chief Financial Officer
5	Mr. Fahim Ahmed	Chief of Administration and Infrastructure
6	Mr. Nicky Sharma	Chief Risk Officer
7	Ms. Pooja Malik	Chief Human Resource Officer
8	Mr. Pramod Chowdhary	Chief Economist
9	Ms. Priyanka Midha	Litigation and Enforcement Head
10	Mr. Rachit Kumar Gupta	Chief Treasury Officer
11	Mr. Raj Kumar Tripathi	Chief Compliance Officer
12	Ms. Reena Jayara	Company Secretary & Compliance Officer
13	Mr. Saurabh Nigam	Chief Technology Officer
14	Mr. Salil Chugh	Chief Digital Strategy Officer
15	Mr. Manikant Singh	Chief Information Security Officer
16	Ms. Kirti Maheshwari	Head – Internal Audit

Changes in the Senior Management during Financial Year 2024-25:

1. Mr. Vivek Wadhwa resigned from the office of Chief Financial Officer and Key Managerial Personnel with effect from April 1, 2024.
2. Mr. Jatinder Bhasin was appointed as the Interim Chief Financial Officer and Key Managerial Personnel of the Company with effect from April 25, 2024

3. Ms. Jyoti Kheria was appointed as the Company Secretary & Compliance Officer and Key Managerial Personnel of the Company with effect from May 16, 2024,
4. Mr. Jatinder Bhasin ceased to hold the office as Chief Compliance Officer (Interim) with effect from September 30, 2024.
5. Mr. Raj Kumar Tripathi was appointed as the Chief Compliance Officer ('CCO') of the Company w.e.f. October 01, 2024.
6. Mr. Jatinder Bhasin ceased to hold the office as Interim Chief Financial Officer and Key Managerial Personnel with effect from November 12, 2024
7. Mr. Niraj Khandelwal was appointed as the Chief Financial Officer and Key Managerial Personnel of the Company with effect from November 13, 2024.
8. Ms. Jyoti Kheria resigned as Company Secretary & Compliance Officer and Key Managerial Personnel of the Company with effect from December 11, 2024.
9. Ms. Reena Jayara was appointed as the Company Secretary & Compliance Officer and Key Managerial Personnel of the Company with effect from February 14, 2025.
10. Mr. Salil Chugh was appointed as the Chief Digital Strategy Officer of the Company w.e.f. April 29, 2024.
11. Mr. Rachit Kumar Gupta was appointed as the Chief Treasury Officer of the Company w.e.f. August 12, 2024.
12. Mr. Pramod Chowdhary was appointed as the Chief Economist of the Company w.e.f. September 03, 2024.

V. REMUNERATION OF DIRECTORS:

a) Non-Executive Directors (NEDs)

i. Criteria for making payment

The Independent Directors are not paid any remuneration other than the sitting fee for attending meetings of the Board and the committees thereof as approved by the Board. The sitting fees as determined by the Board for attending meetings of the Board meetings and committee meetings are within the limits prescribed under the Act. No sitting fee were paid to the Nominees Directors.

ii. Remuneration

During the FY 2024-25, no remuneration was paid to the Non-Executive Directors of the Company except Sitting Fees for attending meetings of the Board, Audit Committee and Risk Management Committee of the Board within the maximum prescribed limits under the Companies Act, 2013. The details of the same are as under:

S. No.	Name of Director	Capacity	Remuneration (INR)* (Sitting fees paid during Financial Year 2024-25)
1.	Mr. Gurcharan Das	Non- Executive Director	2,00,000
2.	Mr. Nipendar Kochhar	Non- Executive Director	3,40,000
3.	Mr. Yuvraja Chanakya Singh ¹	Non- Executive Director	60,000
4.	Mr. Alfred Victor Mendoza	Nominee Director	Nil
5.	Mr. Masashige Nakazono ²	Nominee Director	Nil
6.	Mrs. Naomi Koike Hauser ³	Nominee Director	Nil
7.	Mr. Masakazu Osawa ⁴	Nominee Director	Nil
8.	Ms. Jayati Chatterjee ⁵	Non- Executive Director	2,60,000
9.	Ms. Bina Singh ⁵	Non- Executive Director	1,60,000
10.	Mr. Tammir Amr ⁶	Non-Executive-Independent Director	60,000
11.	Mr. Arjun Malhotra ⁶	Non-Executive-Independent Director	20,000

*excludes reimbursement of expenses.

During the financial year under the review, no Non- Executive Director had any pecuniary relationships or transactions with the Company as on March 31, 2025 other than the details disclosed in this Report.

Notes:

1. Mr. Yuvraja Chanakya Singh was redesignated from Joint Managing Director and Key Managerial Personnel to Non-Executive Director w.e.f. January 21, 2025.
2. Mr. Masashige Nakazono was appointed as an Additional Director in the category of Nominee Director (Nominated by MUFG Bank Limited) on the Board of the Company w.e.f. March 28, 2025. His appointment was regularised by the members of the Company in the EGM held on June 25, 2025.
3. Ms. Naomi Koike Hauser was appointed as an Additional Director in the category of Nominee Director with effect from April 13, 2024 and her appointment was regularised by the members of the Company in the EGM held on July 12, 2024.
4. Mr. Masakazu Osawa who was serving as a Nominee Director (Nominated by MUFG Bank Limited) tendered his resignation on March 25, 2025 with immediate effect.
5. Ms. Bina Singh and Ms Jayati Chatterjee resigned from the position of Non-Executive Director on December 25, 2024.
6. Mr. Tammir Amr and Mr. Arjun Malhotra were appointed as an Additional Director in the capacity of Non-Executive Independent Director w.e.f December 26, 2024. Further, their appointment was regularised by the shareholders in the EGM held on March 25, 2025.

b) Executive Directors:

During the FY 2024-25, the Company paid remuneration to Mr. Yuvraja Chanakya Singh and Mr. Shivashish Chatterjee. The details of the same are as under:

S. No.	Name of Director	Capacity	Remuneration (INR)***			
			*Gross Salary	Gratuity and Leave encashment	Discretionary Bonus	Total
1.	Mr. Shivashish Chatterjee	Managing Director	5,16,02,078	Nil	Nil	5,16,02,078
2.	Mr. Yuvraja Chanakya Singh	Non-Executive Director**	4,33,09,567	40,38,462	63,45,571	5,36,93,600

Notes-

* Includes Employer Contribution to PF

**Mr. Yuvraja Chanakya Singh was re-designated from Joint Managing Director and Key Managerial Personnel to Non-Executive Director with effect from January 21, 2025. Accordingly, he was paid salary only for the period during which he served as Joint Managing Director and Key Managerial Personnel of the Company.

***excludes reimbursement of expenses and Post employment benefits.

***excludes sitting fees paid to Mr. Yuvraja Chanakya Singh as Non-Executive Director.

The notice period & other terms of employment of Executive Board members are governed by the HR policies of the Company.

c) Other disclosures:

The compensation structure and framework of the Company is based on the below approach:

- i. As per the company's internal approach, document on calculation and payment of variable/performance pay, large portion of the variable pay to the KMP and other employees are paid in the form of ESOPs, which has vesting period attached to it. Accordingly, the same is not paid immediately and are vested over a period of time.
- ii. Further, the variable pay is calculated on the basis of scorecard approach which has close integration & alignment with organization and individual performance.
- iii. Variable pay is paid on the basis of company and individual performance after the closure of relevant financial year for which the variable payment has to be done.
- iv. Further, the details of remuneration paid to Non-Executive Directors and Executive of the Company are disclosed above in point (a) and (b) respectively.

VI. GENERAL BODY MEETINGS:

a) Details of the last three Annual General Meetings of the Company:

Financial Year	Date	Time	Venue	No. of Special Resolutions passed
2022-23	September 02, 2022	1700 Hours	Express Building, 3rd Floor 9-10, Bahadur Shah Zafar Marg, Delhi, India, 110002	1
2023-24	September 28, 2023	1700 Hours	Express Building, 3rd Floor 9-10, Bahadur Shah Zafar Marg, Delhi, India, 110002	1
2024-25	September 19, 2024	1500 Hours	Express Building, 3rd Floor 9-10, Bahadur Shah Zafar Marg, Delhi, India, 110002	Nil

b) Whether any special resolution passed last year through postal ballot and details of voting pattern – No.

c) Person who conducted the postal ballot exercise – Not applicable.

d) Whether any special resolution is proposed to be conducted through postal ballot – No.

e) Procedure for postal ballot – Not applicable.

VII. MEANS OF COMMUNICATION:

The 'Investor Relations' section on the Company's website (www.dmifinance.in) keeps the investors updated on material developments in the Company by providing key and timely information such as Financial Results, Annual Reports, Contact details of persons responsible for investor grievances, etc. The Debenture Holders can also send in their queries / complaints at the designated email address: compliance@dmifinance.in Financial Results of the Company on quarterly/half yearly basis are normally published in Financial Express Newspaper.

VIII. GENERAL SHAREHOLDER INFORMATION:

The Company is registered with the Registrar of Companies, Delhi. The Corporate Identity Number allotted to the Company by the Ministry of Corporate Affairs is U64990DL2008PTC182749.

a) **Annual General Meeting –**

Date: September 26, 2025

Time: 5:00 PM (IST)

Venue: Express Building, 4th Floor 9-10, Bahadur Shah Zafar Marg, New Delhi, India, 110002

b) **Financial year:** April 01, 2024 to March 31, 2025

c) **Dividend payment date:** Not Applicable

d) **The name and address of each stock exchange(s) at which the listed entity's securities are listed and confirmation about payment of annual listing fee to each of such stock exchange(s):**

Name and Address of the Stock Exchange	Type of Securities Listed
BSE Limited P. J. Towers, Dalal Street, Mumbai 400 001	Non-Convertible Debentures issued on a Private Placement Basis

Listing Fees as applicable have been paid for FY 2024-25 and as on the date of the report, the Company has already paid the listing fees for FY 2025-26 within the prescribed timelines.

e) **In case the securities are suspended from trading, the directors report shall explain the reason thereof:** Not Applicable*

f) **Registrar to an issue and share transfer agents:**

M/s. MUFG Intime India Private Limited (erstwhile known as Link Intime India Private Limited)

C 101, Embassy 247, L.B.S.Marg, Vikhroli (West), Mumbai – 400083

Email: debtc@linkintime.co.in

g) **Share transfer system:** All activities in relation to share transfer is processed periodically by the Company along with the Registrar & Share Transfer Agent (RTA) of the Company. The RTA of the Company provides the facility of electronic transfer of shares.

h) Distribution of shareholding:

S. No.	Category of Shareholders	% holding of Paid-Up Capital
1	Promoters	68.78
2	Founders and Affiliates	0.54
3	Corporate Investors	28.67
4	Other Investors	2.02
	Total Capital	100.00

i) Dematerialization of shares and liquidity:

As on March 31, 2025, equity Shares of the Company are held in both physical and dematerialised form. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's equity shares by the depositories is INE604O01012. Further, the Company is already under the process of dematerialising its remaining physical equity shares as per the provisions of Rule 9B of the Companies (Prospectus and Allotment of Securities) Rules, 2014.

As on March 31, 2025, all of the Non-Convertible Debentures (NCD) of the Company are in dematerialised form and listed on Bombay Stock Exchange (BSE).

j) Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any convertible instruments, conversion date and likely impact on equity: As on March 31, 2025, the details of outstanding Convertible Share Warrants of the Company are provided as below:

S. No	Type of Security Outstanding	Number of Security outstanding	Conversion Date	Impact on Equity Shares
1.	Warrants	43,23,859	As per the terms and conditions of warrants agreements.	On conversion, the warrants shall be converted into Equity Shares of the Company ranking pari passu with existing equity shares and consequently, the paid-up share capital of the Company will be increased.

k) Commodity price risk or foreign exchange risk and hedging activities: Not Applicable*

l) Plant locations: Not Applicable*

m) Address for correspondence: Express Building, 3rd Floor, 9-10, Bahadur Shah Zafar Marg, New Delhi, India, 110002.

n) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad: Details pertaining to Credit Ratings and revisions thereto are provided in notes forming part of financial statements for the financial year ended March 31, 2025.

o) Transfer of Unclaimed / Unpaid Amounts to the Investor Education and Protection Fund: During the year under review, no amount was due for transfer to Investor Education and Protection Fund.

**The Equity Shares of the Company are not listed on the stock exchanges and hence certain details are not Applicable to the Company.*

IX. OTHER DISCLOSURES:

Particulars	Details
(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large.	Not Applicable
(b) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory	The details of non-compliances and penalties imposed by the listed entity are provided in notes forming part of financial statements of last three years of the Company

authority, on any matter related to capital markets, during the last three years.	available at the website of the Company i.e. https://www.dmifinance.in/investor-financials.php						
(c) Details of establishment of vigil mechanism/whistle blower policy, and affirmation that no personnel has been denied access to the audit committee.	The Company has a Whistle Blowing Policy and has established necessary Vigil Mechanism for Directors, Employees and other stakeholders to report concerns about unethical behaviour. No person has been denied access to the Audit Committee.						
(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements.	The Company was falling into the category of High-Value Debt Listed Company and was required to comply with the provisions of Regulation 16 to 27 of SEBI LODR on ‘comply or explain’ basis until March 31, 2025 as per Regulation 15 of SEBI LODR. However, as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2025 dated March 27, 2025, the Company is not falling under the category of a High Value Debt Listed Entity and the provisions of Regulation 16 to 27 of SEBI LODR are no longer applicable on it. However, the Company continues to take initiative to adopt these regulations on a voluntary basis.						
(e) Web link where policy for determining ‘material’ subsidiaries is disclosed.	https://www.dmifinance.in/investor-relations/policies/						
(f) Web link where policy on dealing with related party transactions.	https://www.dmifinance.in/investor-relations/policies/						
(g) Disclosure of commodity price risks and commodity hedging activities.	Not Applicable						
(h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).	Not Applicable						
(i) A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.	The Company has obtained certificate from M/s VLA & Associates, Practising Company Secretaries that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority. The same is reproduced at the end of this report and marked as Annexure I .						
(j) Where the board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof. Provided that the clause shall only apply where recommendation of / submission by the committee is required for the approval of the Board of Directors and shall not apply where prior approval of the relevant committee is required for undertaking any transaction under these Regulations.	During the financial year 2024-25, all the recommendations of the various Committees of the Board were accepted by the Board of Directors.						
(k) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.	The particulars of payment of fees to Statutory Auditors is provided in notes forming part of Standalone Financial Statements for the financial year ended March 31, 2025.						
(l) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013	<table><tr><td>Number of complaints filed during the financial year</td><td>Number of complaints disposed of during the financial year</td><td>Number of complaints pending as on end of the financial year.</td></tr><tr><td>1</td><td>1</td><td>0</td></tr></table>	Number of complaints filed during the financial year	Number of complaints disposed of during the financial year	Number of complaints pending as on end of the financial year.	1	1	0
Number of complaints filed during the financial year	Number of complaints disposed of during the financial year	Number of complaints pending as on end of the financial year.					
1	1	0					
(m) Disclosure by listed entity and its subsidiaries of ‘Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount.	No Loans and advances have been given by the Company or its subsidiaries other than in the ordinary course of business.						

Provided that this requirement shall be applicable to all listed entities except for listed banks.	
(n) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries.	Not Applicable

X. Non-compliance of any requirement of corporate governance report of sub-paras above, with reasons thereof shall be disclosed: NIL

XI. The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted:

The Company has adopted the following discretionary requirements as specified in Part E of Schedule II:

Separate posts of Chairman and Managing Director & Chief Executive Officer (“CEO”):

As of March 31, 2025, the Company does not have a designated Chairman and Chief Executive Officer (“CEO”). The Company has a Managing Director, namely, Mr. Shivashish Chatterjee.

Further, the Company has duly appointed Mr. Arindam Das as the Chief Executive Officer of the Company w.e.f May 23, 2025.

Additionally, the discretionary requirements as specified under SEBI Listing Regulations are being reviewed from time to time.

XII. The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 shall be made in the section on corporate governance of the annual report.

The Company was falling into the category of High-Value Debt Listed Company and was required to comply with the provisions of Regulation 16 to 27 of SEBI LODR on ‘comply or explain’ basis until March 31, 2025 as per Regulation 15 of SEBI LODR. However, as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2025 dated March 27, 2025, the Company is not falling under the category of a High Value Debt Listed Entity and the provisions of Regulation 16 to 27 of SEBI LODR are no longer applicable on it. However, the Company continues to take initiative to adopt these regulations on a voluntary basis.

XIII. Declaration signed by the chief executive officer stating that the members of Board of Directors and Senior Management Personnel have affirmed compliance with the code of conduct of Board of Directors and Senior Management.

As of March 31, 2025, the Company does not have a designated Chief Executive Officer (“CEO”). However, the Company has appointed Mr. Arindam Das as the Chief Executive Officer of the Company w.e.f May 23, 2025.

The Company was falling into the category of High-Value Debt Listed Company and was required to comply with the provisions of Regulation 16 to 27 of SEBI LODR on ‘comply or explain’ basis until March 31, 2025 as per Regulation 15 of SEBI LODR. However, as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2025 dated March 27, 2025, the Company is not falling under the category of a High Value Debt Listed Entity and the provisions of Regulation 16 to 27 of SEBI LODR are no longer applicable on it. However, the Company continues to take initiative to adopt these regulations on a voluntary basis to the best extent possible.

XIV. Compliance certificate from either the auditors or practicing company secretaries regarding compliance of conditions of corporate governance shall be annexed with the Directors’ report.

The Company has obtained a compliance certificate from M/s. VLA & Associates, Practicing Company Secretaries regarding compliance with the conditions of corporate governance. The same is reproduced at the end of this Report and enclosed as **Annexure II**.

XV. Disclosures with respect to demat suspense account/ unclaimed suspense account: Not Applicable

XVI. Disclosure of certain types of agreements binding listed entities. Not Applicable

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

To
The Members
DMI Finance Private Limited
Express Building, 3rd Floor 9-10,
Bahadur Shah Zafar Marg,
New Delhi, India, 110002

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **DMI Finance Private Limited** having CIN U64990DL2008PTC182749 and having registered office at Express Building, 3rd Floor 9-10, Bahadur Shah Zafar Marg, New Delhi, India, 110002 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate..

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company, as stated below, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs, or any such other Statutory Authority, for the Financial Year ended on 31.03.2025.

S. No.	Name of Director(s)	Category/Designation	DIN	Date of appointment
1.	Mr. Shivashish Chatterjee	Managing Director	02623460	30.12.2010
2.	Mr. Nipendar Kochhar	Non- Executive Director	02201954	11.09.2008
3.	Mr. Yuvraja Chanakya Singh	Non- Executive Director	02601179	26.08.2009
4.	Mr. Alfred Victor Mendoza	Nominee Director	08432874	14.11.2022
5.	Mr. Gurcharan Das	Non- Executive Director	00100011	25.08.2011
6.	Mr. Tammir Amr	Non-Executive-Independent Director	07030832	26.12.2024
7.	Mr. Arjun Malhotra	Non-Executive-Independent Director	00177397	26.12.2024
8.	Mr. Masashige Nakazono	Additional Director in the capacity of Nominee Director	11009991	28.03.2025
9.	Ms. Naomi Koike Hauser	Nominee Director	10540517	13.04.2024

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which management has conducted the affairs of the Company.

For VLA & Associates
Company Secretaries
ICSI Unique Code: I2007DE587900
Peer Review Unique Identification No.: 773/2020

Date: 4th August, 2025
Place: New Delhi

Sd/-
Vishal Lochan Aggarwal
(Proprietor)
Membership No.: F7241
C. P. No.: 7622
UDIN: F007241G000928370

CERTIFICATE ON CORPORATE GOVERNANCE UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The Members

DMI Finance Private Limited
CIN: U64990DL2008PTC182749
Express Building, 3rd Floor 9-10,
Bahadur Shah Zafar Marg,
New Delhi, India, 110002

We have examined the compliance of Corporate Governance provisions by M/s DMI Finance Private Limited (“**the Company**”) for the year ended 31st March, 2025, as stipulated under Regulations 17 to 27 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”).

The compliance of regulations of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the regulations of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management and considering the relaxations granted by Securities and Exchange Board of India as per which the Company was falling into the category of High-Value Debt Listed Company and was required to comply with the provisions of Regulation 16 to 27 of SEBI Listing Regulations on ‘comply or explain’ basis until March 31, 2025 as per Regulation 15 of SEBI LODR. However, as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2025 dated March 27, 2025, the Company is not a High Value Debt Listed Entity and the provisions of Regulation 16 to 27 of SEBI Listing Regulations are no longer applicable on it. However, the Company continues to take initiative to adopt these regulations on a voluntary basis for the year ended on 31st March, 2025.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For VLA & Associates
Company Secretaries
ICSI Unique Code: I2007DE587900
Peer Review Unique Identification No.: 773/2020

Date: 4th August, 2025
Place: New Delhi

Sd/-
Vishal Lochan Aggarwal
(Proprietor)
FCS No. F7241
C.P. No. 7622
UDIN: F007241G000929536

CEO & CFO Certificate

The Board of Directors
DMI Finance Private Limited

This is to certify that:

1. We have reviewed the Financial Statements and the Cash Flow Statement for the Financial Year ended 31st March 2025 and that to the best of our knowledge and belief:
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent or illegal or violate Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for Financial Reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design and operations of such internal controls, if any, of which we are aware and steps that have been taken to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
 - a) Significant changes in internal control over financial reporting during the year;
 - b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the Management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-
Arpit Baheti
Interim CFO

Sd/-
Shivashish Chatterjee
Managing Director
DIN: 02623460

Place: New Delhi
Date: May 23, 2025

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended]

1. A brief outline on CSR Policy of the Company:

The Company has adopted CSR Policy which aims at promoting the welfare measures for the underprivileged communities, promotion of health & sanitation, woman empowerment, promotion of education, art & culture, rural development and environment protection with an objective of creating lasting and positive difference in the communities being served. The Company undertakes the project in these areas in partnership with different eligible organisation and agencies. The CSR Policy is uploaded on the Company's website and can be accessed at <https://www.dmifinance.in/investor-relations/policies/>.

2. Composition of CSR Committee:

S. No.	Name of Director	Designation /Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Arjun Malhotra^	Independent Director	2	1
2.	Mr. Alfred Victor Mendoza	Nominee Director	2	2
3.	Mr. Shivashish Chatterjee^	Managing Director	2	1
4.	Mr. Yuvraja Chanakya Singh^	Non-Executive Director	2	Nil
5.	Ms. Jayati Chatterjee*	Non-Executive Director	2	1
6.	Ms. Bina Singh*	Non-Executive Director	2	1

* Ms. Jayati Chatterjee and Ms. Bina Singh resigned from the post of Non-Executive Director of the Company with effect from December 25, 2024 & consequently, they ceased to be the member of the Committee.

^Mr. Mr. Arjun Malhotra, Mr. Shivashish Chatterjee and Mr. Yuvraja Chanakya Singh were appointed as members of the Committee w.e.f February 14, 2025.

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

The CSR Policy, Composition of CSR committee and details of the projects funded by the Company can be accessed from <https://www.dmifinance.in/investor-corporate-governance.html>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: The average CSR obligation of the Company in the three immediately preceding financial years is not exceeding Rs. ten crores, hence there is no requirement for carrying impact assessment.
5. (a) Average net profit of the company as per sub-section (5) of section 135: **INR 3,54,53,90,000/-**
 (b) Two percent of average net profit of the company as per sub-section (5) of section 135: **INR 7,09,07,800/-**
 (c) Surplus arising out of the CSR Projects or programmes or activities of previous financial years- **NIL**
 (d) Amount required to be set-off for the financial year, if any- **NIL**
 (e) Total CSR obligation for the financial year [(b)+(c)+(d)]: **INR 7,09,07,800/-**
6. (a) Amount spent on CSR projects (both Ongoing Project and other than Ongoing Project): **INR 6,86,94,400/-**
 (b) Amount spent in Administrative Overheads: **INR 22,13,400/-**
 (c) Amount spent on Impact Assessment, if applicable: Not Applicable
 (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: **INR 7,09,07,800/-**
 (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
7,09,07,800	Not Applicable	-	Not Applicable		-

- (f) Excess amount for set-off, if any:

S. No	Particular	Amount (in Rs.)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per section 135(5)	7,09,07,800
(ii)	Total amount spent for the Financial Year	7,09,07,800
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

7. Details of Unspent CSR amount for the preceding three financial years: **Nil**

1	2	3	4	5	6		7	8
Sl. no.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding financial years. (in Rs.)	Deficiency, if any
					Amount (in Rs.)	Date of Transfer		
Nil								

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **No**
9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135: **Not Applicable**

**For and on behalf of the Board of
DMI Finance Private Limited**

Sd/-
Shivashish Chatterjee
Managing Director
DIN: 02623460
Address: Express Building, 3rd
Floor, 9-10, Bahadur Shah Zafar
Marg, New Delhi- 110002

Sd/-
Arjun Malhotra
Chairman of CSR committee
DIN: 00177397
Address: Express Building, 3rd
Floor, 9-10, Bahadur Shah Zafar
Marg, New Delhi- 110002

Date: August 13, 2025

FORM NO. MR-3

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31st MARCH, 2025**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel)
Rules, 2014]

**To,
The Members,
DMI Finance Private Limited
Express Building, 3rd Floor 9-10,
Bahadur Shah Zafar Marg,
New Delhi - 110002**

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **DMI Finance Private Limited** (*hereinafter called "the Company"*). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2025 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:

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

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder- **To the extent applicable;**
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;- **To the extent applicable;**
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (FDI);
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI (LODR) Regulations, 2015”) - **To the extent applicable;**
 - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011- **Not applicable to the Company;**
 - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015- **The Company is complying with the applicable provisions during the audit period under review;**
 - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, [*erstwhile The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009*]- **Not applicable during the audit period under review;**
 - e. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021- **Not applicable to the Company**
 - f. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021
 - g. 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;- **To the extent applicable;**
 - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021- **Not applicable to the Company;** and
 - i. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 - **Not applicable to the Company.**
- vi. Other laws as applicable specifically to the Company:
- a. Reserve Bank of India Act, 1934 and rules, regulations & directions issued from time to time.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI) with respect to Board and General Meetings.

During the year under review, the Company has complied with the provisions of the Act, rules, regulations, guidelines, standards, etc. mentioned above.

I further report that:

During the year under review, the Company was falling into the category of High-Value Debt Listed Company and was required to comply with the provisions of Regulation 16 to 27 of SEBI (LODR) Regulations, 2015 on 'comply or explain' basis until March 31, 2025 as per Regulation 15 of SEBI (LODR) Regulations, 2015. However, as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2025 dated March 27, 2025, the Company is not a High Value Debt Listed Entity and the provisions of Regulation 16 to 27 of SEBI (LODR) Regulations, 2015 are no longer applicable on it. However, the Company continues to take initiative to adopt the Corporate Governance norms of SEBI (LODR) Regulations, 2015 on a voluntary basis.

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

Adequate notices, agenda and detailed notes on agenda were given to all directors to schedule the Board Meetings in compliance with the provisions of the Act, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

The resolutions were passed at all the meetings by the requisite majority and there were no instances of the dissent which were required to be captured and recorded as part of the minutes.

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

Further I report that during the audit period, the Company has taken the following major decisions:

- a. Allotment of Non- Convertible Debentures (NCDs) amounting to INR 2,095.70 million on Private Placement basis and Commercial Papers amounting to INR 9,000 million.
- b. Allotment of 1,45,423 equity shares on the exercise of stock options by employees of the Company as per DMI Employee Stock Option Plan, 2018-Extended (as amended from time to time).
- c. Pursuant to an application made to National Company Law Tribunal ("Tribunal") for reduction of issued and subscribed capital of the Company by cancellation of unpaid and uncalled capital on/for the 5,73,15,400 partly paid-up shares, an order approving such reduction dated 09th July, 2024 has been received from Tribunal.
- d. Increase in authorized share capital of the Company from the existing INR 2000,00,00,000/- (Indian Rupees Two Thousand Crores Only) to INR

2090,00,00,000/- (Indian Rupees Two Thousand Ninety Crores Only) by addition of 9,00,00,000 (Nine Crore) Compulsory Convertible Preference Shares of INR 10/- each vide approval of members in the Extraordinary General Meeting held on March 25, 2025.

- e. Redemption/ repayment of Non-Convertible Debentures amounting to INR 1,700 Million and Commercial Papers amounting to INR 9,000 Million.

This report is to be read with our letter of even date which is annexed as “**Annexure-1**” and forms an integral part of this report.

**For VLA & Associates
(Company Secretaries)**

**Sd/-
Vishal Lochan Aggarwal
(Proprietor)**

FCS No.: 7241

C P No.: 7622

UDIN: F007241G000966320

Place: New Delhi

Date: 8th August, 2025

**To,
The Members,
DMI Finance Private Limited
Express Building, 3rd Floor, 9-10,
Bahadur Shah Zafar Marg,
New Delhi – 110002**

My report on even date is to be read along with this letter.

Management's Responsibility:-

1. Maintenance of secretarial records and other records under the scope/ambit of Secretarial Audit (hereinafter called 'Record') is the responsibility of the management of the Company. My responsibility is to express an opinion on these records based on my audit.
2. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

Auditor's Responsibility:-

3. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
4. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion. I have not verified the correctness and appropriateness of the financial records and Books of Accounts of the Company.
5. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer:-

The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For VLA & Associates
(Company Secretaries)**

**Sd/-
Vishal Lochan Aggarwal
(Proprietor)**

FCS No.: 7241

C P No.: 7622

UDIN: F007241G000966320

Place: New Delhi

Date: 8th August, 2025

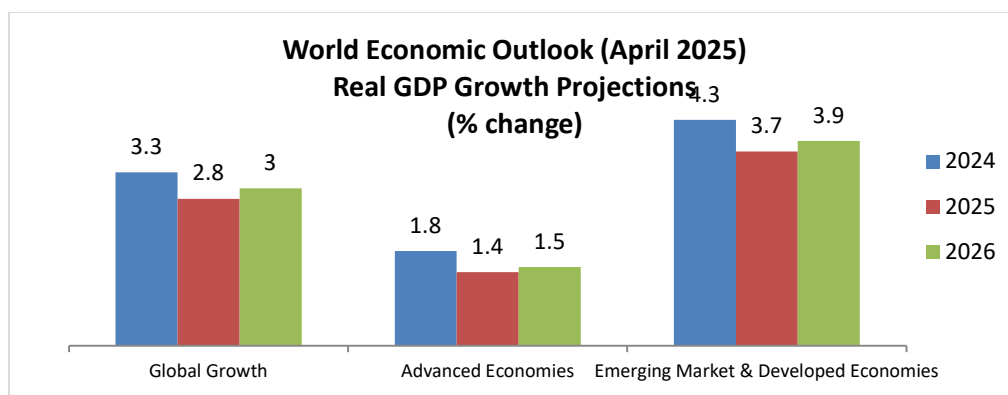
DMI FINANCE PRIVATE LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS REPORT FY 2024-25

Global Economic Overview

The global economy in FY 2024-25 finds itself at a pivotal crossroads, marked by rising policy uncertainty, elevated trade tensions, and a delicate recovery from recent global disruptions. According to the International Monetary Fund's World Economic Outlook (April 2025), titled "A Critical Juncture amid Policy Shifts", the trajectory of global growth has weakened amid shifting macroeconomic priorities and escalating protectionist sentiment.

Following a brief period of stabilisation, global GDP growth is now projected to slow to 2.8% in 2025—significantly lower than earlier estimates and well below the pre-pandemic average of 3.7% (2000–2019). This downward revision has been driven largely by broad-based tariff escalations, notably by the United States and its key trading partners, which have pushed global effective tariff rates to their highest levels in a century. These trade disruptions have dampened investor confidence and introduced fresh uncertainties into global supply chains and capital flows.



Source: IMF [World Economic Outlook \(April 2025\)](#)

Advanced economies are expected to witness subdued momentum, with growth in the United States moderating to 1.8% and the Euro area decelerating to 0.8%, constrained by tightening financial conditions and policy-induced demand headwinds. Emerging markets and developing economies, while growing faster at 3.7%, face challenges from persistent capital outflows, exchange rate pressures, and limited fiscal room.

Global inflationary trends are easing, with headline inflation projected to decline to 4.3% in 2025 and to 3.6% in 2026. However, the disinflation path remains uneven, with services inflation proving more persistent and real interest rates remaining relatively high across major economies.

Outlook

Risks to the global outlook remain skewed to the downside. Key concerns include heightened geopolitical conflicts, volatile financial markets, and a retreat from international development cooperation—factors that could disproportionately impact lower-income and externally financed economies.

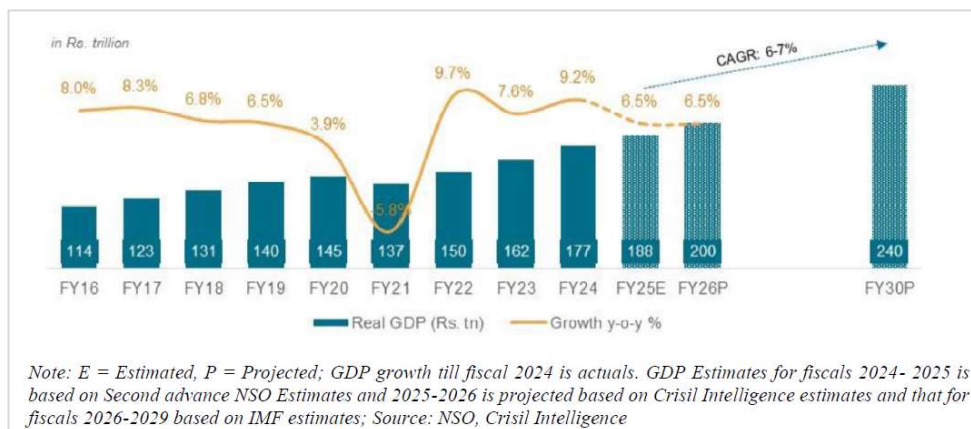
In this context, the IMF has reiterated the importance of globally coordinated and transparent policy actions to safeguard macroeconomic stability and support inclusive growth. For India and its dynamic financial ecosystem, this external environment underscores the importance of maintaining resilience, enhancing credit quality, and deepening financial inclusion to effectively navigate global headwinds.

Indian Economic Overview

Amid global headwinds and heightened geopolitical uncertainty, the Indian economy continued to display remarkable resilience and forward momentum through FY 2024–25. Supported by strong domestic fundamentals, sustained policy continuity, and structural reforms, India has maintained its position as one of the fastest-growing major economies.

Broad-Based Growth amid Global Challenges

Real GDP growth for FY 2024–25 is 6.5%, reflecting robust activity across consumption, investment, and government expenditure. Key sectors such as construction, trade, and financial services remained significant contributors to this expansion, buoyed by continued infrastructure development and steady credit flow to both retail and business segments.



Easing Inflation and Proactive Policy Support

Year-on-year inflation rate for March 2025 dropped to 3.34%, a decline of 27 basis points from February 2025, marking the lowest monthly inflation rate since August 2019. The RBI, in its June Monetary Policy Update, noted that CPI headline inflation continued its declining trajectory in March and April, with headline CPI inflation moderating to a nearly six-year low of 3.2% year-on-year in April 2025. Food inflation recorded the sixth consecutive monthly decline. Core inflation remained largely steady and contained during March-April and the RBI expects benign prices across major constituents.

Towards achieving its medium-term target for consumer price index (CPI) inflation of 4% within a band of +/- 2 per cent, while stepping up growth momentum, the RBI reduced the repo rate by 25 basis points in FY 2024-25. It announced an additional 75 basis point reduction in FY 2025-26 (until June 2025), with the objective of maintaining the growth momentum and changed its stance to 'Neutral' after considering India's changed growth-inflation outlook.

Resilience in the External Sector

India's external position remained stable despite a volatile global financial environment. While foreign portfolio investor (FPI) outflows persisted, domestic institutional flows have helped offset pressure on capital markets. The rupee experienced intermittent depreciation during the year, underscoring the need for continued vigilance in managing external vulnerabilities.

Positive Trends in Employment

Labour market indicators showed encouraging signs, with urban unemployment falling to 6.4%, its lowest level in recent years. Employment generation in manufacturing reached its second-highest level since the inception of the PMI survey, while services also witnessed healthy job creation, supported by strong demand, and sustained output growth.

Strengthening Position in the Global Economy

India's GDP grew at 6.5% in FY 2024-25, the highest among major economies. On its current trajectory, India is positioned to become the fourth-largest economy in the world and is projected to surpass Germany by 2027, securing a place among the top three global economies. However, the gap with China remains significant, with the latter's GDP projected at \$19.5 trillion.

Stable Financial Markets and Improved Liquidity

Liquidity conditions in the banking system improved over the year, aided by increased government expenditure and timely interventions by the RBI. These efforts stabilised short-term borrowing costs

and bolstered credit availability. The central bank reaffirmed its commitment to maintaining financial stability while facilitating growth through data-driven policy actions.

Outlook

Looking ahead, the RBI's April 2025 Monetary Policy Report projects GDP growth of 6.5% for FY 2025–26, with inflation expected to remain within the target band of 4%. Easing food prices and a continued policy focus on capex and financial stability are likely to further support domestic consumption and private investment. However, global volatility, capital flow reversals, and currency fluctuations remain key watchpoints.

Crisil Intelligence also endorses the expectation that the GDP growth rate will remain steady at 6.5% in fiscal 2026, driven primarily by private consumption, which is expected to recover due to better agricultural prospects and an increase in government consumption expenditure. Private consumption is expected to recover further, while investment growth hinges on private capital expenditure (capex). However, geo-politics will remain a key monitorable factor in the next fiscal year, given the potential wide-ranging changes expected from the Donald Trump administration. The GDP estimates are also based on the assumption that upcoming monsoon season would be normal and commodity prices will remain soft. As India consolidates its position as a leading global economy, opportunities for sustained growth across sectors—including the digital financial ecosystem—are expected to expand. Other indigenous advantages that could drive strong economic growth over the long term include the large population and predominantly young demographic and the rise in urbanisation.

Industry Overview

Overview of the Financial Services Sector

The Indian BFSI sector has experienced a remarkable >50x surge in market capitalisation over the past two decades, expanding to ₹91 trillion in 2025 from ₹1.8 trillion in 2005, reflecting a CAGR of ~22%. While banks remain the backbone, their share in the total BFSI sector market cap has declined to ~57% at present from 85% in 2005. This shift is largely due to the emergence of segments such as Non-Banking Financial Companies (NBFCs) and fintech firms, backed by technological shift and innovation. The fintech space, which was virtually non-existent until 2015, now boasts a market cap of >₹12 trillion, both listed and unlisted together.

The financing market, which comprises banks (excluding agriculture credit) and NBFCs/ Housing Finance Companies (HFCs), is projected to be valued at ₹208 trillion by the end of fiscal 2025. Banks are expected to continue dominating the market, accounting for a share of about 76% with a portfolio of ₹157 trillion. Meanwhile, NBFCs/ HFCs are expected to hold a share of about 24% with ₹50 trillion.

India's financial services sector continues to serve as a cornerstone of the nation's economic progress, underpinned by robust regulatory oversight, expanding financial inclusion, and rapid digitisation. The sector spans a diverse spectrum of participants—including banks, NBFCs, insurance companies, mutual funds, and a fast-growing fintech ecosystem—each contributing to a financial landscape that is increasingly agile, inclusive, and technology-led.

A key driver of growth in recent years has been the rising demand for credit across retail and enterprise segments. The appetite for financing remains strong among Micro, Small and Medium Enterprises (MSMEs), first-time homebuyers, and vehicle purchasers—segments that are crucial to employment generation and inclusive development. NBFCs have been instrumental in addressing this demand by delivering customised products and extending credit access to underserved geographies and customer profiles.

Simultaneously, India's shift from a cash-dominated economy to a digitally empowered one has been nothing short of transformative. Greater mobile penetration, low-cost internet, Aadhaar-enabled identity systems, and deeper banking access have accelerated the adoption of digital finance. This shift has enabled both traditional institutions and new-age fintech players to overcome the challenges of India's vast geography by leveraging scalable, digital-first models.

The India Stack—comprising Aadhaar, e-KYC, eSign, and UPI—has played a pivotal role in shaping the evolution of digital credit delivery. These interoperable, API-enabled building blocks have simplified customer onboarding, enabled real-time identity verification, streamlined documentation, and facilitated instant disbursement of loans. Traditional lenders have increasingly integrated these tools into their operations, resulting in faster, more efficient, and more inclusive credit processes.

The growth of retail credit, including housing and vehicle finance, has also been fuelled by rising income levels, increased urbanisation, and the expansion of formal credit access into tier-2 and tier-3 cities. Government initiatives such as collateral-free credit guarantees for MSMEs, liquidity-enhancing schemes, and reforms in credit infrastructure have further catalysed this momentum.

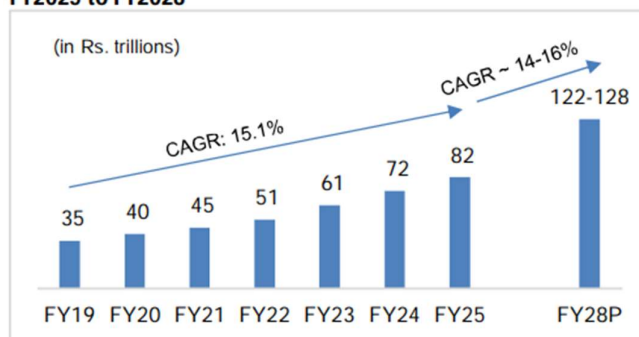
Technology continues to reshape the operating model of lenders. From automated underwriting and digital loan servicing to AI-powered fraud detection and personalised credit scoring, data-driven insights now power end-to-end decision-making. For borrowers, digital tools have made it easier to compare lenders, understand loan terms, and access credit without geographic or logistical constraints.

Looking ahead, the outlook for India's financial services sector remains promising. A favourable regulatory environment, growing credit appetite, and deeper digital penetration across urban and rural markets together create a strong runway for sustained expansion.

Retail Lending

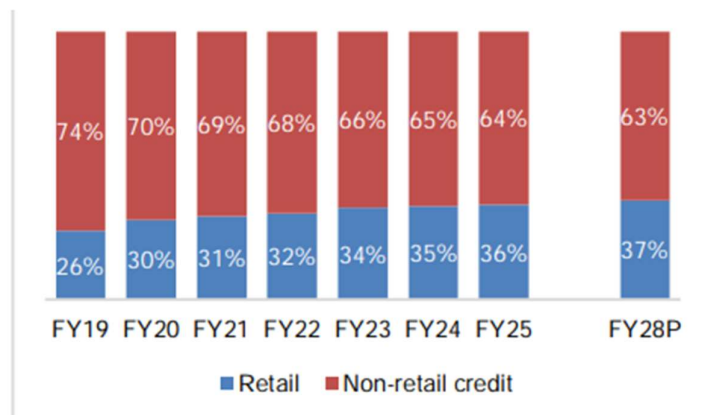
Retail lending continues to be a key driver of credit expansion in India's financial ecosystem, outpacing other segments in both momentum and market penetration. Retail credit, which includes small ticket loans for asset classes such as housing finance, vehicle finance, gold loans, education loans, consumer durable loans, personal loans, credit cards and microfinance in India has grown at a CAGR of 15.1% between FY19 and FY25. In FY25, it grew at 14% to reach Rs 82 trillion, on the back of a steady demand for underlying assets including housing and automobiles as well as consumption via credit cards and personal loans.

Retail credit growth is projected to grow on a strong footing from FY2025 to FY2028



Note: E: Estimated, P: Projected
Source: RBI, Crisil Intelligence

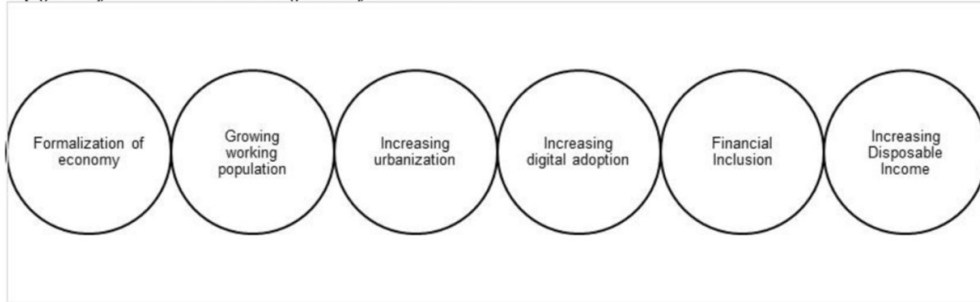
Retail segment is projected to account for 37% of overall systemic credit as of FY28



Note: E: Estimated, P: Projected. The above percentages are calculated on total systemic credit
Source: RBI, Crisil Intelligence

According to CRISIL Intelligence, Retail loan growth is expected to increase moderately to 17-18% in FY26, driven by growth in housing, vehicle and customer durable loans. In contrast, the wholesale segment's growth rate is projected to decline slightly, mainly due to an expected slowdown in infrastructure disbursements. However, MSME and corporate and real estate loans are expected to continue to see an uptick.

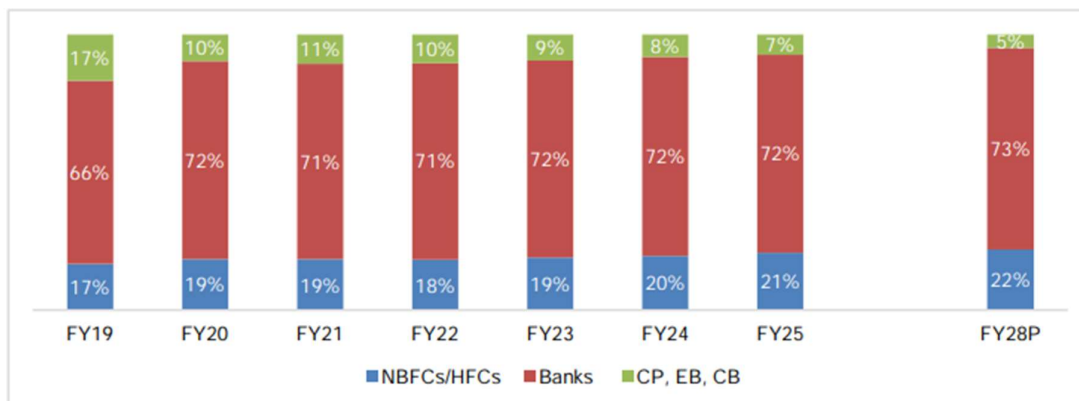
Key growth factors that will aid the growth of retail credit



NBFC Sector

India's NBFCs continue to play a pivotal role in extending credit access and fostering financial inclusion, particularly in underserved and emerging segments. By offering tailored financial solutions and leveraging technology for last-mile delivery, NBFCs have become enablers of retail credit, MSME funding, and consumption-driven growth and are playing a significant role as India progresses towards becoming a \$10 trillion economy. In FY25, NBFCs/HCFs accounted for 21% of overall systemic credit, underscoring their growing systemic relevance.

Share of NBFCs/HFCs in overall Systemic Credit



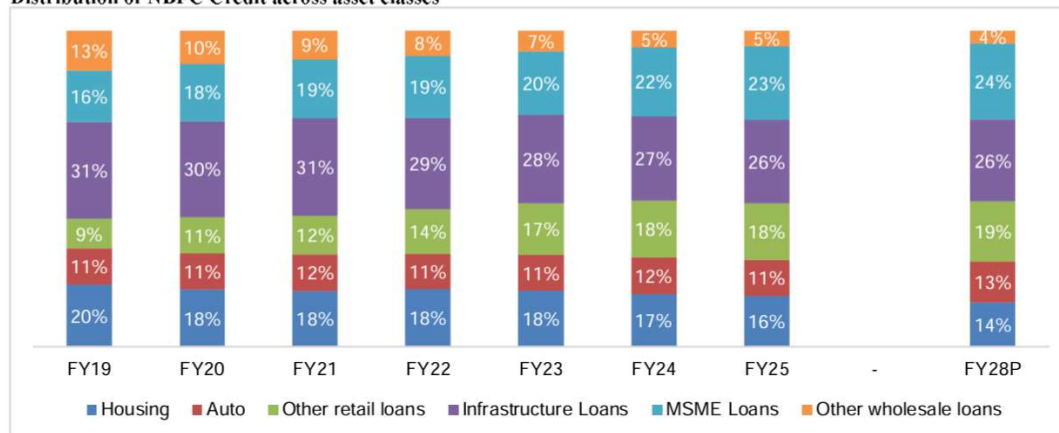
Note: E: Estimated, P: Projected; Systemic credit includes domestic banking credit, NBFC credit, commercial papers, external borrowings, corporate bonds excluding those issued by Banks and NBFC; Source: RBI, Company Reports, Crisil Intelligence

Source: CRISIL Intelligence Report on Loans and Financial Services Industry in India (June 2025)

The credit growth of NBFCs which has trended above India's GDP growth historically, is expected to continue to rise at a faster pace. NBFCs have shown remarkable resilience and gained importance in the financial sector ecosystem, growing from less than Rs. 2 trillion AUM at the turn of the century to Rs. 48 trillion at the end of FY25. During FY19 to FY25, NBFC Credit is estimated to have witnessed a growth at CAGR of 13.2%. Rapid revival in the economy is expected to drive consumer demand in FY26, leading to healthy growth in NBFCs. Digital innovations such as e-KYC, paperless on-boarding,

and Check-out Finance offerings have made borrowing more accessible and frictionless across urban and semi-urban geographies.

Distribution of NBFC Credit across asset classes



*Note: Other retail loans include gold loans, microfinance loans, personal loans, consumer durable loans, education loans, Other wholesale loans include wholesale loan and construction equipment loan;
Source: Company reports, Crisil Intelligence*

Source: CRISIL Intelligence Report on Loans and Financial Services Industry in India (June 2025)

In FY25, the credit growth of NBFCs is estimated to have slowed to 18%, compared to 21% recorded in previous fiscal, mainly due to slowdown in unsecured loans, including microfinance, personal loans and consumer durables. Infrastructure loans accounts for the highest share in the NBFC credit (26%) as of FY25, its share in the overall NBFC credit outstanding has come down over the past years from 31% in FY19. Retail and MSME segments are expected to experience higher growth in the upcoming fiscals. MSME credit accounted for 23% share as of FY25, witnessing a rise in its market share from 16% in FY19. Housing and auto segment constitute ~16% and ~11% share in overall NBFC credit as of FY25.

Unsecured business loans grew at 28.7% CAGR, reflecting NBFCs' increasing role in closing the credit gap for enterprises lacking sufficient assets. Education loans posted a 41.4% CAGR, and personal loans followed with 34.7%, underlining growing demand for flexible and easily accessible credit. Meanwhile, the non-retail MSME portfolio—which includes secured, hypothecation, and unsecured loans—grew at a moderate CAGR of 8.4% to 11.8%.

In February 2025, the RBI rolled back the 25% increase in risk weights on bank exposures to NBFCs, effectively reinstating the previous levels. This revision, which took effect from April 1, 2025, is expected to boost credit growth from banks to NBFCs, with a positive ripple effect on the overall credit flow to the retail segment in fiscal 2026.

On the funding side, bank lending to NBFCs has nearly doubled over the past decade. Going forward, while access to diversified funding is expected to improve for well-performing NBFCs, reliance on bank

funding is likely to moderate, influenced by regulatory changes, liquidity conditions, and evolving risk-weight norms.

As the sector looks ahead, trends such as AI-led underwriting, co-lending partnerships, ESG-aligned credit, and rural market expansion are expected to shape its next phase of growth. With credit expected to grow at a CAGR of 15–17% between FY25 and FY28, NBFCs are well-positioned to bridge India's credit gap and power inclusive, tech-enabled financial empowerment.

Digital Lending

India's digital lending sector continues to experience rapid transformation, powered by widespread digitisation, favourable regulation, and evolving consumer preferences. Adoption of digital platforms has allowed lenders to offer seamless onboarding, dynamic pricing, and instant disbursals. The digital lending market size is projected to reach ₹4.5-5.0 trillion by FY28, growing at a 40% CAGR, driven by mobile-first millennials, Gen Z, and tech-first MSMEs.

As Gen Z continues to mature and millennials advance in their careers, the demand for diverse credit products will likely expand. The younger generation's familiarity with digital platforms will drive further innovation and competition in the lending market. Millennials are significant borrowers, accounting for ₹25-28 trillion in FY24, while Gen Z contributed ₹3.5-4.0 trillion, largely towards credit usage and personal loans.

With over 733 million individuals, Gen Z (377 Mn) and Millennials (356 Mn) together make up more than half of India's population — a digitally native, aspiration-driven cohort that holds the key to the next wave of credit growth in the country. As per the report by Redseer titled "The New Age of Borrowing: A Generational Shift Towards Digital Lending", only 15-20% of Gen Z individuals in India are currently credit active. This is notably lower compared to other countries, such as South Africa (35-40%), China (40-45%), and the USA (75%). This gap presents a significant opportunity for growth in credit adoption among India's younger population, suggesting a promising future for digital lending. Moreover, the increasing integration of AI and machine learning in digital lending platforms will enhance customer experience, making loan approvals faster and more accurate. This technological advancement will further boost the appeal of digital lending among tech-savvy consumers.

Regulatory guidelines by RBI, particularly the Digital Lending Directions, 2025, issued on May 8, 2025, have added significant discipline to the ecosystem. These guidelines include provisions for mandatory reporting of Digital Lending Apps (DLAs) on RBI's Centralized Information Management System (CIMS) portal, transparency norms like standardized Key Fact Statements (KFS), and regulations for Loan Service Provider (LSP) disclosures. As internet penetration deepens and smartphones proliferate

across Tier II/III cities, digital lending is expected to further democratize access to formal credit and promote financial inclusion.

Micro, Small, and Medium Enterprises (MSME) Lending

The MSME sector remains a critical pillar of India's economic architecture, contributing significantly to employment generation, exports, and industrial output. According to the Ministry of MSME, the sector contributes around 30% to India's GDP and over 45% to exports. As of March 2025, the Udyam Portal recorded over 6.20 crore registered MSMEs, collectively supporting livelihoods for more than 25 crore individuals. Their contribution to India's total exports reached 45.79% in FY 2024-25 (up to May 2024), highlighting their growing impact on global trade.



Note: *Data as of Fiscal 2023, ^Data as of Fiscal 2022 **The numbers are estimated.

Source: MSME Ministry Annual report for Fiscal 2023, MSME Ministry Annual report for Fiscal 2024, Ministry of Micro, Small & Medium Enterprises (Source: <https://www.pib.gov.in/PressNoteDetails.aspx?NotelD=152063&ModuleId=3®=3&lang=1>), Crisil Intelligence

Source: Source: CRISIL Intelligence Report on Loans and Financial Services Industry in India (June 2025)

To strengthen this vital ecosystem, the Union Budget 2025–26 introduced several forward-looking measures, including an upward revision in investment and turnover thresholds under the MSME classification—effective April 1, 2025. This move aims to incentivise scale and formalisation while preserving access to policy benefits such as priority sector lending, tax reliefs, and public procurement support. The credit guarantee scheme has also been broadened, particularly benefiting micro-enterprises, startups, and export-oriented MSMEs.

Alongside policy reform, technology has played a transformative role in reshaping MSME lending. Lenders are increasingly leveraging digital infrastructure, alternative data sources, and tech-based underwriting models to reach and serve small businesses with greater speed and accuracy. This shift has been accelerated by several enabling factors:

- **Digital and Technological Enablers:**
 - Growth of B2C and B2B e-commerce platforms connecting MSMEs to broader markets

- Emergence of tech-led NBFCs focused on MSME credit
- Greater internet penetration through low-cost data
- Proliferation of digital business tools for accounting, invoicing, and operations—enhancing data availability and credit visibility
- **Government-led Reforms:**
 - Implementation of UPI for real-time digital payments
 - Introduction of GST- improving compliance and formalisation
 - Aadhaar-based e-KYC reducing documentation and improving turnaround times
 - ONDC creating an open e-commerce infrastructure for MSMEs
- **RBI Initiatives:**
 - Launch of the Trade Receivables electronic Discounting System (TReDS) platform for receivables discounting
 - Introduction of Account Aggregators to facilitate secure, consent-based data sharing

The launch of the Udyam Assist Platform is another milestone in extending formal credit to micro-enterprises previously outside the formal fold. Together, these developments are expanding access to finance, fostering digitisation, and positioning MSMEs for long-term, sustainable growth in India's evolving credit ecosystem.

Company Overview

DMI Finance is a rapidly growing NBFC that has consistently evolved to stay ahead of the curve. Established in 2008, the Company initially focused on real estate lending. However, it strategically diversified into digital lending in 2017 with a vision—to simplify and democratise access to credit for consumers across India.

Since then, DMI Finance has emerged as a disruptor in the digital consumer lending space by redefining conventional credit practices through innovative strategies and cutting-edge technology. The commercial launch of its consumer lending business coincided with the early development of India Stack, which the Company quickly recognised as a transformative infrastructure. This early adoption enabled DMI Finance to build a digital-only lending platform that delivers a seamless and efficient customer experience, far superior to traditional models. Its 100% digital model allows for robust scalability and best-in-class efficiency metrics.

Over the years, DMI Finance has expanded its product suite to include three primary offerings—personal loans, consumption loans, and MSME loans—catering to the diverse credit needs of India's

evolving consumer base. As of March 31, 2025, the Company has served over **17.7** Mn customers, a testament to the strength of its technology-driven approach and deep partner ecosystem.

Building Blocks of DMI's Scalable Digital Lending Engine

At the heart of DMI Finance's rapid growth and operational efficiency lies a robust, full-stack digital architecture built for scale. The Company's digital-first DNA, complemented by advanced technology, strategic partnerships, and intelligent automation, has created a highly efficient and adaptable lending platform. Every element—from customer sourcing to collections—is designed for seamless integration, scalability, and superior performance.

Partner-Driven Distribution Model

DMI Finance operates through a unique B2B2C model that relies on deep, API-driven integrations with a diverse set of channel partners spanning OEMs (especially in mobile and consumer electronics), retail, telecom, payment platforms, and fintechs. Collaborations with leading players like Samsung, Airtel, and Google Pay enables the Company to efficiently access large, relevant customer pools without the need for any Feet-on-Street (FoS) support.

This model not only brings down customer acquisition costs significantly but also allows for highly contextual lending journeys embedded within the partner ecosystem. By leveraging its partners' insights and reach, DMI co-creates tailored credit experiences that align with consumer intent and improve conversion.

Intelligent, Automated Underwriting

DMI's credit engine is built on fully automated, proprietary underwriting models. Every application is processed without manual intervention, enabling near instant decisioning while maintaining high levels of risk discipline. The system incorporates multiple data sources—credit bureau information, KYC checks, behavioural signals among others—to holistically assess borrower eligibility.

The Company has also developed in-house income estimation models to accurately predict income levels, even for customers with thin credit files. Identity verification, document validation, and selfie-to-ID photo matching are all embedded within the onboarding flow—resulting in a streamlined and secure customer experience.

A Customer-First, Feedback-Driven Approach

DMI's commitment to customer satisfaction is evident in its consistently high Net Promoter Score (NPS) of 69.5 and a strong Google rating of 4.4. The Company's Customer VoiceBOT manages a high volume of queries and collections reminders, offering 24x7 assistance. The VoiceBot has been further

configured for cross-sell and can be scaled for future product introductions—enhancing both responsiveness and relationship value.

Data-Led, Digital-First Collections

Collections, while the final stage in the credit journey, is a critical determinant of business sustainability. DMI Finance has built a strong collections framework, driven by technology, and powered by a blend of internal teams and external agencies. A centralised collections team of ~100 professionals is supported by over 125 collection agencies across India.

DMI's collections strategy is intelligent and segmented. Cases are prioritised using behavioural scoring models that determine the appropriate channel—automated bots, IVRs, SMS, or direct field visits—based on delinquency risk. Bucket 1 (1–30 days past due) cases are managed through diallers and VoiceBOTS, while higher-risk cases in Bucket 2 and beyond are allocated to agency field resources, with tele-calling layered in where needed.

Digital repayment infrastructure—NACH mandates and e-mandates—ensures seamless recovery, while the system's scalability supports future growth without proportional increases in cost or headcount.

Together, these building blocks—partner-led acquisition, automated credit decisioning, intelligent collections, and a tech-enabled service model—form the foundation of DMI Finance's scalable and future-ready lending engine. This architecture not only drives operational excellence but also positions the Company for sustained leadership in India's dynamic digital credit ecosystem.

Opportunities and Threats

Opportunities

Rebound in Economic Activity

A broad-based economic recovery provides a fertile backdrop for growth in credit demand. As consumer and business sentiment improves, so does the appetite for personal consumption, capital investment, and expansion financing. For DMI Finance, this resurgence creates a compelling opportunity to scale its offerings across personal loans, MSME credit, and new product lines.

Expanding Aspirational Middle Class and MSME Sector

India's growing middle-income population and the dynamic MSME segment represents significant demand for customised financial solutions. With rising aspirations and increased digital adoption, these customer groups seek diverse financial products—from personal and consumption loans to

asset-backed and business loans. DMI Finance is well-positioned to serve this evolving demand through its 100% digital, customer-centric model.

Deepening Financial Inclusion

Large sections of the Indian population remain underserved by formal credit systems. DMI Finance has the opportunity to bridge this gap by offering accessible, affordable, and transparent credit solutions. With its robust technology stack and data-driven underwriting, the Company can effectively cater to new-to-credit and thin-file customers while promoting responsible financial inclusion.

Acceleration in Digital Adoption

The proliferation of smartphones, digital IDs, and real-time payment systems is transforming how credit is delivered and consumed. DMI Finance's API-led, full-stack platform is designed to capitalise on this shift. With the use of automation and advanced technologies such as AI and machine learning, the Company can continue to enhance its reach, operational efficiency, and customer engagement.

Innovation in Product and Channel Ecosystems

The integration of fintech capabilities with embedded finance models opens avenues for product innovation and distribution. DMI Finance's partner-led B2B2C approach, coupled with its ability to create contextual lending journeys, allows the Company to deepen existing partner relationships and unlock new segments across retail, telco, and digital commerce ecosystems.

Threats

Macroeconomic Volatility

Persisting geopolitical tensions, commodity price shocks, or global monetary tightening could lead to inflationary pressures and elevated interest rates. Such conditions can weaken consumer purchasing power, raise funding costs, and adversely impact borrower repayment capacity—posing a risk to portfolio performance.

Intensifying Competitive Landscape

The NBFC sector continues to attract new entrants, including digital-first and niche-focused players. Increased competition for the same target segments—particularly in unsecured and small-ticket lending—can put pressure on margins, customer retention, and market share unless the overall market expands at a sustained pace.

Evolving Regulatory Environment

NBFCs operate in a dynamic regulatory landscape where policy changes can significantly alter operational frameworks. Increased compliance requirements, changes in capital adequacy norms, or restrictions on lending practices may necessitate business model adjustments, affect capital allocation, and increase operational overheads.

Technological Disruption and Rising Expectations

While technology is a key enabler for DMI Finance, it also brings inherent risks. The rapid pace of innovation requires continuous investments in infrastructure, cybersecurity, and talent. Lagging in technology adoption could result in erosion of competitive advantage, especially as customer expectations for seamless, fast, and secure services continue to rise.

Cybersecurity and Data Risks

As a fully digital lender handling sensitive customer information, DMI Finance must remain vigilant against the increasing threat of cyberattacks and data breaches. Ensuring robust data protection and adhering to privacy regulations are critical to maintaining trust and operational continuity.

Financial Performance (standalone)

(₹ in Million)

Particulars	March 2025	March 2024
Revenue from Operations	30,972.43	26,467.17
Other Income	169.70	219.50
Total Revenue	31,142.13	26,686.67
Total Expenses	31,064.87	21,210.61
Profit After Tax (PAT)	53.11	4,166.38
Capital to risk weighted Assets Ratio (CRAR)	61.06%	44.76%
Gross NPA	3,865.80	3,226.26
Net NPA	2,160.11	1,932.33
Net Owned Funds	64,365.93	64,764.41

Human Resources

At DMI Finance, our people form the foundation of our sustained progress and innovation. Guided by our values of empowerment, transparency, and fairness, we are deeply invested in building a digitally enabled, inclusive workplace that fosters agility and resilience. Our people strategy is focused on attracting high-calibre talent, nurturing potential through structured learning and upskilling, and offering clear growth pathways aligned with organizational objectives. We emphasize a performance-driven culture that encourages leadership at all levels and supports continuous development across

the employee lifecycle—from recruitment to retention. This approach ensures that our workforce remains future-ready and fully equipped to drive long-term value creation.

Risk Management

A robust risk management framework is central to DMI Finance’s ability to deliver consistent performance and long-term value. The Company operates in a dynamic financial services landscape, where exposure to strategic, operational, credit, market, and regulatory risks is inherent. Recognising this, DMI Finance has built a proactive and structured risk management architecture that enables it to manage uncertainties while seizing emerging opportunities.

Risk identification begins at the business unit level, where teams assess potential exposures linked to operations, market conditions, and customer behaviour. These insights feed into a comprehensive risk oversight mechanism that is governed by the Company’s Risk function. Leveraging technology and data analytics, DMI Finance continuously monitors key risk indicators and implements timely mitigation measures.

The Company’s risk management system is designed to be agile and responsive, enabling early detection of evolving risks. Automated underwriting, real-time portfolio monitoring, behavioural risk segmentation, and dynamic policy controls ensure that risk is appropriately priced and managed throughout the credit lifecycle.

In addition, the Company undergoes regular internal and external audits to independently assess the effectiveness of its risk governance frameworks. These audits ensure transparency, accountability, and adherence to regulatory standards, while also offering insights to strengthen internal controls and operational safeguards.

By embedding risk intelligence into decision-making and maintaining strong governance, DMI Finance ensures that it remains resilient, compliant, and future-ready in a complex and fast-changing environment.

Internal Control Systems and Their Adequacy

DMI Finance has instituted a well-defined internal control framework that is commensurate with the scale and complexity of its operations. These controls are rooted in a culture of integrity, accountability, and regulatory discipline, and are designed to support effective business operations, safeguard assets, ensure accurate financial reporting, and mitigate the risk of fraud or operational lapses.

The internal control systems encompass both financial and operational processes and are structured to provide reasonable assurance regarding the reliability of information, adherence to internal policies, and compliance with applicable laws and regulations.

The internal audit function plays a pivotal role in strengthening this framework. It follows a risk-based audit approach, routinely evaluating the adequacy and effectiveness of key controls across functions. Audit reviews also serve as a mechanism to identify process improvement opportunities and enhance governance standards.

Oversight of the internal control and audit environment is provided by the Audit Committee of the Board. The Committee reviews and approves the annual audit plan, monitors the resolution of key audit findings, and ensures that corrective measures are implemented promptly and effectively.

Through this dynamic and evolving control environment, DMI Finance reinforces operational resilience and maintains stakeholder confidence, while remaining responsive to regulatory developments and industry best practices.

Cautionary Statement

The Management has formulated and holds accountability for the financial statements presented in this report. These statements adhere to the accounting principles generally accepted in India and incorporate figures based on informed judgements and estimates. It is important to note that all projections, estimates, and expectations outlined in this report should be regarded as 'forward-looking statements' that are subject to influence from a range of internal and external risks. Risks related to the market, strategy, technology, operations, and stakeholders have the potential to substantially impact the business, leading to actual results that may significantly differ from those expressed or implied.