MANAGEMENT DISCUSSION AND ANALYSIS

1. INDUSTRY STRUCTURE AND DEVELOPMENTS

Global Economic Environment

The global economy during the financial year 2025-26 demonstrated resilience despite persistent geopolitical tensions, evolving trade dynamics and financial market volatility. Inflationary pressures moderated across several advanced and emerging economies, enabling many central banks to gradually shift from a restrictive monetary policy stance towards a more accommodative approach. Nevertheless, global growth remained uneven, reflecting the impact of trade fragmentation, supply chain realignments, elevated public debt levels and continuing geopolitical uncertainties.

The global financial system remained broadly stable during the year, supported by easing inflation, improved labour market conditions in several major economies and resilient domestic demand. However, heightened geopolitical risks, volatility in commodity prices and uncertainties surrounding international trade policies continued to pose challenges to the global economic outlook. International institutions bave indicated that while the global economy continues to expand, the pace of growth remains below long-term historical averages and is subject to downside risks arising from geopolitical conflicts and financial market developments.

Indian Economy

India continued to maintain its position as one of the fastest-growing major economies during FY 2025-26, supported by robust domestic demand, sustained public capital expenditure, resilient private consumption and improving investment activity. Government mitiatives focusing on infrastructure development, manufacturing, digitalisation, financial inclusion and ease of doing business continued to strengthen the country's long-term growth prospects.

According to the Provisional Estimates released by the Ministry of Statistics and Programme Implementation (MoSPl), India's reai Gross Domestic Product (GDP) grew by approximately 7.7% during FY 2025-26, reflecting broad-based growth across key sectors of the economy. Stable macroeconomic fundamentals, moderation in inflationary pressures, healthy tax collections and continued public investment contributed significantly to economic resilience during the year.

The Reserve Bank of India continued to pursue monetary and financial stability while supporting sustainable economic growth. The Indian banking and financial services sector remained well-capitalised, with healthy credit growth, improving asset quality and adequate liquidity. The Government's continued emphasis on infrastructure development, digital public infrastructure, manufacturing, logistics, renewable energy and financial inclusion is expected to provide sustained impetus to economic growth in the medium term.

NBFC Industry

The Non-Banking Financial Company (NBFC) sector continues to play a significant role in strengthening India's flnancial ecosystem by complementing the banking sector and facilitating credit dellvery across various segments of the economy. NBFCs have consistently contributed towards improving financial inclusion, supporting businesses, funding infrastructure and catering to sectors where traditional banking cbannels have relatively lower penetration.

During FY 2025-26, the sector remained resilient, supported by favourable macroeconomic conditions, stable asset quality, improved capitalisation and a robust regulatory framework prescribed by the Reserve Bank of India. The RBl continued its supervisory focus on governance standards, risk management practices, capital adequacy, liquidity management and responsible lending, thereby strengthening the overall resilience of the NBFC sector.

The regulatory framework for NBFCs continues to evolve with greater emphasis on sound corporate governance, risk-based supervision, internal controls, technology adoption and prudent financial management. These measures are expected to enhance the stability, transparency and long-term sustainability of the sector.

NBFC–Investment and Credit Company (NBFC-ICC)

Investment and Credit Companies (ICCs) constitute an important segment of the NBFC sector by undertaking financing and investment activities in accordance with the regulatory framework prescribed by the Reserve Bank of India. Their diversifled business model enables efficient capital allocation while supporting businesses and investinent activities across various sectors of the economy.

The operating environment for NBFC-ICCs during FY 2025–26 remained stable, supported by continued economic growth, improved business confidence and strengthening corporate balance sheets. At the same time, regulatory expectations relating to governance, risk management, capital adequacy, internal controls and compliance continued to increase, encouraging institutions to further strengthen their governance framework and operational resilience.

The Company continues to operate within this evolving regulatory environment and remains committed to maintaining prudent financial discipline, effective risk management practices, robust internal controls and high standards of corporate governance. The Company's business strategy remains focused on sustainable growth, preservation of capital and long-term value creation while ensuring full compliance with the applicable regulatory framework governing Non-Banking Financial Companies.

2. OPPORTUNITIES AND THREATS

Opportunities

India continues to present significant long-term growth opportunities, supported by a resilient macroeconomic environment, favourable demographics, sustained public investment and a stable regulatory framework. The Government's continued emphasis on infrastructure development, manufacturing, digitalisation, financial inclusion and ease of doing business is expected to support economic activity and enhance the demand for financial services.

The tinancial sector is witnessing increasing formalisation, improved digital adoption and greater transparency, creahng opportunities for well-governed NBFCs to strengthen their role in the financial ecosystem. Continued investment in infrastructure, renewable energy, logistics and manufacturing is expected to facilitate capitai formation and generate opportunities for investment and credit activities.

For an NBFC-ICC, prudent deployment of capital, diversified investment opportunities and disciplined credit assessment remain key drivers of sustainable growth. The Company's established governance framework, focus on regulatory compliance and emphasis on sound risk management position it to effectively evaluate investment opportunities and maintain a balanced portfolio while preserving asset quality.

The Reserve Bank of India's continued focus on strengthening governance standards, risk management practices and supervisory oversight is expected to promote greater stability and resilience within the NBFC sector. Well-capitalised and professionally managed NBFCs are likely to benefit from an improved regulatory environment that fosters sustainable and responsible growth.

Threats

The Company's performance continues to be influenced by domestic and global macroeconomic conditions. Geopolitical developments, fluctuations in interest rates, inflationary pressures, volatility in

financial markets, movements in equity valuations and changes in fiscal or monetary policies may have an impact on investment returns, funding costs and business sentiment.

The financial services sector confinues to operate in an increasingly competitive environment with participation from banks, NBFCs, alternative investment platforms and other financial intermediaries. Intensifying competition may exert pressure on yields, investment opportunitles and overall profitability. The evolving regulatory landscape also requires continuous strengthening of governance practices, compliance systems, technology infrastructure and risk management frameworks. Timely adaptation to regulatory developments remains essential to ensure operational resilience and long-term sustainability.

The Company seeks to mitigate these risks through prudent investment decisions, robust internal control systems, disciplined risk management practices, continuous monitoring of market developments and adherence to the regulatory framework prescribed by the Reserve Bank of India and other applicable laws. The Company remains focused on maintaining a diversified portfolio, preserving tinancial strength and pursuing sustainable growth while safeguarding the interests of its stakeholders.

3. OPERATIONS

The revenue from operations for the F.Y 2025-26 stood at Rs. 2,368.19 Lakhs as compared to Rs. 9,075.04 Lakhs in the F.Y 2024-25.

Net Profit/(Loss) after tax of the Company stood at Rs. (14,123.99) Lakhs in FY 2025-26 as compared to Rs. 4484.25 Lakhs in FY. 2024-2025.

The Total Asset size of the Company as of March 31, 2026 was 1,00,954 Lakhs as compared to 1,30,852.89 Lakhs in the previous year.

4. SEGMENT WISE PERFORMANCE

The details concerning the segment-wise performance of the Company are mentioned in the notes forming part of the financial statements.

a) Borrowing Profile:

Total borrowings of the Company for the year ended at 31st March 2026 stood at Rs. 14,244.13 Lakhs of which borrowings from Banks and Financial Institutions 16.77%, from lCDs 53.26%, from related parties stand at 29.50% and others 0.47%. The Company is continuously exploring all options to access low cost funds, mostly by way of Term Loans/NCDs in the current flnancial year, to further expand the operations.

During the previous year ended at 31st March 2026 the Company has not raised any amount through secured / unsecured redeemable non-convertible debentures (NCDs)/ (NCBs). The Company has been regular in making payments of principal and interest on the NCDs.

There are no NCDs that have not been claimed by investors or not paid by the Company afier the date on which the NCDs became due for redemption.

b) Deposits:

The Company being a Non-Deposit Taking NBFC-lCC, has not mobilized any Public Deposits during the financial year 2025-26 and there were no outstanding Public deposits at the end of the year.

c) Term Loans from Banks and Financial Institutions:

As at 31st March 2026, the total loans outstanding from banks and financial institutions amounted to Rs. 2388.48 lakh.

Inter-corporate Deposits from group companies/group Fls of INR 7,586.55 Lakhs; Unsecured Borrowings from Directors and their relatives and Shareholders of INR 4,202.50 Lakhs; during the financial year 2025-26.

The Company has timely serviced all of its debt obllgations during the financial year 2025-26 and it`s management is confident that timely servicing of debt obligations will continue throughout the current financial year. During the year, the Corporation has not availed refinance of its existing debt obligations.

5. OUTLOOK

The outlook for the Indian economy remains positive, supported by strong macroeconomic tundamentals, sustained public capital expenditure, increasing private sector investments and continued policy empbasis on infrastructure development, manufacturing, digitalisation and financial inclusion. Despite global economic uncertainties arising from geopolitical developments, trade-related challenges and financial market volatility, India continues to be one of the fastest-growing major economies, supported by resilient domestic demand and a stable financial system.

The Non-Banking Financial Company (NBFC) sector is expected to continue playing a significant role in supporting economic growth by complementing the banking sector and facilitating efficient capital allocation. The Reserve Bank of India continues to strengthen the regulatory framework for NBFCs with a focus on governance, risk management, capital adequacy, liqnidity management and operational resilience, thereby promoting sustainable growth and financial stability.

As an NBFC-Investment and Credit Company (NBFC-ICC), the Company remains committed to pursuing prudent investment and lending strategies while maintaining a balanced approach towards risk and return. The Company will continue to focus on effective capital allocation, strengthening its governance framework, enhancing internal controls and ensuring compliance with the applicable regulatory requirements. The Company remains weli positioned to leverage emerging opportunities while maintaining financial discipline and creating sustainable long-term value for its stakeholders.

6. RISK MANAGEMENT

Risk Management is an integral part of the Company's business strategy. The Risk Management oversight structure includes a Committee of the Board and Senior Management Committee. The Risk Management process is governed by the Group level comprehensive Enterprise Risk Management Framework which lays down guidelines for Risk identification, assessment and monitoring as an ongoing process that is supported by a robust risk reporting framework. Risk Management Framework of the Company Covers Credit Risk, Market Risk, Operational Risk, Fraud Risk and other risks

The Risk Management Committee of the Board is set up to assist the Board in its oversight of various risks, review of compliance with risk policies, monitoring of risk tolerance limits, review and analyse the risk exposures related to specific issues and provides oversight of risk across the organization.

7. FRAUD MONITORING AND CONTROL

The Company has put in place a whistleblower policy. Frauds are investigated to identify the root cause and relevant corrective steps are taken to prevent a recurrence. Fraud prevention at the senior management level also deliberate on material fraud events and mitiate preventive action. Periodic reports are submitted to the senior management committees.

8. CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements as per applicable laws comprise the financial statements of the Company and its controlled structured entities (coilectively known as 'the Group'). The Group consolidates an entity when it controls it. Control is achieved when the Group is exposed, or has rights, to

variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

9. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that transactions are authorized, recorded and reported correctly and adequately. The Internal control system provides for well-documented policies, guidelines, authorizations, and approval procedures. The internal control is designed to ensure that financial and other records are reliable for preparing financial information and for maintaining accountability of assets. All financial and audit control systems are also reviewed by the Audit Committee of the Board of Directors of the company.

10. IT SECURITY

Your Company is governed by the IT framework recommended by RBI and various initiatives have been implemented in the area of IT and Cybersecurity to ensure industry-standard security framework. The operational processes are in place to monitor and manage the effectiveness of the security initiatives taken by the company.

11. HUMAN RESOURCES

The Company considers its employees to be the most valuable asset and is committed to providing a conducive work environment to enable each individual employee to fuily realize his or her potentiai. One of the cornerstones of the company culture is teamwork and continuous learning. To promote this, the company focused on supporting people to unlock their potentials and to enable them to work with a superior team spirit.

12. CAUTIONARY STATEMENTS

This Management Discussion and Analysis Report contains certain forward-looking statements, which are based on assumptions relating to the Company's present and future business strategies and the environment in which it operates. Actual results may differ materially from those expressed or implied herein due to various risks and uncertainties, including but not limited to domestic and global economic conditions, political developments, fiuctuations in interest rates, changes in applicable laws, regulations and policies, and other factors influencing the Company's business operations. The Company undertakes no obligation to revise or update such statements to reflect subsequent events or circumstances. The information and data presented in this Report have been derived from sources considered reliable and from internal estimates; however, their accuracy or completeness cannot be assured.

13. ACKNOWLEDGEMENT

The Directors wish to place on record their appreciation for the support extended by the Reserve Bank of India, other regulatory and Government Bodies, Company's Auditors, Customers, Bankers, Promoters, and Shareholders.

Your directors take this opportunity to place on record their appreciation to all employees for their hard work, spirited efforts, dedication, and loyalty to the Company which has helped the Company maintain its growth.