

VKL/C&L/2025/61

September 01, 2025

To,

Department of Corporate Relationship BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400001 Scrip Code: 511431	Corporate Relationship Department National Stock Exchange of India Ltd. Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai – 400051 Symbol: VAKRANGEE

Dear Sir/Madam,

Sub: - 6th Integrated Annual Report and 35th Annual Accounts of the Company for the financial year 2024-25

Pursuant to Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the 6th Integrated Annual Report and 35th Annual Accounts of the Company for the financial year 2024-25. The Integrated Annual Report has been sent through electronic mode to those Members whose e-mail addresses are registered with the Company/Registrars and Transfer Agent/Depositories.

The Report is Vakrangee's 6th Integrated Annual Report for FY 2024-25. The report elaborates on the organisation's inclusive approach of creating value for stakeholders. The Report presents Company's governance, strategy, performance and outlook of business.

The key parameters for the period 1st April 2024 to 31st March 2025 are:

- 22,986 Active Transacting Vakrangee Kendras
- 6,086 Vakrangee White Label ATMs
- 546 Master Franchisees
- Rs. 54,258.5 Crores - Annual Gross Transaction Value (GTV)
- 12.6 Crores Annual Number of Transactions

Integrated Annual Report of the Company for the financial year ended March 31, 2025 is also available on the Company's website at the below mentioned link:

https://vakrangee.in/investor_resources.html

Thanking you,

Yours faithfully,

For Vakrangee Limited

**AMIT VIJAY
GADGIL**

Amit Gadgil

Company Secretary & Compliance Officer

ACS:49442

Digitally signed by AMIT VIJAY GADGIL
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**BUILT ON LEGACY.
DRIVEN BY PROFITABILITY
& STRONG GROWTH.**



Remembering a Visionary Leader



Our Founder's vision to bridge rural and urban India through technology lives on in one of the nation's largest last-mile service networks he inspired.

Mr. Dinesh Nandwana (1963–2025)

It is with profound sorrow that we remember **Mr. Dinesh Nandwana**, our Founder Promoter and Chairman Emeritus, who passed away suddenly in January 2025 at the age of 62. Mr. Nandwana was a first-generation entrepreneur and the guiding force behind Vakrangee's journey since its inception in 1990. Born in Kota, Rajasthan, he earned a bachelor's degree in commerce and qualified as a Chartered Accountant; however, it was his early passion for information technology, and its potential to improve governance and deliver direct-to-citizen services, that shaped his life's work. For 35 years, he led Vakrangee with utmost dedication, overseeing every aspect of the business and inspiring everyone around him with his vision, integrity, and wisdom. We at Vakrangee deeply mourn his loss and honour his visionary leadership and profound insight.

His passion for inclusion drove us to create over 22,900 Kendras, with 83% in villages and small towns, bringing banking and services closer to people.

From Humble Beginnings to National Impact

Mr. Nandwana founded Vakrangee in 1990 as a modest consultancy firm in Mumbai. Through his astute and dynamic leadership, he transformed that small startup into a prominent force in India's technology and service sector. In the early years, Vakrangee made its mark by executing critical e-governance projects, from creating voter identification cards in the 1990s to participating in the Aadhaar enrollment project in the 2010s. Under his stewardship, the company steadily expanded its scope and capabilities, scaling to a new orbit of growth and diversifying into multiple domains. By 2013, Vakrangee had rebranded from a software consultancy to Vakrangee Limited, reflecting its expanded mission of delivering last-mile services. In July 2017, Vakrangee's phenomenal rise was recognised when Forbes India included the company in its "Super 50" list of top Indian companies, a testament to the national impact of Mr. Nandwana's efforts. He was truly instrumental in moulding Vakrangee from a small venture into a prominent, widely respected enterprise, always backed by strong fundamentals and values.

One of Mr. Nandwana's most significant contributions was articulating Vakrangee's core purpose and ensuring the company stayed true to it. "Vakrangee has emerged as the 'Go-To Market Platform' for rural India across various business verticals, including new-age FinTech and digital platforms," he would proudly say. Under his guidance, Vakrangee pioneered a franchisee-based model of Nextgen Vakrangee Kendras, modern "one-stop shop" outlets that deliver essential services to citizens. Starting with just a handful of centres, this network grew exponentially across the nation. Mr. Nandwana's vision was clear: to build one of India's largest last-mile distribution platforms blending physical and digital ecosystems, so that even the most remote village is not left behind. He believed that combining technology and entrepreneurship could bridge the gap between urban and rural India. Through years of perseverance, he turned that belief into reality.

Innovator of the ATM Business with Kendra Model

One of Mr. Nandwana's most significant and industry-defining contributions was his pioneering vision for the ATM business. At a time when most White Label ATM (WLA) operators were running standalone ATM models, many of which were commercially unviable and on the verge of closure, he introduced the revolutionary concept of embedding ATMs within the Vakrangee Kendra model, offering customers a bouquet of services under a unified platform.

This integrated, multi-service approach not only ensured sustainability and improved customer footfall but also transformed the economics of the WLA business. What began as his innovative idea has today become the industry norm, with nearly every major WLA player adopting the integrated Kendra model that he once championed. This contribution exemplifies his foresight and his ability to align commercial viability with societal impact, ensuring last-mile financial access for millions of Indians.

Remembering a Visionary Leader

Guided by his vision that business must serve society, we grew from a small consultancy into a national institution delivering essential services at the last mile.

Champion of Financial Inclusion

Mr. Nandwana was passionate about financial, social, and digital inclusion, a passion that became Vakrangee's driving mission. He often emphasised that every Indian should have the opportunity to benefit from formal financial services and the digital economy, no matter their geography or background. Under his leadership, Vakrangee established a vast last-mile network of Vakrangee Kendra outlets that act as assisted digital convenience stores in underserved areas. These Kendras offer a diverse range of services, including banking as Business Correspondents (BCs), insurance, ATMs, e-governance services, e-commerce assistance, healthcare, and logistics solutions. Through this platform, a person in a remote village can open a bank account, withdraw money via biometric Aadhaar-enabled payment systems, pay bills, access government schemes, or even order products online, all in one local storefront.

Today, thanks to Mr. Nandwana's visionary drive, Vakrangee's network stands as one of India's most significant levers of financial inclusion. The company has over 15,000 banking BC points across the country and operates more than 6,000 ATMs, making Vakrangee the third-largest ATM operator in rural India. More than 83% of Vakrangee's ~22,900 outlets are in Tier-4, Tier-5, and Tier-6 locations (small towns and villages). This extensive reach has brought banking and essential services to millions who were previously unserved. The essence of Vakrangee lies in an unwavering determination to ensure that every Indian can benefit from financial inclusion and access modern services, a principle Mr. Nandwana ingrained in the company. By providing real-time banking, ATM, and digital services to the unserved rural, semi-urban and urban markets, he enabled countless Indians to join the formal economy and improve their livelihoods. Such impact on communities, empowering a farmer to receive a subsidy directly, or a senior citizen to withdraw their pension in their village, stands out as Mr. Nandwana's living legacy of service.

A Legacy Honoured with Excellence

Throughout his illustrious career, Mr. Dinesh Nandwana received numerous accolades that celebrated his entrepreneurial spirit and leadership. Some of the notable honours bestowed upon him include:

- ♦ **CA Entrepreneur Path Breaker Award (2017)**, awarded by the Institute of Chartered Accountants of India, recognising Mr. Nandwana as a trailblazing entrepreneur among chartered accountants.
- ♦ **Memento of Honour from the President of India (1996)**, presented by the late President Dr. Shankar Dayal Sharma, acknowledging Mr. Nandwana's early contributions and innovations in the industry.
- ♦ **CA Business Leader, SME Award (1997)**, given by the ICAI, where he was ranked third nationally, highlighting his leadership in building a successful enterprise in the small-and-medium sector.

He believed no village should be left behind. Today, his dream guides us as we carry inclusion to millions.

He also earned respect in the broader business community; for instance, he appeared on Forbes India's lists of successful business figures. However, Mr. Nandwana's true legacy cannot be measured solely by awards or rankings. It is reflected in the enduring institution he built and the values he instilled. He was known for his integrity, foresight, and commitment to excellence, which set high standards for everyone at Vakrangee. Under his stewardship, Vakrangee was recognised as an ET-500 Best Company of the Year (2007–08) and achieved milestones like becoming a debt-free company by 2017 and securing partnerships with major corporations and government agencies, all testament to the strong foundation he laid. He was a mentor to many, always encouraging innovation and inclusive growth. Those of us who had the privilege of working with him will forever remember his remarkable humility and the clarity of purpose with which he approached every challenge.

Carrying Forward His Vision

Though he is no longer with us, Mr. Nandwana's spirit and vision will forever guide Vakrangee. He built this company on powerful fundamentals and a clear mission, and we remain steadfast in upholding those principles.

He led by example, showing us how a business can be both profitable and socially impactful, how technology can be harnessed to uplift those at the last mile, and how perseverance and innovation can transform a small startup into a national institution.

Firmly believing in continuity and sustainable progress, Mr. Dinesh Nandwana smoothly transitioned leadership to the next generation, **Ms. Divya Nandwana** and **Mr. Vedant Nandwana**, entrusting them with his vision and confidence in their ability to drive the company forward. Divya has been with the company for almost 9 years, while Vedant has contributed to the Company's growth for over 7 years.

All of us, the Board, Management, and Employees, are committed to **carrying forward his mission** of driving financial and digital inclusion to every corner of India. Each Vakrangee Kendra that opens, each new service that reaches a remote customer, will remind us of his dream and determination. In doing so, we ensure that his legacy endures in every community we serve.

Mr. Dinesh Nandwana was more than just our Founder Promoter and Chairman Emeritus; he was the heart and soul of Vakrangee. We will miss his guidance and presence dearly. But we take solace in knowing that his visionary work will continue to live on through Vakrangee's ongoing efforts. Thank you, Mr. Nandwana, for inspiring us with your life's work, we vow to honour it by striving for excellence and inclusion, every single day. He will forever remain a part of the Vakrangee story, and a source of inspiration as we forge ahead.

The Board of Directors, Management, and Employees of Vakrangee Limited.



**BUILT ON LEGACY.
DRIVEN BY PROFITABILITY
& STRONG GROWTH.**



Vakrangee's FY2024-25 story is anchored in a legacy of trust and reach, while charting a path of profitability and strong growth. The new tagline – **"Built on legacy. Driven by profitability & strong growth."** – reflects this balance between heritage and forward ambition.

Built on legacy highlights the foundation of over 22,986 Kendras across 32 States & UTs and 609 Districts, supported by the BharatEasy app. This extensive phygital platform connects underserved communities with banking, insurance, e-commerce, and government services, making Vakrangee a vital conduit of inclusion.

Driven by profitability and strong growth captures the disciplined transformation of the business model. In FY2024-25, total income grew by over 20 percent, while profit after tax grew by over 48 percent. The acquisition of Vortex Engineering strengthens ATM economics and brings high-margin innovation, reinforcing Vakrangee's ability to scale profitably.

Investments in digitalisation, AI, and cloud migration, alongside a net-zero commitment by 2035, position the Company for responsible, future-ready growth. Vakrangee is no longer just expanding reach – it is creating sustainable value, ensuring its legacy powers a resilient and profitable tomorrow.

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About the Report

Vakrangee Limited: Integrated Annual Report FY2024-25 Overview

Our Integrated Annual Report for FY2024–25 reflects Vakrangee Limited's transformative journey, underpinned by profitable growth and operational efficiency. During the year, new leadership dynamics and innovative ideas drove important shifts in strategy, strengthening adaptability, and reshaping our culture to deliver superior customer experiences and stronger financial outcomes. Guided by our theme, **"Built on Legacy, Driven by Profitability & Strong Growth"**, this report demonstrates how we have generated both financial and non-financial value for our stakeholders across the six capitals framework.



Scope of Reporting

This Report covers the period **1 April 2024 to 31 March 2025**, unless otherwise specified. It has been prepared in reference to the Integrated Reporting <IR> Framework of the International Integrated Reporting Council (IIRC). The Report provides a complete overview of how we have created value across six capitals: **financial, manufactured, natural, human, intellectual, and social and relationship capital.**

Our approach is inclusive and strategic, recognising the economic, social, and environmental impacts of the organisation, while also empowering franchisees to strengthen operations and build long-term growth. We also detail our methods of stakeholder engagement and consultations on material topics, as well as our corporate governance practices, risk management framework, and mitigation strategies.

For continuity, our FY2024 Integrated Report showcased the start of leadership-led strategic change. FY2025 builds on that foundation by demonstrating measurable outcomes from efficiency improvements, cultural transformation, and financial performance.

Frameworks and Compliance

This Report aligns with global and domestic best practices. Non-financial disclosures reference the **Global Reporting Initiative (GRI) Standards**, while financial and statutory information comply with the **Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements), and Indian Accounting Standards (IndAS).**

The Report is also aligned with the **UN Sustainable Development Goals (UNSDGs)** and **SEBI guidelines for the Business Responsibility and Sustainability Report (BRSR)**. Through these frameworks, we reaffirm our commitment to sustainable development and aim to present a comprehensive view of our performance and dedication to responsible practices.



We aligned our reporting with global and domestic frameworks, reinforcing transparency and our commitment to sustainability and responsible business practices.

Operational Boundary

This Report encompasses data on our operations and how they deliver value to stakeholders. It highlights **corporate and regional offices, guest houses, warehouses, Active Transacting Vakrangee Kendras, and Master Franchisees**, which are critical delivery outlets for the Company's services. All Kendras included in this Report have been active for at least one year as of the reporting date.

Reporting Statement

The Report content has been reviewed by senior management under the supervision of the Board, with a rigorous assurance process conducted to ensure accuracy, completeness, and integrity.

Reporting Period

This Report covers information from the period of 1st April 2024 to 31st March 2025.

Certifications and Governance

Our dedication to ethical conduct, transparent governance, and responsible business practices is reinforced by a suite of globally recognised certifications, including:

- ♦ **ISO 26000:2010** – Social Responsibility Management System
- ♦ **ISO 37001:2016** – Anti-bribery Management System
- ♦ **ISO 19600:2014** – Compliance Management System
- ♦ **ISO/IEC 27001:2022** – Information Security Management System
- ♦ **ISO 45001:2018** – Occupational Health and Safety Management System
- ♦ **ISO 20400:2017** – Sustainable Procurement Management System
- ♦ **ISO 14001:2015** – Environmental Management System
- ♦ **ISO 22301** – Business Continuity Management System
- ♦ **ISO 50001** – Energy Management System
- ♦ **ISO 9001:2015** – Quality Management System
- ♦ **ISO 20000-1:2018** – Service Management System
- ♦ **ISO 27701** – Privacy Information Management System

In FY2025, we recorded **zero compliance breaches in financial reporting and data privacy**, reflecting the effectiveness of our governance and internal controls.

Achievements on Global ESG Ratings

We remain committed to upholding the highest standards of ethics and social responsibility. Our focus continues to be on driving sustainable progress and growth by leveraging entrepreneurial spirit and innovation. We aim to enhance financial and digital literacy within underserved communities at the base of the socioeconomic pyramid, thereby creating long-term social impact alongside business relevance.

Our consistent performance across these global platforms underlines our ability to benchmark progress against sector-specific ESG criteria. This is critical in strengthening business sustainability and enhancing long-term financial relevance. Recognition from respected institutions further validates our efforts in governance, transparency, and responsible growth. Globally, the Company stands acknowledged for its leadership in ESG and sustainable practices.

Sustainalytics ESG Risk Rating

Sustainalytics, a global leader in ESG research, ratings, and analytics, continues to serve as the Rating Partner for the National Stock Exchange (NSE). In FY2025, we were ranked number 1 in the Software and Services category out of 935 global peers. We also secured the 30th global position out of 14,376 companies in the Global Universe by Sustainalytics. These distinctions reflect the Company's emphasis on strong governance, proactive risk management, and dedication to long-term ESG performance.



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We ranked 30th among 14,376 companies worldwide, showing how our governance practices directly strengthen ESG risk management and long-term value.

Sustainability Yearbook Award – S&P Global

We are honoured to have been included in the Sustainability Yearbook 2022 by S&P Global, achieving the “S&P Global Bronze Class” recognition with an ESG Score of 60 in the Corporate Sustainability Assessment (CSA). This accolade reflects our consistent commitment to corporate responsibility and ethical practices while reinforcing our dedication to integrating sustainability across operations.



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Our S&P Global Bronze Class (2022) award proves how ethical practices help us achieve recognition while embedding sustainability into every part of our business.



Value Creation Highlights (FY2024-25)

Our performance in **FY2024-25** reflects our strategic pivot towards **profitable growth** and operational efficiency, driven by strong execution across our phygital network. We continue to build on our foundational strengths to deliver enhanced value for all stakeholders.



 Network Presence			
Metric	FY2025 Value	FY2024 Value	Impact / Relevance
Total Active Transacting Vakrangee Kendras	22,986	21,653	Represents the continued expansion of our last-mile service delivery network, ensuring broader customer access points across India.
Presence in States & Union Territories	32 States	31 States	Demonstrates continued and expanding geographic coverage across India, reinforcing our national presence.
Postal Codes Served	5,835	5,444	Represents wider geographic reach, directly improves customer accessibility.
Kendras in LWE, Tribal & Aspirational Districts	5,648	4,684	Highlighted our commitment to financial inclusion in underserved and priority regions.
Vakrangee Outlets in Tier IV, V, VI	~83%	83%	Sustained high penetration into rural and semi-urban markets, aligning with our mission of inclusive service delivery.



People

Metric	FY2025 Value	FY2024 Value	Impact / Relevance
Total Employees	555	212	Represents the consolidated employee strength of Vakrangee and Vortex (Subsidiary Company); however, our focus remains on nurturing high performance and an entrepreneurial culture).



Financial Performance

Metric	FY2025 Value	FY2024 Value	Impact / Relevance
Total Income	₹ 25,902.6 lakhs	₹21,492.1 lakhs	Represents a significant 20.5% year-on-year increase , showcasing the Company's expanding service portfolio and deepened market penetration.
EBITDA	₹ 2,812.3 lakhs	₹2,872.1 lakhs	Reflects a slight decrease of 2.1% year-on-year, yet remains a robust indicator of core operating profitability.
Cash Profit	₹ 2,308.7 lakhs	₹2,004.3 lakhs	Demonstrates improved operating cash generation capacity compared to the previous fiscal year, supporting internal growth initiatives.
PAT	₹ 639.0 lakhs	₹435.3 lakhs	Achieved strong growth of 46.8% year-on-year , underscoring the success of our focus on fiscal discipline and tax management, leading to enhanced profitability.
Basic EPS	₹ 0.06 (₹ per share)	₹0.04 (₹ per share)	The increase in basic earnings per share reflects the Company's improved profitability for shareholders.
Gross Transaction Value (GTV)	~₹ 54,258.5 Crores	₹55,209.9 Crores	Represents the substantial transactional activity across our platform, indicating significant market acceptance and operational scale despite a slight decrease from the prior year.
PAT Margin	2.5%	2.0%	An improvement of 44 basis points , directly linked to better fiscal discipline and tax management, signifying greater efficiency in converting revenue to profit.
Debt-Free Status	Debt-free	₹ 1205.8 lakhs	Vakrangee Limited and its subsidiaries maintain a robust and debt-free balance sheet , providing a strong financial foundation for continued expansion and long-term sustainable growth.

Value Creation Highlights (FY2024-25) (Contd.)

Infrastructure			
Metric	FY2025 Value	FY2024 Value	Impact / Relevance
Vakrangee Kendra Owned by Women	3,196	2,937	Represents a significant increase in Vakrangee Kendras owned by women.
District-Level Master Franchisees	546	437	The increase in Master Franchisees reflects our successful model of empowering local entrepreneurs and strengthening on-ground operational support for wider network reach.

Technology & Security			
Metric	FY2025 Value	FY2024 Value	Impact / Relevance
Instances of Data Breach	ZERO	ZERO	Maintaining zero instances of data breach underscores our robust information security measures and strict internal controls, safeguarding sensitive Company and customer data.

Sustainability			
Metric	FY2025 Value	FY2024 Value	Impact / Relevance
Solar Energy Generated	37,206 kWh	46,407.00 kWh	Slight reduction in generation of solar energy on year-on-year basis.
GHG Emission Avoided through Renewable Energy & Green Energy	240.25 tCO2e	2,44,065.07 tCO2e	Reduction in GHG emission compared to last year.
Paper Saved through ATM & Banking	37.70 million A4 papers	40.80 million A4 papers	Paper savings were slightly lower than last year, yet digital and paperless transactions continue to contribute meaningfully to natural resource conservation.



Rewards and Recognition

The prestigious accolades we've earned signify our dedication to a thriving and expanding organisation.



Certificate of Appreciation from Baroda U.P. Bank: Vakrangee is honored to receive a Certificate of Appreciation from Baroda U.P. Bank for securing the No. 1 position in all parameters of Bank Products such as PMJJBY Enrolments, PMSBY Enrolments, Average Deposit in PMJDY Accounts, Average Income per BC, APY Enrolments, and PMJDY Accounts Opened for FY 2023-24, along with leading positions in the Janauraksha Saturation Campaign, Festive Special Campaign, and Monsoon Special Campaign. These recognitions highlight our dedication to financial inclusion and excellence. Thank you to our team and stakeholders for their continued support!



1st Rank Award – Union Bank PMJDY Account Opening: We are proud to receive a 1st Rank Award for Outstanding Performance in PMJDY Account Opening (04.03.2023 to 23.03.2024) at the Union Bank Corporate Business Correspondents Conclave.



Best Employee Engagement Strategies Award – HR Tech Summit: We have received the Best Employee Engagement Strategies Award at the HR Tech Summit & Awards 2022 held at the ITC Maratha, Mumbai. Corporate Business Correspondents Conclave.



Top 100 Franchise Opportunities Award: We proudly announce our recognition as one of the Top 100 Franchise Opportunities for 2023 by Franchise India. Vakrangee has been bagging this award for the past three years and this is the fourth consecutive year of the Top 100 Franchise Opportunities Award.



CASA Balance & Payout Ranking Award: We have received an award for outstanding performance and Pan India 1st Ranking for maximum CASA balances in the Accounts Opened, and Pan India 2nd Ranking for per BC average payout in the year 2021-22.



ESG Performance Award in Financial Services – ESG Summit: We have received an ESG Performance Award in Financial Services at the 2nd Annual ESG Summit & Awards 2022 held on 18th November 2022 at Radisson, Mumbai.



ESG Global 50 Top Rated Recognition – Sustainalytics: In 2022, we have been recognised by Sustainalytics as an ESG Global 50 Top Rated company. We have been identified as a top ESG performer out of more than 4,000 comprehensive companies that Sustainalytics cover in the global universe.



E-Governance Award – Rajasthan DigiFest: We have received an E-Governance Award at Rajasthan DigiFest for successful implementation of the E-Mitra project.



Memberships in Trade Bodies and Associations

We are members of the following major trade and chamber of associations:

- Confederation of ATM Industry (CATMI)
- CSC e-Governance Services India Limited
- Member of BCFI
- Member of NPCI



Letter from the Executive Chairperson

**BUILT ON LEGACY.
DRIVEN BY PROFITABILITY
& STRONG GROWTH.**



Divya Nandwana

“

Trust is our currency: Strong governance, rigorous risk controls, and transparent reporting safeguard customers, partners, and shareholders while enabling scale with integrity.

Dear Esteemed Stakeholders,

It is with immense pleasure and a profound sense of purpose that I welcome you to Vakrangee Limited's Integrated Annual Report for FY2025. This past fiscal year has been one of remarkable transformation and dedication, a period where we have not only reinforced our foundational strengths but also boldly embraced a dynamic future. Our journey has been marked by a relentless pursuit of excellence and a deep commitment to the communities we serve.

As we stand at this pivotal moment, I wish to acknowledge the incredible legacy built by Shree Dinesh Nandwana Ji. His vision and unwavering commitment laid a robust foundation for Vakrangee Limited, fostering a culture of resilience and innovation. This enduring spirit is now carried forward by a new generation of leaders, including our Managing Director, Mr. Vedant Nandwana, whose fresh perspectives, strategic acumen, and infectious energy perfectly align with our core values. We are confident that this continuity of purpose, combined with renewed leadership, will propel Vakrangee Limited towards unprecedented heights, ensuring sustained growth and success for all.

Our Company's unique strength lies in its inherently stable financial position. We

proudly operate as a debt-free entity, underpinned by a robust balance sheet and an asset-light, franchisee-based business model. These attributes are not merely financial indicators; they are the bedrock that empowers us to cultivate profitable core expansion and pursue our strategic objectives with confidence. Our approach is designed to maximise shareholder value, achieved through optimising operations and a deliberate strategic shift towards businesses with higher profitability margins.

At the heart of Vakrangee's mission is a profound commitment to driving financial, digital, and social inclusion across rural and semi-urban India. We recognise the transformative power of access, and through our extensive network of Vakrangee Kendras, we are diligently working to bridge the digital and physical divide. By providing essential services such as banking, insurance, e-governance, e-commerce, total healthcare, and ATM facilities, we unlock what we term "The Vakrangee Effect." This means empowering individuals, fostering local entrepreneurship, and significantly contributing to the economic vitality and GDP of our nation. Our franchisee network is not just a business channel; it is a catalyst for positive change and an embodiment of our societal impact.

We recognise that the entrepreneurial spirit infused within our extensive Master Franchisee and Kendra franchisee network is the very heart of our growth and success. By empowering local entrepreneurs through our exclusive district-level master franchisee model, we are not only nurturing a culture of innovation at the grassroots but also

actively contributing to local economic development and creating pathways for entrepreneurial success. This strategic approach, combining our physical outlets with our digital BharatEasy Mobile Super App, forms a robust "phygital" network that ensures our services effectively address the diverse needs of communities, especially in underserved areas across India. We are committed to expanding this network to bring essential services within walking distance of every Indian, laying the foundation for what we believe will, in due course, become the world's largest franchisee-based distribution channel. Our steadfast dedication to this vision allows us to drive performance, accelerate growth, and create lasting value for all stakeholders, shaping a more inclusive and prosperous future for our nation.



Our Kendra and Master Franchisee network is the growth engine; we intend to build, in time, the largest franchisee distribution channel ever seen.

Our commitment to our stakeholders extends beyond financial performance and social impact. We believe that trust is the ultimate currency, and it is forged through unwavering dedication to robust corporate governance, uncompromising ethical practices, and transparent reporting. We have established comprehensive frameworks for proactively managing risks, including the critical areas of corporate accounting fraud and data privacy breaches, ensuring the integrity of our operations. Our adherence to stringent regulatory frameworks, including the Companies Act, SEBI regulations, and Indian Accounting Standards, is a testament to our commitment.

Looking ahead, Vakrangee Limited is poised for a future of continued expansion and innovation. Our strategic focus remains firmly on delivering sustained year-on-year profitable growth and achieving superior returns for our shareholders. We are dedicated to building upon our strong foundation, continuously evolving our services, and expanding our reach to serve more communities across India. We invite you to join us on this exciting journey as we continue to write the Vakrangee story - a story of foundational strength, dynamic growth, and a lasting positive impact on society.

With sincere gratitude,

Divya Nandwana

Executive Chairperson
Vakrangee Limited

Letter from the Managing Director

Dear Valued Stakeholders,

It is with enormous enthusiasm that I present Vakrangee Limited's Integrated Annual Report for FY2024-25. This past fiscal year has been a period of remarkable achievement and strategic consolidation. Our collective efforts have yielded significant results, reinforcing our position as a leader in India's digital economy and laying a strong foundation for future expansion and value creation.

We are delighted to report a year of robust financial performance in FY2024-25, demonstrating our focused approach to profitable growth and operational efficiency. The Annual Gross Transaction Value (GTV) for FY2024-25 crossed an impressive Rs. 54,258.5 Crores (equivalent to US\$6.19 billion), driven by 12.6 Crore transactions. Our Revenue from Operations for FY2024-25 stood at Rs. 255.0 Crores. Breaking down our contributions, BFSI accounted for 47.7% of revenue, ATM services 13.6%, E-Commerce & Other Services 20.8%, and Sale of ATM Product/Service 17.9%. For our consolidated financials for FY2024-25, we saw Total Income increase by 20.5%, Profit Before Tax surge by 63.7% year-on-year and Profit After Tax increases by 46.8% year-on-year. This substantial year-on-year improvement in profitability underscores our effective strategies. Our debt-free status and robust balance sheet continue to be significant assets, providing the financial agility needed to confidently support our expansion plans and pursue sustained long-term growth.

A cornerstone of our strategic advancement in FY2024-25 was the successful acquisition of Vortex Engineering Private Limited, which is now a subsidiary Company of Vakrangee Limited. This strategic investment provides us with essential backwards integration, enabling us to unlock future growth opportunities, capitalise on cost synergies, and leverage advanced technology know-how. Vortex Engineering itself recorded a 26.3% year-on-year revenue growth in FY2024-25 and shipped 1,596 ATM machines, representing a 36.6% increase. Looking ahead, Vortex Engineering has strong order visibility for over 5,000 ATMs in FY2025-26, signalling continued robust performance. Our AMC business within Vortex also demonstrated solid growth with a 23.4% YoY Revenue Growth, while our high-margin IP software (PERFO) business is witnessing strong growth and profitability, contributing to rising annuity-based revenue. Furthermore, the recent increase in the RBI interbank fee to Rs. 19 per ATM transaction, effective May 1, 2025, is expected to boost our ATM deployment economics. These operational successes are a testament to our disciplined capital allocation and focus on high-margin businesses, a strategy we will continue to pursue by phasing out low-margin activities to optimise overall operations and enhance margin expansion.

We are continually strengthening our unique **"phygital" ecosystem**, expanding our Master Franchisee network to ensure deeper penetration and superior last-mile service delivery across India. Technology remains at the forefront of our strategy. We are leveraging cutting-edge advancements such as Artificial Intelligence (AI),

**BUILT ON LEGACY.
DRIVEN BY PROFITABILITY
& STRONG GROWTH.**

“

**We are sharpening our
phygital ecosystem,
prioritising high-margin
businesses and disciplined
execution to convert
operational excellence into
sustained, superior returns.**

Vedant Nandwana

Letter from the Managing Director



Vortex integration strengthens technology and unit economics; higher interbank fee improves ATM viability, while PERFO and annuity revenues accelerate profitable growth.

Machine Learning (ML), Internet of Things (IoT), and Blockchain to enhance service offerings and expand our digital capabilities. At the same time, the BharatEasy Mobile Super App serves as a core component of our digital platform, extending convenience to our customers. Our robust systems and processes ensure a regimented degree of standardisation and consistency in facilities and service levels across our growing Kendra network, driving operational efficiency.

Our people and partners are integral to our success. We are deeply committed to empowering our Master Franchisees and Kendra franchisees, providing them with unwavering assistance, comprehensive training, and continuous support to optimise their performance and ensure the efficiency of our vast network. For our employees, we are dedicated to nurturing an entrepreneurial and engaging work atmosphere. Through consistent communication, impactful recognition programs, fostering collaboration, and promoting work-life balance initiatives, we ensure our workforce feels connected, valued, and motivated. Our strategic emphasis on diversity and inclusion across our workforce drives innovation and ensures more informed decision-making, which translates into enhanced customer satisfaction and stronger financial performance. We also uphold the highest standards of human rights and ethical practices throughout our operations and supply chain to mitigate risks and protect our reputation.

Our comprehensive risk management framework is designed to address potential business risks affecting profitability and sustainability proactively. We maintain strict adherence to all laws and regulations governing accounting, corporate governance, and public disclosure, ensuring our operations are robust and transparent. Safeguarding against corporate accounting fraud and data privacy breaches through internal controls remains a top priority.

Looking forward, we are charting a clear and robust path forward, firmly anchored in sustained profitable growth and superior returns for our stakeholders. Our strategic outlook is very positive, driven by our unique asset-light, franchisee-based model and a relentless pursuit of operational excellence. We are not merely expanding our physical footprint; we are cultivating a flourishing entrepreneurial ecosystem by empowering our exclusive district-level Master Franchisee and Kendra franchisee networks. This commitment to local entrepreneurship fuels our growth, fosters innovation at the grassroots level, and contributes significantly to local economic development.

Our growth trajectory is further reinforced by our strategic focus on innovation and diversifying our service portfolio. The successful integration of Vortex Engineering Private Limited is a pivotal step, providing essential backward integration in ATM manufacturing and servicing, which is already unlocking new revenue streams and delivering significant cost synergies that bolster our financial performance. We are also expanding our offerings with new product lines, such as Mini ATM models designed for widespread network scaling and venturing into private and white-label apparel in the e-commerce sector, with plans to diversify into more consumer and retail categories. Furthermore, our deliberate shift towards high-margin businesses, including our profitable IP software (PERFO) business, coupled

with the anticipated positive impact from changes like the increased RBI interbank fee, is designed to enhance our margin expansion and strengthen our bottom line. While we strategically reinvest our operational cash flows into enhancing franchisee incentives and building our Pan-India district-level Master Franchisee network, which may have a short-term impact on profitability, this forward-looking approach ensures the scalability and long-term sustainability of our business model, enabling us to unlock unprecedented opportunities and deliver superior value. This comprehensive strategy, integrating physical outlets with our digital BharatEasy Mobile Super App, forms a robust “phygital” network, positioning us for considerable market penetration and, in due course of time, paving the way for what we envision to be the world's largest franchisee-based distribution channel.

Staying true to our unwavering commitment to sustainability, we have embarked on a transformative path that embraces both environmental stewardship and social responsibility. Guided by global best practices, we strive to generate lasting value for all stakeholders. As India's leading last-mile retail network reaching underserved markets, we hold a unique opportunity to create meaningful impact in the communities we serve. We wholeheartedly embrace this role, leveraging our reach and resources to drive positive change. Our sustainability agenda is anchored in the core values of responsible corporate citizenship that have shaped our journey since inception. We believe sustainability is not just a moral duty but a strategic necessity, deeply intertwined with the prosperity and well-being of the communities we aim to uplift.



Our debt-free status and robust balance sheet continue to be significant assets, providing the financial agility needed to confidently support our expansion plans and pursue sustained long-term growth.

In conclusion, Vakrangee Limited is firmly positioned for a future of sustained profitability and strong growth. Our disciplined approach to capital allocation, strategic investments like Vortex Engineering, and an unwavering focus on high-margin businesses will continue to drive superior returns for our shareholders. We are confident in our ability to execute our strategic plans, continually innovate, and strengthen our phygital reach, creating lasting value for all our stakeholders.

Looking ahead, our priority remains delivering the right products to our consumers at the right price points, while ensuring easy accessibility through our outlets. Our focus is on providing the best value proposition and maintaining our relevance in the market. We extend our heartfelt gratitude to our team members, business partners, investors, customers, and all other stakeholders for their unwavering support and commitment throughout this journey.

Sincerely,

Vedant Nandwana

Managing Director
Vakrangee Limited

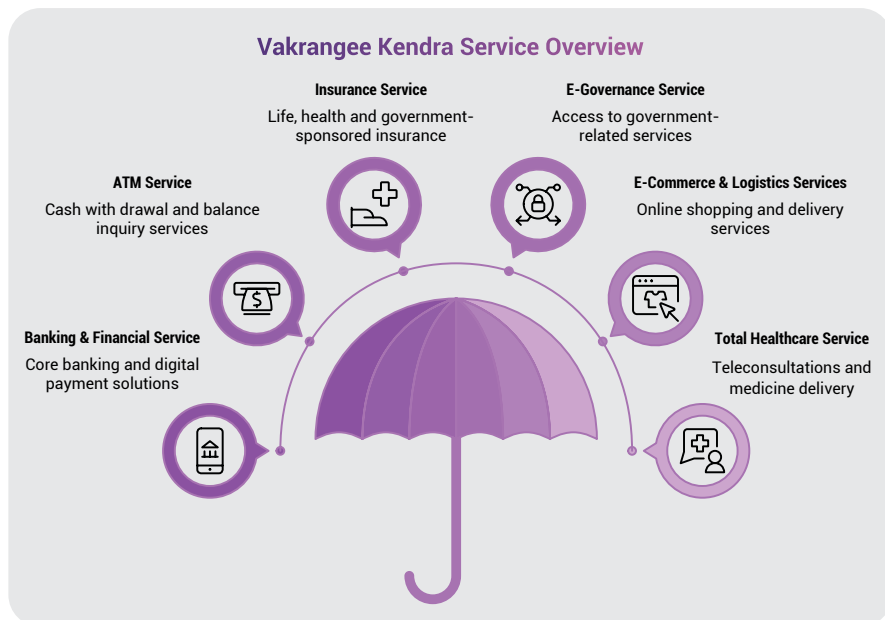
About Vakrangee

Company Overview

Incorporated in **1990**, Vakrangee Limited has emerged as **one of India's largest Last Mile Distribution Platforms**, powered by a unique **"phygital" ecosystem** that seamlessly integrates its extensive physical network with robust digital capabilities. This dual-channel approach ensures a comprehensive **PAN India presence**, delivering essential services to the unserved and underserved rural, semi-urban, and urban markets.

For the financial year 2024-25 (FY2025), Vakrangee has continued its strategic expansion and operational refinement. The company operates **22,986 total active transacting Vakrangee Kendras** across **32 States and Union Territories** and **609 districts**, covering **5,835 postal codes**. Notably, **approximately 83% of these outlets are strategically located in Tier 4-6 cities**, reinforcing Vakrangee's deep market penetration and its commitment to **financial, social, and digital inclusion** across India.

Vakrangee has solidified its role as the **"Go To Market Platform"** for various business verticals, including Fintech, E-Commerce, and E-Health. The company delivers a comprehensive suite of **real-time essential services** through its network, serving as an **"actual one-stop shop"** with access to over **100 million products and 1,000 services** under one roof.



In FY2025, we continued our strategic expansion and operational refinement, driven by deep market penetration and our commitment to financial, social, and digital inclusion across India.

- ♦ **Banking & Financial Services:** This includes core banking services such as account opening, lead generation of loan products, insurance, fixed deposits, NPA recovery, AEPS & DMT, and leveraging technologies like Aadhaar Enabled Payment System (AePS).
- ♦ **ATM Services:** With 6,098 ATMs, Vakrangee holds an RBI license for White Label ATMs and offers cash withdrawals, balance inquiries, PIN changes, and mini statements, contributing to the Indian ATM market projected to reach USD 3.45 billion by 2033.
- ♦ **Insurance:** Offering Life, General, Health Insurance, and government-sponsored (SSS) schemes.
- ♦ **E-governance Services:** Facilitating access to various government-related services.
- ♦ **E-commerce & Logistics:** Including online shopping, online agriculture products, Ticket Booking, Pan Card Services, Online Demat Account Opening Services, Mobile & DTH recharge, and Apparels Products.
- ♦ **Total Healthcare Services:** Such as tele/video consultations, home diagnostics, and medicine delivery.

The Assisted Digital Convenience stores (Physical Outlets) are called "**Vakrangee Kendra**", serving as the foundational "One-stop shop" for availing various services and products directly within communities. Complementing this physical presence, the **BharatEasy Mobile Super App** acts as the company's digital platform, extending convenience to customers' fingertips and leveraging the physical network for assisted services, order fulfilment, and grievance handling.

A key strategic development in FY2024-25 was the acquisition of **Vortex Engineering Private Limited**, a move that aligns with Vakrangee's vision to become a fully integrated, tech-enabled banking infrastructure provider, ensuring backward integration, cost synergies, and access to technology know-how.



Vision

We aim to be the most trustworthy Physical as well as Online Convenience Store across India. We will keep expanding this network until we are in close proximity to the last excluded person within the country.



Mission

We intend to become India's No. 1 retailer by offering innovative ideas and proven modern technologies for facilitating universal financial, digital and social inclusion.



Brand Promise

We aim to be the most trustworthy local convenience store across India. We promise to give every Indian their rightful access to a wide range of modern-day products and services that are fairly priced and of high quality. We also aim to be present within a short travelling distance of every Indian and will continue to expand our network until we are close to the last excluded person within the country.

Our Brand Principles

At Vakrangee, we aim to integrate our brand principles into every facet of our business operations. We firmly believe that these principles serve as the foundation, enabling us to operate efficiently and ethically while delivering an exceptional customer experience that sets us apart from the competition.



Trust

The value that binds all our stakeholders – Government, Banks, Partners, Businesses, Master franchisees and franchisees.



Perseverance

The attitude we have to accomplish the unprecedented feat of creating the world's largest retail network, even in the most remote and inhospitable areas without electricity and connectivity.



Unyielding Rigour

The way we train our people and set high standards of quality in our systems and processes are the backbone of our success. We take ordinary individuals and train them with skills that help them yield remarkable results.



Entrepreneurial

An entrepreneurial spirit in our approach to business – both in our employees and our franchisees – our key business partners.



Prudent

Our basic approach to scalability, security, confidentiality, planning, risk management and value creation.

Our Journey

In our journey over three decades, from just an investment and consultant company, we have evolved into a leading player in digital and financial inclusion initiatives, providing services to rural and remote areas. By leveraging technology, we have expanded our reach across India, establishing a vast network of Vakrangee Kendra outlets catering to diverse customer needs.

Our Company has transformed from an e-governance systems integrator to a distinguished retail-led franchisee model. We have also enhanced our offerings by launching the BharatEasy Mobile Super App, creating a comprehensive digital ecosystem. Introduced in 2022, the master franchisee program remains crucial for overseeing compliance, providing active on-ground support to existing outlets, and driving the acquisition of new franchisees. This initiative strengthens our commitment to maintaining comprehensive monitoring and operational efficiency within our expanding franchisee network, with **546 Master Franchisees appointed across 32 States & UTs as of March 31, 2025**, as we progress towards achieving **100% district coverage by March 2026**.

1990-2011

Emerged Leader in E-Governance Business

- ♦ Vakrangee Ltd: Incorporated as a System Integrator for E-Governance Projects.
- ♦ Worked on key Mission Mode projects of the Government such as:
 - Central Election Commission.
 - MCA-21 for Ministry of Corporate Affairs.
 - Rashtriya Swasthya Bima Yojna (RSBY).
 - Digitisation of Land and Revenue records.
 - Project Passport Seva Kendra (PSK).
 - UID Enrolment Project for enrolling Aadhaar.

2012-2018

Building Kendra Business along with E-Governance

- ♦ Ventured into G2C & B2C services through Common Service Centres.
 - ♦ Received the BC Banking mandate and started BC Point Banking services through these Centres.
 - ♦ Non-Exclusive Store-in-Store Format outlets.
 - ♦ Emerged as National Business Correspondent partner to major PSU banks.
 - ♦ Executed projects such as PMJDY (Financial Inclusion) and UIDAI Aadhaar Enrolment services through these Outlets.
- Received RBI licence for White Label ATMs.
- Added various B2C services such as Assisted e-commerce, Bus ticket booking, Mobile and DTH recharge.

2019-2022

Nextgen Vakrangee Kendra Business

- ♦ Planned as an exclusive store model with standardised Consumer & Service experience.
 - ♦ Launched NextGen Kendra with standard branding, exclusive store layout as well as signage.
 - ♦ Multi-line of services: Banking, E-Governance, Insurance, E-Commerce, Total Healthcare & optional ATM service.
 - ♦ Tie-up for Banking Business Correspondent with Private Banks such as SBM Bank (India) Ltd. & NSDL Payments Bank Ltd.
- Launch of Digital Platform: Bharat Easy Super Mobile App.

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From our humble beginnings in 1990 to becoming a national leader in last-mile services, our journey reflects vision, innovation, and an unwavering commitment to inclusion.

2023-2024

Nextgen Vakrangee Kendra & Digital App Business

- ♦ Demerger to unlock the potential of the Core Vakrangee Kendra and Digital App Business.
- ♦ Kendra Business is retail-centric Consumer facing business. It is an Asset Light Franchisee led business model.
- ♦ Appointing District Level Master Franchisees across the country.
- ♦ Clear focus on expanding and building India's largest Last Mile Rural distribution platform.

2025

Emerging Leader in Fintech

- ♦ Acquired Vortex Engineering, strengthening ATM manufacturing capabilities.
- ♦ Expansion into Private Label and White Label Product categories within the consumer and retail segments.

Comprehensive Service Offerings

We offer our customers a wide range of services that promote Digital, Financial and Social Inclusion. Our Kendras have undergone a major transformation over the years. These have evolved from non-exclusive stores offering a single line of services to multi-specialty, exclusive stores offering multi-line services with an enviable presence in the marketplace. With a strong presence in the marketplace, we operate on an asset-light, franchise-based business model tailored to meet the needs of our stakeholders.

The Vakrangee Kendras, also recognised as assisted digital convenience stores, function as comprehensive solutions offering diverse services. Over time, these Kendras have experienced significant evolution, progressing from non-exclusive outlets offering limited services to exclusive, multi-specialty stores providing a wide range of services.

Today, these Kendras facilitate real-time banking, ATM, insurance, e-commerce, healthcare, travel, telecom, bill payment, and e-governance services. Serving both urban and rural locales, they act

as social anchors, ensuring equitable access to products and services across all sections of society.

Moreover, we acknowledge the significance of nurturing an entrepreneurial ethos in the context of contemporary challenges and the engines of future growth. By enhancing entrepreneurial capabilities and expansion, we aim to reach every district through a master franchisee network. This network, in conjunction with Kendra franchises, sustains a resilient and flourishing phygital network. Empowered by this model, local entrepreneurs oversee and expand their Kendra networks, utilising their expertise and commitment to stimulate business growth within their regions. Performance-based incentives and commissions drive master franchisees and franchises to excel, playing a vital role in the organisation's overall success. The objective is to attain complete district coverage through our master franchisee network, facilitating the accomplishment of long-term goals ahead of schedule. To support the efforts of master franchisees and franchises, we invest in advanced

technology and infrastructure.

By providing the necessary tools and resources, we ensure that our entrepreneurial network delivers exceptional service, creates seamless consumer experiences, and solidifies our position as a leader in the phygital market.

We have also introduced the BharatEasy App, a Mobile Super App designed specifically for rural India with a broader scope to extend outreach. This platform aims to transform online shopping, healthcare, demat & trading account opening and PAN card application services. The app integrates seamlessly with Vakrangee's extensive physical store network, delivering on-ground assistance in semi-urban and rural regions.

By prioritising entrepreneurship, innovation and continuous technological advancements, we drive transformation, accelerate growth and strengthen our position as a prominent player in the evolving business ecosystem.



BANKING



FINANCIAL SERVICES



INSURANCE



ATM



ASSISTED TOTAL HEALTHCARE



ONLINE SHOPPING



BILL PAYMENT & RECHARGES



ASSISTED ONLINE TRAVEL SERVICES



ASSISTED ONLINE EDUCATION



ONLINE AGRICULTURAL PRODUCT & SERVICES

BFSI & ATM Services

Category	Services
Banking	Account Opening; Cash Withdrawal/Deposit Services; Other Banking services
Financial Services	Opening of Online Demat & Trading Account; Domestic Money Transfer (DMT); Lead Generations of Personal/Business Loans; Pan Card Service; AEPS services
ATM	Financial Transactions; Non-Financial Transactions
Insurance	Life Insurance; General Insurance; Health Insurance

E-Commerce Services

Category	Services
Online Shopping	Online shopping of goods
Total Healthcare Services	Telemedicine services; Online shopping of medicines
Recharge and Bill Payment	Mobile/DTH Recharge; Bill Payments; E-Mitra services in Rajasthan
Assisted Online Travel Services	Bus Ticket Booking; Flight/Hotel Ticket Booking
Online Agriculture Product & Services	Online Agriculture Product & Services

Expanding Footprints

We are deeply committed to extending digital, financial, and social inclusivity to all corners, especially unserved and underserved populations. Our goal is to empower individuals, granting access to vital services and promoting digital literacy, thus driving socio-economic development.

For **FY2025**, our innovative business model achieved remarkable nationwide growth. We currently operate **22,986 Vakrangee Kendra outlets** and **6,098 ATMs**. Our district-level master franchisee model, active since 2022, fosters grassroots entrepreneurship and rapid expansion. We have appointed **546 Master Franchisees across 32 States/Union Territories** as of March 31, 2025, effectively broadening our presence and tailoring services to community needs.

Our footprint now spans **609 districts** and **5,835 postal codes** across 32 states/UTs, with **83% of outlets in Tier 4-6 cities**. Our objective is to deepen presence and enhance our service portfolio for a seamless customer experience. We are targeting **continuous and sustainable growth in our outlets** and **ATMs**, aiming for **100% Pan India coverage** via our physical Vakrangee Kendra network and BharatEasy Super App.

Network Snapshot

Active Transacting Kendras

22,986

States and Union Territories

32

Districts Covered

609

Postal Codes Served

5,835

Share of network in Tier 4-6 locations

~83%

District-level Master Franchisees

546

Number of ATMs

6,098



Strategic Alliances

We partner with leading organisations to unlock our full potential while enabling those partners to access underpenetrated markets across India. Through carefully structured alliances across multiple sectors, we present customers with an integrated portfolio of services that includes banking, ATM, insurance, financial services, logistics, online shopping, comprehensive healthcare, travel, telecommunications, bill payments, and e-governance. These partnerships create mutual value, broaden last-mile access, and support our objective of serving underserved and unserved communities nationwide.

Banking Service Partners



Insurance Service Partners



Financial Service Partners



JIFFY

ADITYA BIRLA
CAPITALLenden
club
BY INNOFIN SOLUTIONS

EKO/-



Tax2win

LENDINGKART
Simplifying MSME Finance

5paisa

GOODWILL
EQUITY · COMMODITY · CURRENCY

ATM Service Partners



White Lable ATM Operator

E-Commerce Service Partners



Available on BharatEasy Mobile Super APP

e-mitra™
Only for Rajasthan

ANYTHING ANYTIME ANYWHERE



GET HEALTHCARE ANYWHERE



Mobile Super App



BharatEasy is designed as a comprehensive mobile platform that simplifies daily life by bringing multiple services onto a single app. Users can access online shopping, bill payments, travel bookings and healthcare consultations through one secure interface, which is especially valuable in underserved rural areas. The app's strength is the breadth of services on offer. From a DTH recharge and ticket booking to exploring leads generation of loan, BharatEasy addresses diverse needs. A built-in telemedicine facility provides remote access to doctors, which is a material benefit where local healthcare is limited.

We bring many daily services into one app, so people need fewer apps and get help faster, especially in rural areas.



We bring many daily services into one app, so people need fewer apps and get help faster, especially in rural areas.

We have launched an upgraded beta trial of the BharatEasy Mobile Super App. With this release, we advanced our O2O, Online to Offline, proposition by combining digital services with assisted support through our physical Kendra network. The platform aggregates a wide array of consumer products and services under one umbrella. Through a seamless, integrated and contextualised experience, the app aims to become part of users' daily routines.

The BharatEasy Mobile Super App provides multiple service categories to meet varied preferences. As of FY2024–25, online healthcare and online shopping functionalities are active, and we expect the service suite to expand in phases. User reviews inform our improvements. Given its scope and reach, BharatEasy has the potential to reshape daily habits, particularly in rural India.

Leveraging the Vakrangee ecosystem

The mobile super app platform builds on the established strength of our nationwide physical presence:

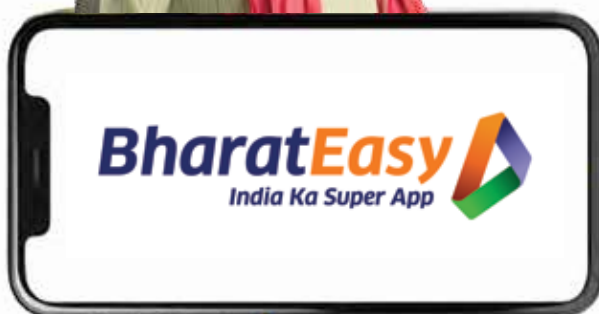
- **Trusted brand:** Vakrangee Kendras are well known and enjoy positive user perception. A Net Promoter Score of 68 percent, according to Redseer Research, indicates customer satisfaction.
- **Existing user base:** BharatEasy benefits from access to the Company's active customers, which provides a head start in user acquisition.
- **Widespread network:** With 22,986 outlets across India, Vakrangee offers on-the-ground assistance for app users, which is significant in areas with lower digital literacy.
- **Driving awareness:** The existing Vakrangee network acts as a large marketing channel, creating awareness of BharatEasy and its benefits.

These factors, along with measured success indicators from the upgraded beta trial position BharatEasy for a strong launch trajectory and disciplined growth. As we refine and enhance the platform, we remain committed to an experience that is reliable, accessible

and efficient. Our goal is to offer a personalised and intuitive app that adapts to evolving user needs and supports inclusive access. BharatEasy is intended to provide a seamless and convenient solution that enhances everyday life.



Our known brand, large network, and active customers cut acquisition costs and raise use, so the app grows faster with better support.



Strong Value Proposition

- ♦ All-in-one Super App platform
- ♦ Access to physical store network, providing trust and comfort for customers, especially in rural India

Unique Convenience Features: Leveraging the Vakrangee Eco-System

Feature	Description
Store Pick-up Facility	Customers can collect items from stores
Pay at Store (Cash)	Option to pay cash at physical locations
Order Return Facility	Easy returns via nearby store
Courier Pick-up/ Drop Facility	Logistics support through Kendras
Physical Assistance Available	On-ground help for customers
Grievance/ Helpdesk Facility	Support for resolving queries and issues

Service Partners

- ♦ Super App: Multi-category offering
- ♦ Online shopping
- ♦ Total healthcare
- ♦ Banking / Insurance / Money transfer
- ♦ Bill payments / Recharges
- ♦ Loan products / Mutual funds
- ♦ Travel / Entertainment / Events
- ♦ Agricultural products
- ♦ Courier services
- ♦ Online education



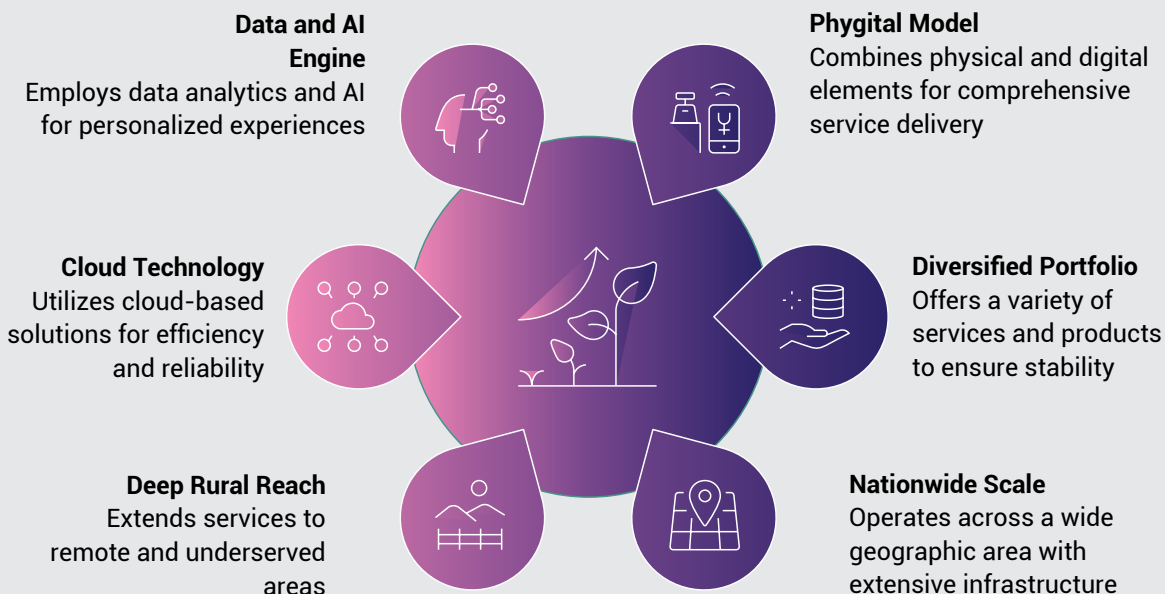
Vakrangee Kendra Network

Metric	Data
Master Franchisees	536
Store Network	22,986 outlets

Our Business Model: Pioneering Phyigital Reach for Inclusive Growth

At Vakrangee Limited, our business model is the cornerstone of our commitment to fostering digital, financial, and social inclusivity across India, particularly for its unserved and underserved populations. Our core mission is to **empower individuals by granting them access to vital services and promoting digital literacy, thereby driving comprehensive socio-economic development**. We operate an innovative, **asset-light, franchisee-based model** that has propelled our significant nationwide growth and ensures operational efficiency and profitability. This strategic approach positions us to generate substantial revenue and profitability while maintaining a robust balance sheet.

Factors Contributing to Business Success



Our core mission is to empower individuals by granting them access to vital services and promoting digital literacy, thereby driving comprehensive socio-economic development.

The “Phygital” Core: One-Stop Solutions for Everyday Needs

Our distinctive **“Phygital” approach** seamlessly integrates physical presence with advanced digital capabilities to deliver comprehensive services. The **Vakrangee Kendras** serve as **“one-stop shops”** or **“Sab Kaam Ek Dukaan”** and embody our motto of **“Ab Poori Duniya Pados mein”**. These Kendras offer a broad spectrum of essential services in real-time, aimed at becoming the **go-to store for everyday needs and convenience services**.

Our extensive portfolio includes:

- ♦ **Banking & Financial Services:** Account Opening, Cash Deposit & Withdrawals, Loan Products, Insurance Services, Fixed Deposits, and NPA Recovery.
- ♦ **ATM Operations:** Providing convenient cash access through UPI & Cards.
- ♦ **E-Governance Solutions:** Facilitating access to government services.
- ♦ **Diverse E-commerce Offerings:** Such as healthcare services (tele/video consultations, home diagnostics, medicine delivery), online shopping, bill payments, online travel services, mobile recharges, Pan Card Services, and online Demat & Trading Account Opening Services, Private & White Label apparel range among many more.

This comprehensive range provides access to over **100 million products and 1,000 services** under a single roof. Complementing our physical outlets is the **BharatEasy Mobile Super App**, which creates a unified digital ecosystem that enhances consumer convenience and accessibility. This dual-channel approach ensures **consistent and high-quality service delivery** for the best customer experience across all our Kendra outlets. We are continuously developing and expanding our ‘Phygital model’ for better service efficiency and customer experience.



Strategic Differentiation and Sustainability

Vakrangee is future-ready with a clear focus on building a **long-term, sustainable and profitable business model**. With India rapidly moving towards digital payment mechanisms and emerging as a cashless society, cash transactions like ATM and banking services are expected to slow down, posing profitability challenges for standalone models (e.g., only White Label ATMs, only Banking (AEPS) providers, or only Money Transfer providers) that are dependent on cash transactions.

Our model inherently addresses these challenges by ensuring **no dependency on a single line of product or services**.

This wide portfolio of products and services, including a significant focus on **non-cash-based banking offerings and diverse e-commerce services**, sets us apart from competitors who often offer only a limited range of services. Furthermore, we offer the **highest commission in the industry** to our franchisees, fostering strong partnerships and mutual growth. This diversification and broad service offering are core strengths, safeguarding our profitability and viability in a dynamic market.

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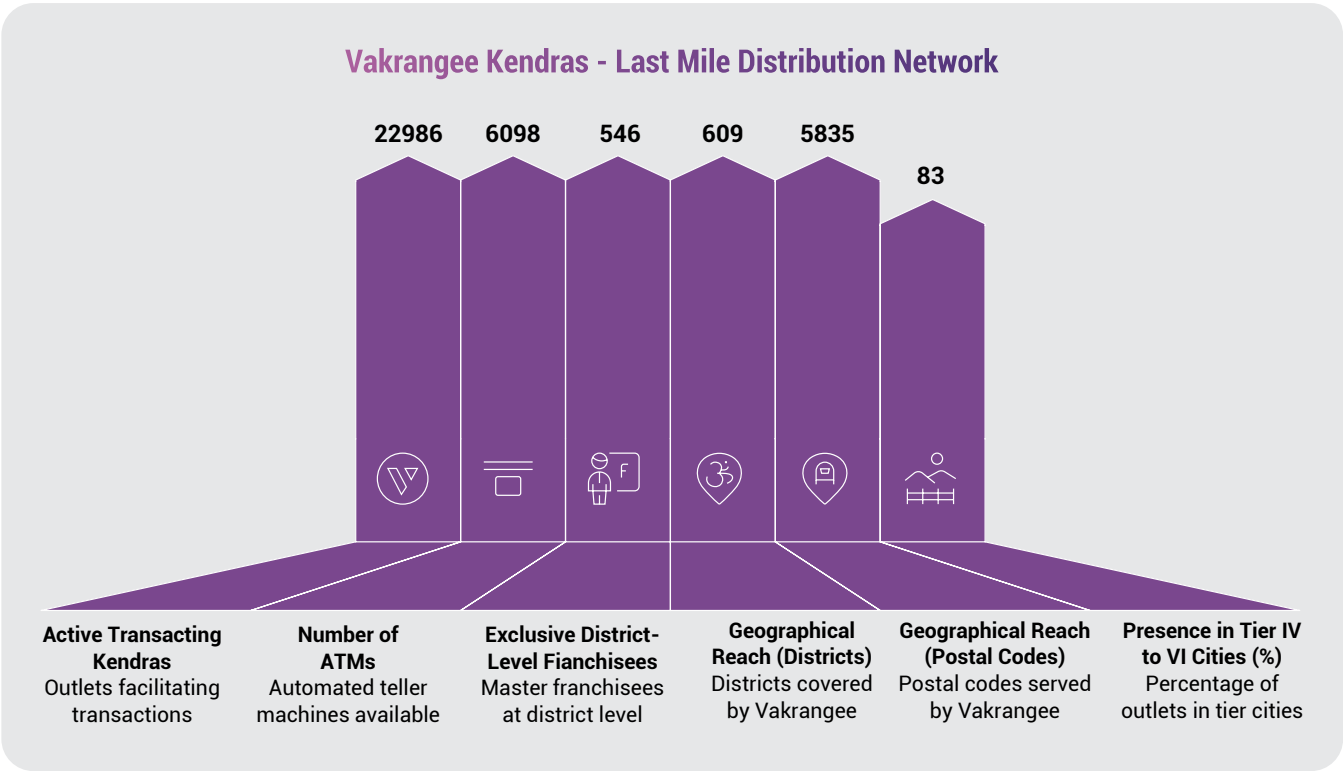
Vakrangee Kendras bring over 100 million products and 1,000 services together under one roof, empowering communities with true convenience.

Our Business Model: Pioneering Phygital Reach for Inclusive Growth

Strategic Growth and Reach for FY2025 and Beyond

A pivotal element of our expansion strategy, introduced in 2022, is the district-level Master Franchisee network. These Master Franchisees are crucial for fostering grassroots entrepreneurship, providing on-ground operational support to existing franchisee outlets, and driving the acquisition of new franchisees. This model enhances our local field presence, strengthens operational control at the ground level, and contributes significantly to regional economic development.

For FY2025, we have made remarkable progress in expanding our footprint and strengthening our network:



Looking ahead, our vision outlines ambitious growth targets to achieve a **Pan-India Presence** by covering 100% of the country's population. Our long-term objectives include expanding our network of Kendra and ATM outlets. We aim to achieve **100% district coverage** through our master franchisee network by March 2026, further accelerating our expansion.

Enabling Technologies & Customer Experience Enhancement

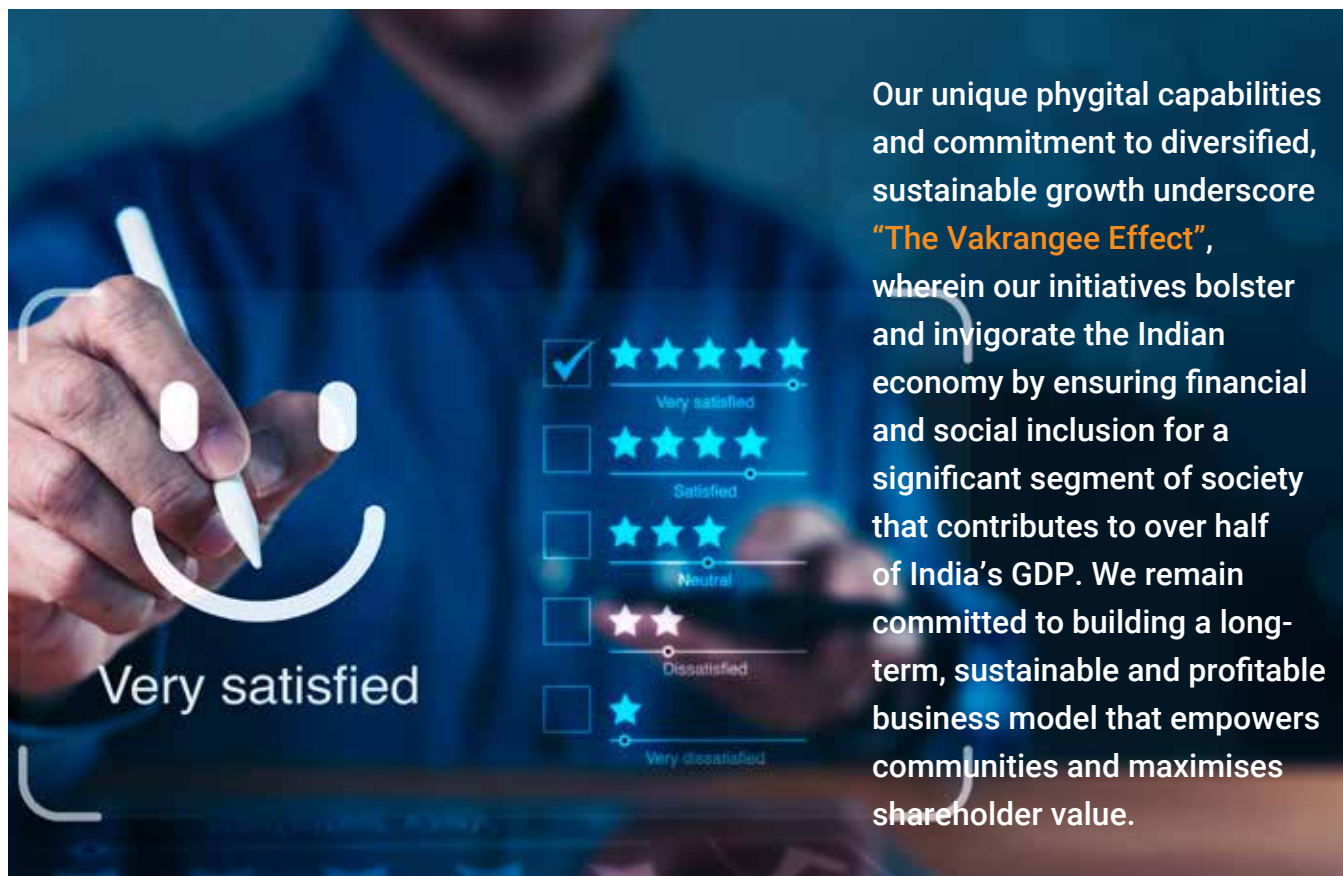
Our business strategy is heavily focused on technological innovations. We believe in the power of technological breakthroughs and have taken various key initiatives to improve comfort and refine the consumer experience.

- ♦ **Advanced Customer Engagement:** We are incorporating the latest technologies like Augmented Reality (AR) and Virtual Reality (VR), along with Artificial Intelligence (AI) led Conversational Generative AI and Chatbot capabilities in our application for our customers and stakeholders.
- ♦ **Big Data and Predictive Analytics:** We are actively managing our ETL Data warehouse and creating a Big Data lake, which will serve as a single source of truth for structured, unstructured, and semi-structured data. This will enable us to run Services for Business Intelligence (BI) reporting and predictive analytics. We are building a customer data platform to run analytics, understand customer behaviour, buying patterns, and transactions, enabling us to provide personalised customer experiences and recommendations.

We strive to be a **customer-centric company**, ensuring that our offerings and operations are driven by what is best for the customer.

“

By using AI, AR/VR, and Big Data analytics, we understand customer behaviour better and deliver personalised experiences that enhance comfort and trust.



The image shows a hand-drawn smiley face on a screen. Overlaid on the right side is a satisfaction scale with five levels, each represented by a checkbox and a star rating:

Checkbox	Star Rating	Label
☒	5 stars	Very satisfied
☐	4 stars	Satisfied
☐	3 stars	Neutral
☐	2 stars	Dissatisfied
☐	1 star	Very dissatisfied

The text "Very satisfied" is written in large white letters at the bottom left of the image.

Our unique phygital capabilities and commitment to diversified, sustainable growth underscore **"The Vakrangee Effect"**, wherein our initiatives bolster and invigorate the Indian economy by ensuring financial and social inclusion for a significant segment of society that contributes to over half of India's GDP. We remain committed to building a long-term, sustainable and profitable business model that empowers communities and maximises shareholder value.

Vakrangee's FY2025 AI Agenda: Strategic Focus, Use-cases and Governance

Vakrangee Limited's intellectual capital strategy for FY2025 prioritises Artificial Intelligence and Machine Learning as the primary levers to sharpen our phygital operating model and scale profitable growth. While we continue to invest in adjacent digital enablers such as Internet of Things and Blockchain, AI and ML remain the core technologies through which we plan to refine service quality, compress turnaround times, and extend inclusion at scale across the Kendra network. This aligns with the broader shift in fintech capital allocation toward profitable scale and strong unit economics, with AI emerging as a defining capability in the next chapter of financial services.



Through constant investment in next-generation platforms and strict controls, we strengthened compliance and reported zero data breaches across corporate and outlet operations.

Where AI fits in FY2025

Customer engagement and service automation

Our conversational interface uses advanced natural-language processing to interpret context and respond accurately to stakeholder queries. During FY2025, we plan to integrate ChatGPT-class capabilities into our chatbot for front-line servicing, franchisee acquisition workflows, and helpdesk management across franchisee operations and internal users. These deployments are designed to lift resolution quality, reduce human effort in repetitive tasks, and free teams to focus on exception handling and experience design.

Operational intelligence across the phygital network

AI and ML are embedded in data preparation, predictive modelling, and decision support for network planning, product-mix optimisation, and resource allocation. The objective is to raise accuracy, automate routine processes, and save human hours while improving the reliability of outcomes across Kendras and digital channels.

Risk, compliance and security posture

Technology change is tracked as a principal risk. Our mitigation approach includes continuous investment in next-generation platforms and strict process controls. The Company reported zero instances of data breaches at the corporate office and outlets during the period under review.

Strategic relevance and ecosystem linkages

Phygital scale and inclusion

AI-enabled workflows are central to our "Focused Transformation through Phygital Innovation and Profitable Core Expansion" strategy. They support consistent service standards across physical Kendras and digital interfaces. They will sit alongside other rails, such as ONDC connectivity, to widen market access for rural and small-town sellers. ONDC is a government-backed open network protocol that allows buyer and seller applications to interoperate at a population scale, which strengthens the discovery and reach of local sellers.

Industry direction of travel

Independent analyses indicate a clear pivot across financial services toward AI adoption with an emphasis on measurable value creation. Globally, reported enterprise AI usage rose to 78 percent in 2024, underscoring the mainstreaming of the technology. In India, surveys show strong momentum, including high prioritisation of AI and generative AI by financial institutions, and rapid growth in the domestic GenAI start-up base.

Investor lens for 2025

Investor commentary points to prudence, profitable growth and AI-enabled operating leverage as the markers of quality at this stage of the fintech cycle. This external context reinforces Vakrangee's choice to invest in applied AI with disciplined unit economics.

Specific FY2025 priorities for AI at Vakrangee

1



AI for service, onboarding, and helpdesk.

Conversational AI

2



Improve assortment, routing, and workforce allocation.

Decision-support models

3



Monitor technology obsolescence risk and support adaptation.

AI-enabled risk and compliance

4



Build-out of IoT telemetry and interoperability with ONDC.

Adjacencies

- **Conversational AI at scale for service, franchisee onboarding and helpdesk workflows, with guardrails for quality, privacy and escalation.**
- **Decision-support models to improve assortment, routing and workforce allocation in Kendras, and to streamline analytics across large data sets.**
- **AI-enabled risk and compliance frameworks that monitor technology obsolescence risk and support rapid adaptation.**
- **Adjacencies: continued build-out of IoT telemetry for ATM monitoring, surveillance and logistics; interoperability with ONDC buyer and seller apps to widen market access for local sellers.**

Our Board of Directors



Divya Nandwana – Executive Chairperson

Divya Nandwana is an accomplished professional with a strong foundation in technology and extensive experience in management consulting and strategic leadership.

She holds a Bachelor of Technology degree from the Indian Institute of Technology (IIT) Guwahati, where she developed a keen analytical mindset and a passion for innovative problem-solving. She has also done an Executive Leadership Programme from Stanford Graduate School of Business.

Divya gained international experience at Taiyo Pacific Partners LLP in Kirkland, Washington, USA. This opportunity allowed her to expand her understanding of global business practices and investment management strategies. Prior to joining Vakrangee, she had worked at KPMG India in the consulting division. Over her two-year tenure, she became an integral part of the Management Consulting, Strategy, and Operations team.

In July 2016, she joined Vakrangee, where she initially headed the ATM Business Vertical. As she advanced in her role, she also took on the responsibility as Head of Technology, where she spearheaded the integration of advanced technology solutions to drive digital transformation across the organisation.



Vedant Nandwana - Managing Director

Vedant Nandwana is a seasoned finance professional with an impressive blend of academic excellence and professional credentials. He holds a Chartered Accountant (CA) degree from the Institute of Chartered Accountants of India and a Chartered Financial Analyst (CFA) designation from the CFA Institute, USA.

Since joining Vakrangee in 2018, Vedant has played a significant role in the company's growth and strategic direction. Initially, he led the Banking Vertical and was instrumental in driving the company's core strategy. His expertise and leadership have contributed to Vakrangee's success in these areas.

Prior to his tenure at Vakrangee, Vedant gained valuable experience at KPMG India, where he worked for three years in the auditing and assurance division. During his time at KPMG, he was involved in auditing a diverse range of clients within the Financial Services sector, including Venture Capital Funds and some of the largest private banks in India.

Vedant's career reflects a blend of strategic insight and technical expertise, underpinned by a robust foundation in both domestic and international financial standards.



Hari Chand Mittal - Non-Executive Independent Director

Hari Chand Mittal is a postgraduate with a Master of Commerce and a certified associate from the Indian Institute of Bankers. In his long and illustrious career of more than 37 years with Union Bank of India, he has held several leadership positions, including Mumbai and then the entire Maharashtra under Pune Zone as Field General Manager, from where he retired on 31 July 2019. He possesses vast exposure and practical experience in various fields of banking administration, enriched by a deep understanding of operations as well as finance, ranging from MSME, Retail, Agriculture and other fields like Foreign Exchange, Import / Export & Financial Inclusion. He has not only been a passionate banker but also a devoted administrator, motivational speaker, guide, mentor, leader, evaluator, team builder, friend, visionary and crisis manager throughout his career. He has also been appointed as an Independent Director on the Board of Directors of Chandigarh Smart City Ltd by The Advisor to the Administrator, Union Territory, Chandigarh-cum-Chairman CSCL, vide notification No 15157-FII(9)-2020/15529 dated 10.12.2020 issued by Principal Secretary/ Home-cum-Local Govt, Chandigarh Administration, Local Govt Department, Union Territory, Chandigarh.



Savita Keni - Non-Executive Independent Director

Savita Keni is a distinguished banking professional with over three decades of extensive experience in various facets of the banking industry. Having retired as the General Manager of Bank of Baroda, she has established herself as a leader with a deep understanding of the complexities and dynamics of modern banking.

She is a science graduate, further complemented by her certification as an Associate of the Indian Institute of Bankers (CAIIB).

Throughout her illustrious career, she has gained a wealth of experience across multiple key areas, including corporate and mid-corporate finance, MSME finance, stress asset management, and disciplinary proceedings. Her expertise in these fields has been honed through her leadership in various high-impact roles within the banking sector.

Savita's international experience is notable, having served as the AGM and Branch Head at Abu Dhabi, and later as the Deputy Territory Head for the Middle East at Dubai, UAE. Her strategic vision and leadership were instrumental in managing and expanding the bank's operations in these regions.

In addition to her international assignments, Savita held several senior leadership positions domestically, including roles as Vertical Head, Regional Head, and Deputy Zonal Head. Her ability to lead diverse teams and drive growth in challenging environments has been a hallmark of her career.

Our Board of Directors



Sandeep J. Gaware - Non Executive Independent Director

Mr. Sandeep J. Gaware is an accomplished banking veteran with an illustrious career spanning over 36 years in the Indian financial services ecosystem. Renowned for his strategic vision, transformative leadership, and deep-rooted governance expertise, he brings unparalleled experience across a wide spectrum of financial services, including rural and retail banking, regulatory compliance, credit risk management, digital transformation, and subsidiary governance.

In his most recent leadership role as Chief General Manager – Head of Associates, Subsidiaries & Regional Rural Banks (RRB) at Canara Bank, Mr. Gaware was instrumental in driving the group's strategic growth agenda. He played a pivotal role in key capital market initiatives such as the IPO process of Canara Robeco Asset Management Company and Canara HSBC Life Insurance, as well as strategic restructuring and divestments that unlocked significant shareholder value.

His previous assignments as Circle Head at Kolkata and Pune, overseeing a vast network of more than 750 branches, underscore his operational excellence and capability to drive sustainable business growth.

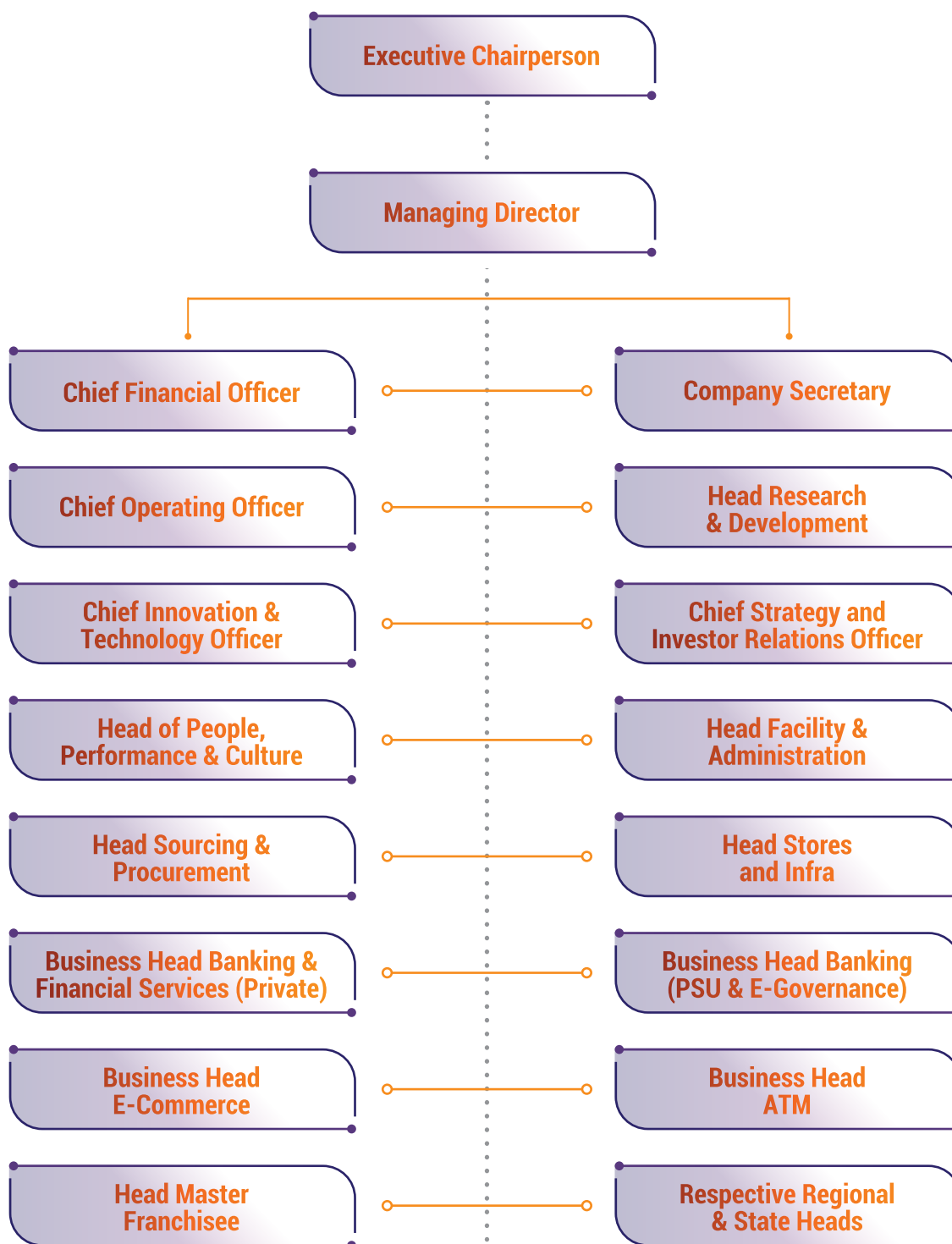
Mr. Gaware has also led the end-to-end implementation of all 21 DFS digital banking services across the RRBs sponsored by Canara Bank – a unique feat among sponsor banks – reinforcing his commitment to digitization, financial inclusion, and operational modernization.

He holds a Bachelor of Science from the University of Mumbai, is a Certified Associate of the Indian Institute of Bankers (CAIIB) and is an alumnus of prestigious leadership development programs from XLRI Jamshedpur, IIM Bangalore, IIM Indore, and ASCI Hyderabad, including international executive education exposure in Europe.

**L K Shamsunder - Non-Executive Non-Independent Nominee Director**

L K Shamsunder is presently serving as Zonal Manager, LIC of India, South Central Zone. He holds a Bachelor's degree in science and is a Fellow of the Insurance Institute of India. He also holds a Diploma in Health Insurance, Compliance Governance & Risk Management, and Medical Underwriting. Prior to this position, Mr. L K Shamsunder worked as Director, Zonal Training Centre, Hyderabad. He also held the position of Executive Director (Corporate Communications), Mumbai. In his career spanning over 35 years, he has handled various marketing and administrative assignments. He has exposure in the global insurance market, also as he worked as General Manager, LIC (International), Bahrain from 2010 to 2013. He has successfully led the marketing activities of the South-Central Zone as Regional Manager (Marketing). His diverse work experience includes assignments as a Faculty Member at National Insurance Academy, Pune, Regional Manager (B&AC) in South Central Zone and Western Zone. He has spearheaded two divisions – Secunderabad and Jorhat as Senior Divisional Manager. He speaks five languages – Telugu, English, Kannada, Tamil and Hindi. He also loves reading books and follows cricket enthusiastically. He is fond of listening to old Telugu and Hindi film songs.

Our Corporate Structure



Our Key Management

At the core of our success is a senior management team that demonstrates exemplary leadership and commitment. They ensure consistent managerial focus, reinforce our strategic objectives, and contribute significantly to our ongoing success and steady expansion.



Divya Nandwana, Executive Chairperson

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Prior to his tenure at Vakrangee, Vedant gained valuable experience at KPMG India, where he worked for three years in the auditing and assurance division. During his time at KPMG, he was involved in auditing a diverse range of clients within the Financial Services sector, including Venture Capital Funds and some of the largest private banks in India.

Vedant's career reflects a blend of strategic insight and technical expertise, underpinned by a robust foundation in both domestic and international financial standards.

Our Key Management



Ajay Jangid, Chief Financial Officer (CFO)

Ajay Jangid is a distinguished professional in the field of Corporate Finance and Accounting, with a robust background in both practical and strategic aspects of financial management. A graduate in Commerce and a qualified member of the Institute of Chartered Accountants of India (ICAI), he brings over 12 years of comprehensive experience spanning various facets of Corporate Finance, Accounts, and Taxation.

Throughout his career, Ajay has demonstrated expertise in financial planning, implementation, and risk management. His professional acumen extends to managing and overseeing all financial operations within an organization, including business planning, budgeting, forecasting, negotiations, governance, auditing, compliance, and internal control.

Ajay has been a pivotal part of leadership teams, contributing significantly to Business Strategy, Financial Analysis, and Risk Management. In his previous role, he successfully managed consolidated revenues of INR 1,500 crores and was instrumental in establishing strong internal controls and a robust audit process.

He played a key role in driving the implementation of internal financial controls and risk management strategies, ensuring alignment with organizational guidelines and regulatory compliance.

With a solid foundation in corporate finance and a proven track record in leadership, Ajay Jangid continues to excel in developing and implementing strategies that drive organizational growth and sustainability.



Amit Gadgil, Company Secretary & Compliance Officer

Amit Gadgil is a seasoned Company Secretary and legal professional with over 14 years of extensive experience in the corporate legal and compliance domain. He specialises in handling legal, regulatory, and secretarial responsibilities for listed entities, startups, and multinational corporations.

Prior to his association with Vakrangee, Amit had a decade-long professional journey at Renaissance Global Limited, wherein he led critical functions in the space of compliance under SEBI Regulations, corporate Governance. He was also a founder of Practising CS Firm, which delivered advisory services to a diverse clientele, including private and public limited companies, LLPs and foreign ventures. Amit has managed a wide array of corporate assignments — from ESOP implementation, buy-backs, and major assignments under SEBI PMS Regulation.

He is known for his structured approach, attention to detail, and strategic legal insight. Amit is always committed to helping organisations navigate complex legal landscapes and ensure robust governance frameworks.

**Aditya Jani, Head - Corporate Affairs**

Aditya Jani is a seasoned finance professional with over 14 years of diverse experience in Finance, Banking, Investor Relations, Corporate Communications, and Corporate Sustainability. He has been an integral part of Vakrangee Limited since 2011 and has played a pivotal role in the company's financial strategy and corporate affairs. Initially leading the Banking & Corporate Finance department, he has played a pivotal role in Investor Relations and Corporate Strategy, contributing to sustainable growth and long-term value creation.

Prior to his tenure at Vakrangee, he was associated with Deutsche Bank, where he gained valuable expertise in financial management and risk assessment. His ability to navigate complex financial landscapes and develop strategic frameworks has contributed significantly to the organization's resilience and expansion.

He has a strong track record in financial operations, with extensive experience in fundraising, business planning, budgeting, forecasting, investor relations & Corporate communication. His strategic insights and leadership have been instrumental in driving sustainable financial innovation and long-term value creation for the organization.

Aditya holds a Master of Business Administration (MBA) in Finance from the International Management Institute, Belgium, and a postgraduate degree in Planning and Entrepreneurship from IIPM. His analytical acumen, strategic foresight, and results-driven approach continue to contribute to Vakrangee's growth and success.

**Mukesh Shukla, Head – PSU & E-Governance**

Mukesh Shukla is a distinguished banking and e-governance leader with over 32 years of expertise in business growth, large-scale project execution, and revenue optimization. With a strong foundation in public sector banking and digital transformation, he has been instrumental in driving high-impact initiatives that enhance operational efficiency and customer engagement.

A strategic leader and industry veteran, Mukesh has been an integral part of our organization for over 18 years, leading business expansion, digital innovation, and large-scale implementations across India. His deep expertise in financial technology, governance frameworks, and operational excellence has significantly contributed to strengthening the company's industry leadership.

Mukesh's forward-thinking strategies and profound understanding of regulatory frameworks, process automation, and financial inclusion continue to shape the future of banking and e-governance. His commitment to innovation and societal impact drives transformative change, ensuring sustainable growth and progress in the industry.

Our Key Management



Rahul Mahajan, Head – Private Banking & Insurance

Rahul Mahajan is a highly accomplished business leader with over 29 years of experience in scaling retail businesses and transforming them into profitable and sustainable operations. His ability to seamlessly integrate strategic vision with operational excellence has enabled organizations to achieve market leadership and long-term growth.

With extensive expertise in fintech, banking, and insurance, Rahul has successfully led sales, operations, and customer service strategies, driving revenue growth, business expansion, and enhanced customer experiences. His proven track record in building and leading high-performance teams, implementing results-driven business plans, and optimizing revenue-generating processes has contributed significantly to business success. His ability to leverage existing accounts while creating new opportunities has consistently delivered exceptional sales performance and market expansion.

As a Head – Private Banking & Insurance, Rahul leads and drives strategic initiatives across multiple financial service segments, including Private Banking, Insurance, Payments & Remittances, Mutual Funds, Lending Solutions, and Business Development.

Prior to joining Vakrangee, Rahul held senior leadership positions at Écartés, Sahaj Retail, Bimaplan, and Bajaj Allianz Life Insurance, where he played a key role in business expansion, revenue growth, and operational excellence. His insight and technical expertise, underpinned by a robust foundation in both domestic and international financial standards.



Sumeet Singh Bais, Head – ATM Business

Sumeet Singh Bais is a seasoned business leader with over 18 years of experience in driving large-scale sales, distribution, and operations across the Banking, Telecom, and White Label ATM (WLA) sectors. Known for blending strategic vision with executional excellence, he has consistently delivered business growth, market expansion, and operational transformation.

As Head – ATM Business at Vakrangee Limited, Sumeet leads the company's nationwide ATM strategy, focusing on network expansion, franchise development, and banking partnerships. Under his leadership, Vakrangee has strengthened its presence in rural and semi-urban markets, enhancing financial inclusion by improving ATM penetration and franchisee profitability while delivering essential banking services at the last mile.

With deep expertise in WLA deployment, franchise model management, and P&L ownership, Sumeet has a proven track record of building scalable and profitable business ecosystems. His career spans senior leadership roles at Hitachi Payment Services, BTI Payments (India1 ATM), Reliance Communications, Vodafone India, Telenor, and Bharti Airtel, where he drove multi-state operations, introduced innovative solutions like mobile ATMs, and scaled franchise networks.

He holds an MBA from Dr. Ambedkar Institute of Management Studies & Research and a Commerce degree from Rashtrasant Tukadoji Maharaj Nagpur University and continues to advance digital financial inclusion through cost-efficient and technology-driven ATM infrastructure solutions.



Ashish Ladhani, Head – Technology

Ashish Ladhani is a technology leader with a distinguished career in the digital payments sector, marked by transformative leadership and significant accomplishments. With over two decades of experience, he has played a pivotal role in driving innovation, developing large-scale IT infrastructures, and enhancing digital payment ecosystems.

Currently, Ashish serves as the Vice President of Information Technology at Vakrangee Limited, a position he has held since October 2023. In this role, he has been instrumental in spearheading the development of a state-of-the-art, centralized IT infrastructure with distributed services. His ability to blend strategic vision with hands-on execution has been critical in ensuring seamless integration across multiple platforms, strengthening Vakrangee's technological capabilities.

Before joining Vakrangee, Ashish spent more than two decades at Ebixcash Payment Services Pvt Ltd, where he served as the Group Head of Information Technology.

Ashish holds a Bachelor of Engineering in Computer Science from the University of Mumbai. His academic foundation provided him with a strong technical grounding, shaping his expertise and passion for technology.

With his visionary leadership, deep technical expertise, and commitment to driving digital transformation, Ashish Ladhani continues to be a key figure in the evolution of India's digital payments landscape.



Sathyan Gopalan, Chief Executive Officer - Vortex Engineering Private Limited (Subsidiary of Vakrangee Limited)

Sathyan Gopalan is a visionary leader and seasoned industry expert with over 25 years of experience in banking technology, enterprise solutions, and market expansion. As the Chief Executive Officer of Vortex Engineering, he is at the forefront of driving strategic growth, pioneering product innovation, and enhancing overall profitability—firmly positioning the company as a leader in cutting-edge financial solutions.

Sathyan has a distinguished track record of accelerating non-linear growth by launching transformative products and expanding into new markets. His extensive expertise encompasses core banking, risk and customer analytics, multi-channel solutions, and enterprise management. His leadership journey spans globally renowned organizations such as Tata Unisys, Computer Associates, Oracle Financial Solutions, and Wincor Nixdorf, before taking the helm at Vortex Engineering.

Sathyan holds a strong academic foundation with an engineering degree from UVCE Bangalore and an MBA in Finance from the prestigious Jamnalal Bajaj Institute, Mumbai. His deep industry insights, strategic acumen, and relentless passion for innovation continue to drive business transformation and shape the future of financial technology.

Our Key Management



S. Gopalakrishnan, Chief Financial Officer & Head HR - Vortex Engineering Private Limited (Subsidiary of Vakrangee Limited)

S. Gopalakrishnan is a distinguished Chartered Accountant cum Cost Accountant with 20 years of expertise in accounting, treasury, fundraising (both debt and equity), working capital management, and operational finance.

As the Chief Financial Officer & Head of HR at Vortex Engineering, he plays a critical role in driving financial strategy, optimizing capital structure, and ensuring robust financial governance to support the company's growth and expansion.

Prior to joining Vortex, Gopalakrishnan served as the Finance Head for the US operations of Haldia Coke & Chemicals Pvt Ltd., a Shriram Group company, where he led the finance and accounting functions. Before that, he held key financial roles at leading organizations including OPG Group, TTK Group, Saint-Gobain Glass India Pvt Ltd., and The Associated Cement Companies Ltd.

His industry expertise spans power (both conventional & renewable), cement, float glass, healthcare, and coal mining. He has a strong track record of setting up financial systems and processes for start-ups, managing large-scale working capital requirements, securing term debt funding, and raising equity from private equity investors.

With a strategic vision and deep financial acumen, Gopalakrishnan continues to drive financial excellence, operational efficiency, and sustainable growth at Vortex Engineering.



**BUILT ON LEGACY.
DRIVEN BY PROFITABILITY
& STRONG GROWTH.**



Corporate Governance

Our corporate governance philosophy is anchored in a strong tradition of fairness, ethics, and transparency. We firmly believe that robust governance is vital to driving organisational excellence and fostering a culture of integrity, accountability, and responsible leadership. Through sound governance practices, we aim to create sustainable value for all stakeholders, including shareholders, employees, customers, partners, and society at large.

Effective corporate governance underpins the ethical Management of our Company and promotes trust and integrity across all operations. It provides a clear framework for ethical behaviour, risk management, regulatory compliance, and transparent decision-making. By adhering to these principles, we safeguard stakeholder interests and ensure long-term organisational resilience and growth.

Our Board of Directors and its committees diligently fulfil their fiduciary responsibilities under this framework, with an unwavering focus on transparency, fairness, and independence in governance processes. In alignment with our corporate governance policy, we consistently prioritise the protection and advancement of stakeholder interests.

We reinforce this commitment through several responsible business initiatives — delivering consistent shareholder returns, maintaining a strong credit profile, advancing Corporate Social Responsibility (CSR) programmes, and adopting transparent practices in accounting for and verifying greenhouse gas (GHG) emissions. These efforts reflect our dedication to fostering sustainable, ethical, and accountable operations.

The Board of Directors plays a pivotal role in overseeing the Company's affairs and aligning strategic decisions with shareholder interests. It provides vital guidance, vision, and oversight to help navigate the evolving corporate landscape. In compliance with Section 173 of the Companies Act, 2013, and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR), the Board meets at least four times annually to ensure timely and informed decision-making.

In addition, the Company strictly adheres to the SEBI (Prohibition of Insider Trading) Regulations, 2015. We have implemented a comprehensive **Code of Conduct for Prevention of Insider Trading** ("VL Code"), which governs trading practices in the Company's shares and fosters a culture of ethical compliance.

To ensure the effective and sustainable operation of our business, we continue to build and nurture key competencies across the organisation:

- ♦ **Comprehensive Knowledge**

Our leadership and management teams possess in-depth knowledge of the Company's business, policies, and culture. This enables them to identify key risks, anticipate opportunities, and make informed strategic decisions.

- ♦ **Behavioural Competencies**

We cultivate leadership qualities and behavioural competencies that drive organisational success, including business acumen, strategic thinking, sales and marketing expertise, corporate governance proficiency, forex management, and effective decision-making.

- ♦ **Technical/Professional Expertise**

Our employees possess industry-specific knowledge and technical expertise that enable them to deliver operational excellence. They remain abreast of relevant regulatory developments and leverage their professional skills to drive innovation and competitive advantage.

Through our comprehensive Corporate Governance framework, we remain steadfast in our commitment to upholding the highest standards of corporate responsibility, transparency, and ethical conduct—ensuring that the Company continues to grow sustainably while creating long-term value for all stakeholders.

Our Corporate Governance Framework

Composition of Board

- ♦ Superior skills, diverse expertise and extensive years of experience
- ♦ 6-member Board with a good mix of both Executive and Non-Executive Directors including Independent Directors
- ♦ 3 Non-Executive Independent Directors (Including 1 female Independent Director), 1 Nominee Director (representing Life Insurance Corporations of India limited) and 2 Executive Directors.

Functions of Board

- ♦ The Board of Directors are the backbone of a Company. They not only provide overall direction and formulate a strategy for Company but also establish management policies and govern overall business performance for optimal effectiveness. They ensure business operations serve the long-term interests of stakeholders. They report to shareholders on their stewardship of the Company.
- ♦ Day-to-day operations of Company are driven by Managing Director and Chairperson, who reports to the Board of Directors.

Performance Evaluation

- ♦ The Nomination and Remuneration and Compensation Committee shall evaluate the performance of each Director, Key Managerial Personnel and Senior Management of the Company and rate his/ her performance.
- ♦ The Board shall evaluate performance of the Independent Director in the same way as that of Executive Director of Company.

Effectiveness of Board of Directors

- ♦ Effectiveness of the Board shall be measured on the basis of ratings given by the Nomination and Remuneration and Compensation Committee to each Director.
- ♦ Accordingly, the Board shall decide on appointment, re-appointment and removal of the under-performing Directors of the Company.

Our Board and Executive Committees

The Board and other Executive committees deal with particular issues requiring extensive knowledge and specialised expertise. For the smooth functioning of the business, we have formed the following internal committees: -

AUDIT COMMITTEE	Mr. Hari Chand Mittal – Chairperson
	Mr. Sandeep Gaware – Member
	Mrs. Savita Dattatray Keni – Member
NOMINATION AND REMUNERATION COMMITTEE	Mr. Hari Chand Mittal – Chairperson
	Mr. Sandeep Gaware – Member
	Mrs. Savita Dattatray Keni – Member
STAKEHOLDER RELATIONSHIP COMMITTEE	Ms. Savita Dattatray Keni – Chairperson
	Mr. Vedant Dinesh Nandwana – Member
	Ms. Divya Dinesh Nandwana – Member
CORPORATE SOCIAL RESPONSIBILITY COMMITTEE	Ms. Divya Dinesh Nandwana – Chairperson
	Mr. Vedant Dinesh Nandwana – Member
	Mr. Hari Chand Mittal – Member
RISK MANAGEMENT COMMITTEE	Mr. Hari Chand Mittal – Chairperson
	Ms. Divya Dinesh Nandwana – Member
	Mr. Sandeep Gaware – Member
	Mrs. Savita Dattatray Keni – Member
Board ESG Committee	Ms. Divya Dinesh Nandwana – Member
	Mr. Vedant Dinesh Nandwana – Member
	Mr. Hari Chand Mittal - Member
Anti-Fraud Committee	Mr. Savita Dattatray Keni – Chairperson
	Ms. Divya Dinesh Nandwana – Member
	Mr. Vedant Dinesh Nandwana – Member
POSH Committee	Ms. Divya Dinesh Nandwana - Member
	Ms. Namita Pradhan - Member
	Mr. Shrikant Pathade - Member
	Ms. Himangi Ghadi - Member
	Mr. Viral Majumdar - Member
	Mrs. Veena Shetty - Member
Information Security Committee	Dr. Nishikant Hayatnagarkar – Member
	Ms. Divya Dinesh Nandwana - Member
	Mr. Ashish Ladani - Member
	Mr. Ashish Pradhan - Member

Factsheet

S. No.	Particulars	Response
01	Size of Board	6
02	Number of Independent Directors	3
03	Board orientation and education program	Yes
04	Annual review of the independence of the Board	Yes
05	Separate Board Chair and CEO/ MD	Yes
06	Independent Board Chair	Yes
07	Charters for Board Committees	Yes
08	Independent Audit Committee	Yes
09	Number of financial experts on the Audit Committee	3
10	Independent Compensation Committee/ Nomination and Remuneration and Compensation Committee	Yes
11	Number of Board meetings held in FY 2024-25	6
12	Independent Directors can hold meetings without the presence of Management	Yes
13	Tenure policy for Independent Directors	Yes
14	Holders of 15% / 10% of outstanding shares can call a special meeting	Yes
15	Annual Board and Committee evaluations	Yes
16	Annual Individual Director evaluations	Yes
17	Annual equity grant to non-employee Directors	No
18	Director stock ownership and holding requirement / ESOP policy	Yes
19	Executive stock ownership policy / ESOP policy	Yes
20	Corporate governance guidelines approved by the Board	Yes
21	Corporate compliance program	Yes
22	Standards of business conduct	Yes
23	Finance code of professional conduct	Yes

Corporate Information

Board of Directors	Divya Nandwana	Executive Chairperson
	Vedant Nandwana	Managing Director
	Hari Chand Mittal	Non Executive Independent Director
	Savita Keni	Non Executive Independent Director
	S. N. Kaushik (Till 4 th July, 2025)	Non Executive Independent Director
	Sandeep Gaware (w.e.f 25 th July, 2025)	Non Executive Independent Director
Chief Financial Officer	L K Shamsunder	Non-Executive Non-Independent Director Nominee Director
Company Secretary & Compliance Officer	Ajay Jangid	Chief Financial Officer
Statutory Auditor	Amit Gadgil	Company Secretary & Compliance Officer
Secretorial Auditor	M/s. S. K. Patodia & Associates LLP	Chartered Accountants, Mumbai
Registered Office	Kalpana Srinivasan	Practicing Company Secretary
	Address and Contacts	Vakrangee Limited Vakrangee Corporate House, Plot No. 93, Road No. 16, M.I.D.C. Marol, Andheri (East), Mumbai. Maharashtra, 400093. India Telephone No.: 022-67765100 Email Id: info@vakrangee.in Website: www.vakrangee.in



Bankers

Union Bank of India
 Punjab National Bank
 Bank of Baroda
 Canara Bank
 Central Bank
 Rajasthan Marudhara Gramin Bank
 Chhattisgarh Rajya Gramin Bank
 Baroda UP Gramin Bank
 Bangiya Gramin Vikash Bank
 Axis Bank Limited
 Kotak Bank Limited
 IDBI Bank Limited
 SBM Bank (India) Limited
 Yes Bank
 IndusInd Bank Limited
 Karnataka Bank

Registrar

M/s. Bigshare Services Pvt. Ltd.

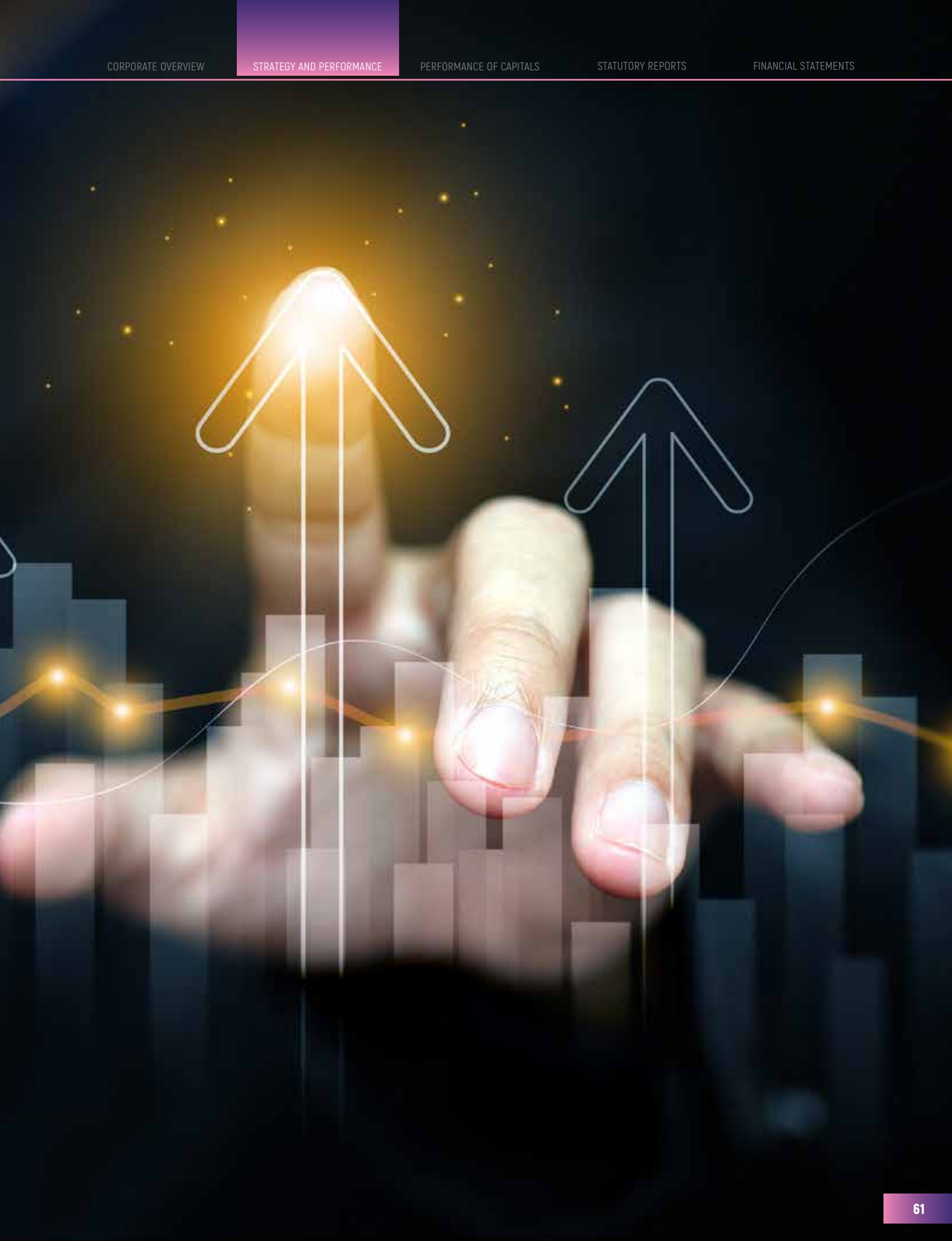
M/s. Bigshare Services Pvt. Ltd.;
 Office No S6-2, 6th Floor,
 Pinnacle Business Park,
 Next to Ahura Centre, Mahakali Caves Road,
 Andheri (East), Mumbai - 400093
Telephone No.: 022-62638200
Fax No.: 022- 62638299
Email: investor@bigshareonline.com



Strategy and Performance

FY2024–25 was a year of execution and progress, where we translated strategic intent into measurable outcomes across each of our six capitals. From strengthening partnerships with banks and government institutions, to expanding our reach in semi-urban and rural markets, our performance underscores resilience, adaptability, and an unwavering focus on sustainable growth. This section highlights our strategic priorities, the progress achieved during the year, and how our initiatives continue to drive inclusive development at scale.





Stakeholder Engagement and Materiality Analysis

Stakeholder Engagement

Engaging with stakeholders is central to fostering transformative change within our Organisation. In FY2025, we actively built authentic and meaningful relationships with our stakeholders to gain crucial insights into their evolving expectations and concerns.



By engaging deeply with our stakeholders, we gained crucial insights that shaped our strategy, strengthened our resilience, and ensured our growth remains inclusive and sustainable.

Our approach for FY2025 involved identifying stakeholders based on their significance, influence, interest, legitimacy, urgency, and diversity of viewpoints, encompassing both our core business concerns and emerging societal issues. This systematic process is a continuous management discipline that informs our strategy, risk management, and day-to-day operations.

We acquired invaluable insights through regular engagements with employees, investors, suppliers, customers, peer firms, policymakers, industry associations, NGOs, and sector experts. These interactions significantly contributed to our collective intelligence, aiding us in prioritising key material topics and identifying new opportunities and potential threats for the fiscal year.

As stakeholder needs developed throughout FY2025, we adapted our engagement mechanisms to remain pertinent to our sector. We periodically updated and revised our strategies, establishing platforms that effectively facilitate interaction with stakeholders and address their insights and concerns. Through diverse communication and engagement channels, as detailed in our stakeholder engagement structure, we continue to gather valuable feedback that directly influences our business decisions and ensures our growth is both profitable and inclusive. This continuous dialogue is vital for accelerating growth and delivering value across our "Phygital" ecosystem.



Stakeholder Engagement	Engagement Method	Key Topics Highlighted
Master Franchisee	To strengthen effective franchisee management, we have introduced dedicated district-level Master Franchisees for every district. To sustain franchisee and customer satisfaction, regular store surveys are conducted. The Master Franchisee remains actively involved on the ground with all franchisees within their district, while webinars with Business Service Heads are organised to offer guidance and support. Furthermore, state or district-level franchisee meetings are convened, with active participation of the Senior Management, including the MD/CEO, State Heads and Business Heads.	1. Marketing support and strategy 2. Training, guidance and support 3. Franchisee satisfaction 4. Grievance redressal
Franchisee	Effective franchisee management is ensured by dedicated Relationship Managers assigned to each franchisee cluster. To uphold franchisee and customer satisfaction, regular store surveys are conducted, and the field team maintains active engagement on the ground. Webinars with Business Service Heads are organised for guidance and support. Additionally, state or district-level franchisee meetings are held with Senior Management, including the MD/CEO, State Heads and Business Heads. In acknowledgement of exceptional performance, rewards and recognition schemes have been implemented.	1. Marketing support and strategy 2. Training, guidance and support 3. Franchisee satisfaction 4. Grievance redressal
Employees	Training and effective communication strategies take precedence within the organisation. An annual employee survey is conducted to assess satisfaction levels and gather feedback. Professional growth and a sense of belonging are nurtured through mentorship programmes and employee affinity groups. Rewards and recognition schemes have been implemented to commend exceptional performance.	1. Human rights issues 2. Employee engagement and feedback 3. Operational aspects 4. Performance review 5. Talent development, training and skill development 6. Code of conduct, business conduct processes, and policies 7. Company business initiatives and strategies 8. Franchisee and customer behaviour and response towards the Company's business model
Business Partners	Regular and timely interactions with Business Service Partners are upheld through quarterly meetings and discussions tailored to specific requirements. Webinars and training opportunities are organised to facilitate knowledge-sharing and foster collaboration.	1. Service availability in remote locations 2. Service manual and training guidelines 3. Customer reach and business sales-targets strategy 4. Business risks and their mitigation strategies 5. IT-related integration, data privacy and security

Stakeholder Engagement and Materiality Analysis

Stakeholder Engagement	Engagement Method	Key Topics Highlighted
Shareholders and Investors	Engagement occurs through multiple avenues, including quarterly conference calls, press releases, analysts' meetings, one-on-one sessions, board presentations, annual general meetings, reports and quarterly investor presentations. We also conduct domestic and international roadshows, arrange site visits, and emphasise ESG audits and ratings to enhance communication effectiveness and transparency.	1. Environment, Social and Governance strategy 2. Key company-level strategy and developments 3. Company business performance 4. Technological innovations 5. Shareholder voting rights
Customers	Customer satisfaction is maintained through routine store surveys. The use of chatbots and virtual assistants enhances customer service efficiency. SMS and WhatsApp campaigns are used to update customers on offers and new service offerings.	1. New services and offerings 2. Customer grievance addressal and satisfaction 3. Customer queries 4. Data privacy and security
Community	Monitoring community interventions, CSR programmes and franchisee owner recruitment is prioritised.	1. Livelihood generation 2. Social infrastructure development for local rural communities 3. Financial, social and digital inclusion 4. Easy access to basic services such as universal banking, insurance and social security benefits through DBT, that is, direct benefit transfer
Suppliers and Vendors	Suppliers and vendors undergo thorough monitoring and review processes. These include regular meetings with the Contract Manager for progress assessments, technical evaluations and long-term performance reviews. A supplier code of conduct is implemented, and adherence is verified by suppliers and vendors. Supplier audits are conducted to maintain compliance and quality standards.	1. Product and service requirements 2. Quality check and pilot testing 3. ESG compliance on the product, including EPEAT certification, and compliance with the supplier and vendor Code of Conduct for suppliers 4. Performance review and audit survey review on after-sales monitoring 5. Performance review on product and service as per the requirement 6. Feedback on support and maintenance of the respective product or service 7. Grievance addressal 8. Product customisation, for example, an ATM made Divyang-friendly and paperless ATM operation was made as discussed with the supplier OEMs

Stakeholder Engagement	Engagement Method	Key Topics Highlighted
Industry bodies	We collaborate with industry bodies such as the Confederation of ATM Industry, CATMI. We contribute to trade events, conferences, newsletters and publications. Ongoing engagement with regulatory bodies is maintained through memberships and meetings, including CATMi for ATMs, BCFI, National Payment Corporation of India (NPCI) meetings and Reserve Bank of India (RBI) meetings.	1. ATM growth 2. Advocacy for best industry practices 3. Technological innovations in the ATM industry 4. Education and training 5. White Label ATM, (WLA), and financial inclusion initiatives 6. Financial and social inclusion initiatives in rural India 7. Industry feedback and expectation management on White Label ATM business and business correspondent banking services in India 8. Industry representation to the Reserve Bank of India (RBI) and DFS (Department of Financial Services) 9. Prevention of unethical practices, if any, and corrective strategy implementation 10. Digital India, RuPay cards and ATM expansion
NGOs, NPOs and civil societies	Engagement with NGOs, NPOs and civil societies is conducted to oversee community interventions and CSR programmes.	1. Healthcare access 2. Promoting education 3. Sustainable development 4. Environmental sustainability
Government and regulatory bodies	Active participation in periodic meetings with government and regulatory bodies is a key aspect of our operations. We also collaborate with various organisations to ensure representation and engagement.	1. Promotion of financial, social and digital inclusion 2. Industry feedback and expectation management on White Label ATM business and business correspondent banking services in India 3. Industry representation to the Reserve Bank of India (RBI) and DFS (Department of Financial Services) 4. Review discussion with the National Payments Corporation of India (NPCI) 5. WLA licence renewal and periodic audit performed by RBI

Vakrangee's FY2025 Materiality and ESG Focus

In FY2025, we continued to operate within a complex framework of material concerns that span environmental, social, and governance factors, shaping our long-term value creation journey. Through an ongoing cycle of assessment and multi-stakeholder engagement, we identified, prioritised, and addressed the material topics most critical to our business operations and stakeholder expectations, integrating them systematically into our strategies, policies, and programmes.

Our materiality mapping exercise in FY2025 placed particular emphasis on high- and medium-priority issues, evaluating their relevance against sectoral dynamics, stakeholder inputs, and evolving global sustainability standards. Stakeholders actively contributed to this process, enabling us to derive strategic insights, strengthen governance, and take informed decisions on issues that materially affect our business and society at large. See our Capitals Chapters for more detail on how we are responding to each of these key material issues.

By embedding these priorities into our business model, Vakrangee has reaffirmed its commitment to sustainable value creation while strengthening its ability to adapt to the risks and opportunities shaping FY2025 and beyond.

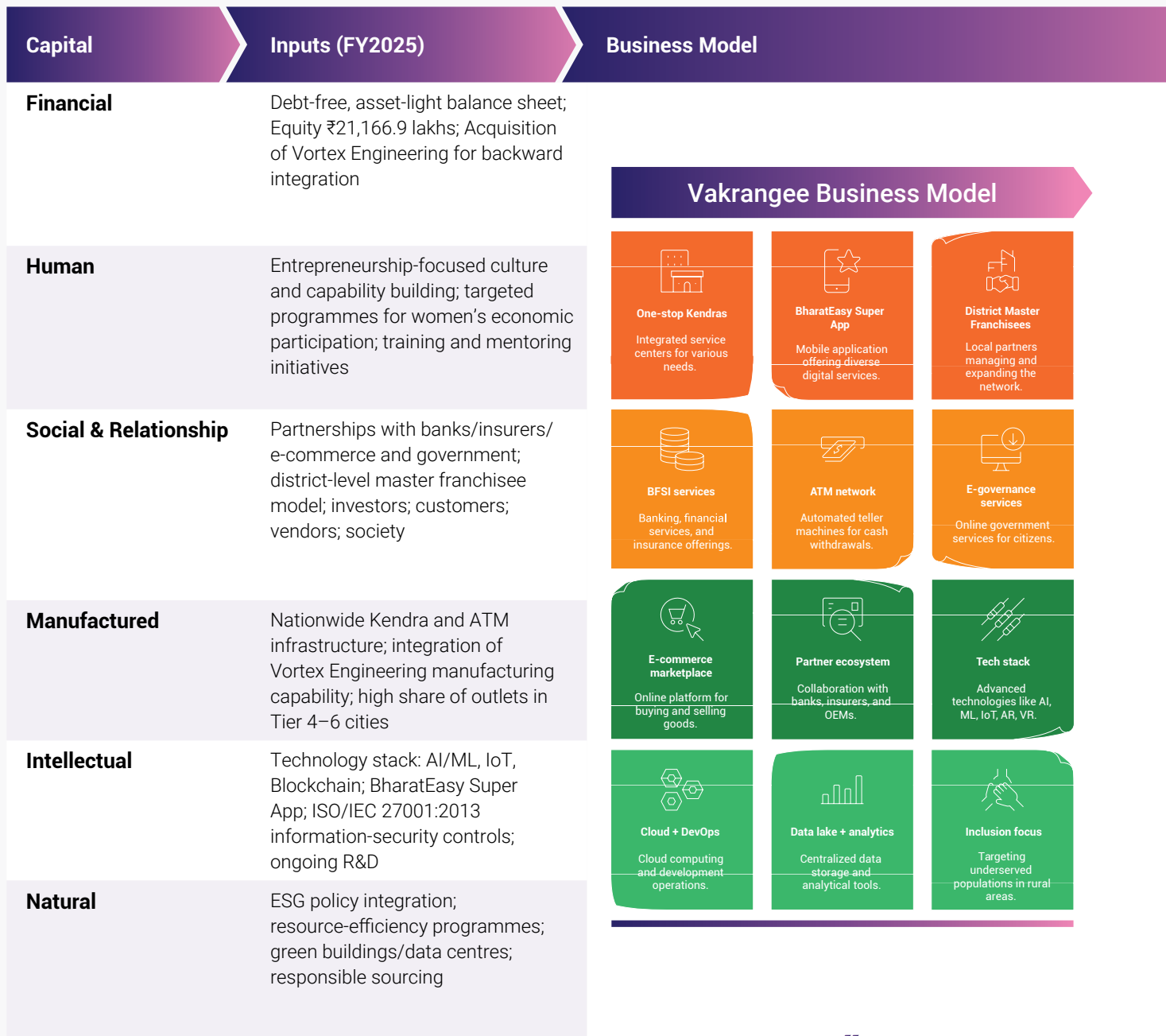
Influence on Stakeholders		
♦ Franchisee and customer behaviour and response towards the Company's business model ♦ Marketing support and strategy	♦ Company business initiatives and strategy ♦ Grievance addressal ♦ Healthcare access ♦ Occupational health and safety ♦ Operational aspects ♦ Physical asset security, such as ATMs ♦ Relations with business partners ♦ Responsible marketing and advertising ♦ Responsible sourcing ♦ Training, guidance and support ♦ Valuable services	♦ Business continuity ♦ Business ethics and integrity ♦ Community engagement and development ♦ Environmental sustainability and climate change ♦ Compliance with regulations ♦ Cyber attacks ♦ Data privacy and security ♦ Digitisation ♦ Diversity and inclusion ♦ Employee wellbeing ♦ Financial performance ♦ Financial, social and digital inclusion ♦ Human rights ♦ Optimal franchisee performance ♦ Product and service quality ♦ Robust governance ♦ Talent attraction and retention ♦ Technological innovations ♦ Lean organisation and leveraging technology and automation
Low priority	Medium priority	High priority

Key Material Issues we focused on in FY2025 included:

1. **Regulatory compliance and governance** – aligning with evolving regulations and strengthening internal controls. See our Capitals Chapters for more detail on how we are responding to each of these key material issues.
2. **Cybersecurity, data privacy, and digital trust** – fortifying resilience across digital channels and customer touchpoints. Our commitment to safeguarding sensitive data is paramount, underscored by our ISO/IEC 27001:2013 certification for our Information Security Management System. We are pleased to report zero complaints concerning breach of customer privacy in FY2024-25, demonstrating our consistent dedication to data protection. We recognise that rapid technological transformation, including disruptive innovations, could impact profit margins. To mitigate this, we have adopted a next-generation digital model and continue to invest strategically in advanced technologies. See our Capitals Chapters for more detail on how we are responding to each of these key material issues.
3. **Digitisation and innovation** – embedding technology into operations to enhance scale, efficiency, and customer reach. Our intellectual capital is fundamentally driven by continuous investment in cutting-edge technologies, including Artificial Intelligence (AI), Machine Learning (ML), Internet of Things (IoT), and Blockchain. These technologies are integral to our corporate strategy, enabling advanced data analysis, supporting personalised customer interactions, and automating processes, thereby enhancing efficiency and customer satisfaction. AI and ML allow us to improve product lines, design advanced business solutions, and extract relevant information from large data sets to improve accuracy. They also aid in resource allocation, maximise automation of existing processes, and save human hours, with the aim of augmenting the existing workforce to provide professionals with insights that boost efficiency and focus on customer experience. Our Chatbot Conversational Interfaces utilise advanced Natural Language Processing (NLP) to understand and respond to text chats contextually, enhancing communication efficiency. These AI and ML systems seamlessly support our unique “Phygital” business model, which integrates physical Kendras with digital interfaces to accelerate outreach and inclusion. See our Capitals Chapters for more detail on how we are responding to each of these key material issues.
4. **Diversity, equity, and inclusion** – fostering equitable opportunities and building a diverse workforce. See our Capitals Chapters for more detail on how we are responding to each of these key material issues.
5. **Employee wellbeing and talent development** – ensuring a safe, engaging, and growth-oriented workplace. See our Capitals Chapters for more detail on how we are responding to each of these key material issues.
6. **Financial performance and responsible growth** – balancing profitability with sustainability-led business expansion. See our Capitals Chapters for more detail on how we are responding to each of these key material issues.
7. **Financial, social, and digital inclusion** – bridging access gaps for underserved communities. See our Capitals Chapters for more detail on how we are responding to each of these key material issues.
8. **Human rights and ethical conduct** – embedding respect and accountability in our operations and supply chains. See our Capitals Chapters for more detail on how we are responding to each of these key material issues.
9. **Franchisee performance and customer experience** – enabling robust delivery at the last mile. See our Capitals Chapters for more detail on how we are responding to each of these key material issues.
10. **Environmental sustainability and climate action** – addressing energy efficiency, emissions, and climate risks through targeted initiatives. See our Capitals Chapters for more detail on how we are responding to each of these key material issues.

How we Create Value

In FY2025, our business model represents the organising principle of our operations, translating strategy into disciplined execution and sustainable value creation. It reflects the team's commitment to operational excellence and prudent growth, opening new opportunities while deepening inclusion across priority markets. The model strengthens a culture of performance and accountability among employees, franchisees and partners, anchored in ethics, transparency, robust governance and responsible risk management.



Outputs (FY2025)	Outcomes (FY2025)	UNSDGs	GRI
Total income ₹25,902.6 lakhs; EBITDA ₹2,812.3 lakhs; PAT ₹639.0 lakhs; GTV ₹54,258.5 crores; Total Transactions 12.6 Crores	Strengthened financial resilience; improved unit economics; capacity to fund expansion	   	201, 203, 205, 207
Employee Strength: 224; 3,196 Kendras owned/operated by women; Training hours for permanent Employees: 916 hours	Higher employability and income generation; greater inclusion and motivation across workforce and franchisee ecosystem	    	401, 403, 404, 405, 406
546 district-level Master Franchisees across 32 states; 22,986 active transacting Kendras; 5,648 outlets in LWE/ Tribal/Aspirational districts; zero customer-privacy complaints	Expanded access to financial/digital services in underserved areas; stronger trust and relationship capital with stakeholders	     	413, 203, 414, 415, 418, 419
22,986 operational Kendras across 32 States & UTs, covering 609 districts and 5,835 postal codes; 1,596 ATMs shipped (FY2024–25)	Reliable last-mile delivery platform; employment creation and service availability for local communities	 	203, 204
Enhanced digital products and standardised processes; stronger fraud-prevention and data-privacy safeguards	Pathway to full-stack digital financial platform; improved operating efficiency and customer experience	  	418, 419
37,206 kWh solar energy generated; 2,40.25 tCO ₂ e avoided; 1018.02 mt tons paper saved	Reduced environmental footprint; contribution to SDGs through conservation and low-carbon operations	    	301, 302, 303, 305, 306, 307, 308

Business Risks and Opportunities

Safeguarding against potential dangers and vulnerabilities with foresight.

Taking a proactive stance in identifying risks and implementing effective risk management strategies is imperative within today's evolving market landscape. Only a meticulously crafted risk management policy can facilitate enduring and robust business expansion, fostering a culture that prioritises proactive assessment, mitigation, and communication of pertinent business risks. A forward-thinking company operating in India's digital economy must navigate these risks while seizing emerging business opportunities.

Our Risk Management Policy aligns with the Reserve Bank of India's directives on risk management in banking correspondence, White Label ATM operations, and Regulation 21 of SEBI LODR. Proactive identification, thorough investigation, careful evaluation, effective management, and meticulous documentation of potential risks form the core of our risk management process. The Board of Directors conducts regular reviews and assessments of the risk management system. Implementation oversight rests with the Head of Department, who reports to the Board and the Audit Committee as necessary.

RISK MANAGEMENT COMMITTEE

Composition

S. No.	Name of Director	Designation
1	Mr. Hari Chand Mittal	Chairperson
2	Ms. Divya Dinesh Nandwana	Member
3	Mr. Sandeep Gaware	Member
4	Ms. Savita Dattatray Keni	Member

Board Responsibilities for Risk Management

1. Establishes, executes, and supervises the risk management plan.
2. Ensures SOPs across departments adhere to global best practices, comply with ESG standards and UN SDGs, and are free from business and legal risks.
3. Defines the roles and duties of the Risk Management Committee and delegates monitoring and evaluation of the plan.
4. Guarantees the existence of suitable risk management mechanisms.
5. Engages Independent Directors to provide unbiased judgement on risk issues and to participate in decisions that affect the firm's risk profile.
6. Maintains awareness of and continuously monitors strategic risks.
7. Implements procedures and controls to mitigate less significant threats, sets accountability for risk delegation, tracks performance, and integrates risk reporting into board and annual reporting.
8. Convenes committees as required to ensure adequate management and resolution of risks.



Committee Terms of Reference

1. Establishes procedures for recognition, analysis, quantification, and mitigation of significant current and future risk exposures.
2. Creates and oversees a structured risk management process.
3. Ensures compliance with relevant requirements by adopting best practices.
4. Upholds financial stability and facilitates corporate growth.
5. Evaluates actual and potential human-rights risks, particularly in data privacy.
6. Establishes a framework for human-rights risk assessment concerning data privacy.
7. Oversees implementation of the human-rights data-privacy framework.
8. Reports human-rights data-privacy risk findings to the Board.
9. Assesses existing and potential risks associated with human capital.
10. Approves action plans developed in response to identified human-capital risks.
11. Monitors implementation of the comprehensive action plan.
12. Presents findings from human-capital risk assessments to the Board.

The Committee has unrestricted access to management and information, meets at least annually, may consult external experts, and conducts an annual policy evaluation. Once reviewed, risks are communicated to stakeholders.



Our dedicated ESG Committee ensures we address material issues, monitor global trends, and align our strategy with sustainable and responsible value creation.

ESG COMMITTEE

A separate Board ESG Committee analyses material environmental, social, and governance issues relevant to operations and helps maintain leadership in ESG performance. Reviews occur at least quarterly and additionally as needed for major strategic decisions and ESG initiatives.

Composition

S. No.	Name of Director	Designation
1	Ms. Divya Dinesh Nandwana	Member
2	Mr. Vedant Dinesh Nandwana	Member
3	Mr. Hari Chand Mittal	Member

Roles and Responsibilities

- ♦ Identify the impact of ESG issues on value creation, monitor external ESG trends, and understand related risks and opportunities.
- ♦ Understand expectations of key stakeholders.
- ♦ Acknowledge contributions of the People & Remuneration Committee and the Corporate Social Responsibility Committee to the Board's ESG responsibilities.
- ♦ Assess performance and results of ESG investor initiatives, surveys, and global benchmarks.



Business Risks and Opportunities

- ♦ Supervise implementation of major projects arising from ESG investor surveys and benchmarks, and identify opportunities for enhancement.
- ♦ Deliberate on emerging ESG concerns that may affect long-term value creation.
- ♦ Review and evaluate overall business strategy through an ESG lens.
- ♦ Monitor and evaluate integration of SDGs into new strategies or business activities.
- ♦ Assist the NRC Committee in evaluating senior management performance on ESG objectives.

BUSINESS RISKS

Changes in Government Policies, Regulations, and Compliance

Changes in policy for financial inclusion in semi-urban and rural India can materially affect operations. Regulations governing accounting, corporate governance, and disclosure evolve, and new rules may lack clarity, creating varied interpretations and raising compliance costs. The Company remains vigilant to regulatory updates and maintains robust compliance frameworks to avoid legal risk.

Disruptive Technologies

[Body] As a fintech enterprise, the Company monitors disruptive innovations, including IoT and biometric identification, that could affect margins, and adapts proactively.

Risks Associated with Individual Franchisees

[Body] While the franchise model enables rapid expansion, incidents involving franchisees can harm brand and reputation and disrupt operations. The Company emphasises communication, training, and support to sustain a robust network.

Data Security

[Body] The Company recognises risks arising from accounting fraud and data-privacy breaches. Stringent internal controls, security measures, regular audits, and monitoring are used to detect and prevent fraud or privacy incidents. Franchisee and store security is prioritised, with comprehensive training on protocols to mitigate theft, burglary, and damage.

MANAGING RISKS

Effective risk management is vital to long-term sustainability and success. The Company remains committed to proactive mitigation by tracking industry trends and regulatory changes and deploying robust strategies. It applies formal, systematic methodologies across the organisation, conducts comprehensive risk assessments, and mitigates issues to support long-term value creation. Recognising opportunities in India's digital economy, the Company is diversifying beyond cash-based transactions, launching a mobile super-app platform, and leveraging its physical store network. The combined digital and physical presence strengthens customer interaction, brand recall, service experience, and trust.



RISK MONITORING AND COMMUNICATION

Monitoring Measures

- ♦ **Risk monitoring tool.** Granular auditing of network logs to detect cyberattacks or malicious activity; use of data-provenance techniques and data categorisation for validation and access control.
- ♦ **Periodic audit.** Structured documentation to assess practices against principles and standards; supports regulatory compliance.
- ♦ **Training management.** Multi-format training for staff, ATM custodians, and banking operators to support learning and development.
- ♦ **Surveillance.** Centralised CCTV in all Next-Gen Kendras with continuous monitoring of ATM and banking activities; locations are staffed during business hours.

Risk Management Flow

1. Risk identification. Acknowledge potential risks and describe possible consequences.
2. Risk analysis. Assess probability and potential impact on organisational goals.
3. Risk evaluation. Determine magnitude by likelihood and severity; decide acceptability; if unacceptable, identify measures to mitigate.
4. Risk treatment. Create and execute action plans to reduce risks to acceptable levels while also optimising identified opportunities.
5. Risk monitoring and review. Monitor, track, and review risks on a regular cadence.



Through new retail products, backward integration, and network expansion, we are unlocking growth, driving profitability, and strengthening our presence across underserved markets.

RISK COMMUNICATION

The Risk Management Committee promptly notifies the Managing Director and/or Compliance Officer upon discovering risks and outlines mitigation procedures after monitoring and identification. Findings are presented to the Board in its meetings. Significant risks are escalated promptly for review and guidance on mitigation.

INTERNAL CONTROL SYSTEM AND ADEQUACY

The Company emphasises a robust internal control system appropriate to its size and scope. Controls aim to ensure accurate recording of financial and operational data, adherence to regulations, safeguarding of assets from unauthorised use or loss, appropriate transaction authorisation, and compliance with corporate policies, laws, and accounting standards. The Board periodically reviews and assesses the system; the Head of Department implements and reports to the Board and Audit Committee as required.

BUSINESS OPPORTUNITIES

Introducing New Retail Products

The Company plans to introduce Private and White Label product categories in Consumer and Retail. This will leverage the Vakrangee Kendra Franchisee and Master Franchisee network to distribute proprietary e-commerce products, enhance market presence, widen the product range, and increase distribution and revenue opportunities.

Backward Integration

The Company has finalised acquisition of 93.5% equity share capital of Vortex Engineering Private Limited from IFC, Tata Capital, Aavishkaar, and other shareholders. Vortex is a provider of ATMs and multi-vendor ATM management software. The strategic investment supports backward integration, potential cost synergies, future growth opportunities, and access to technology know-how.

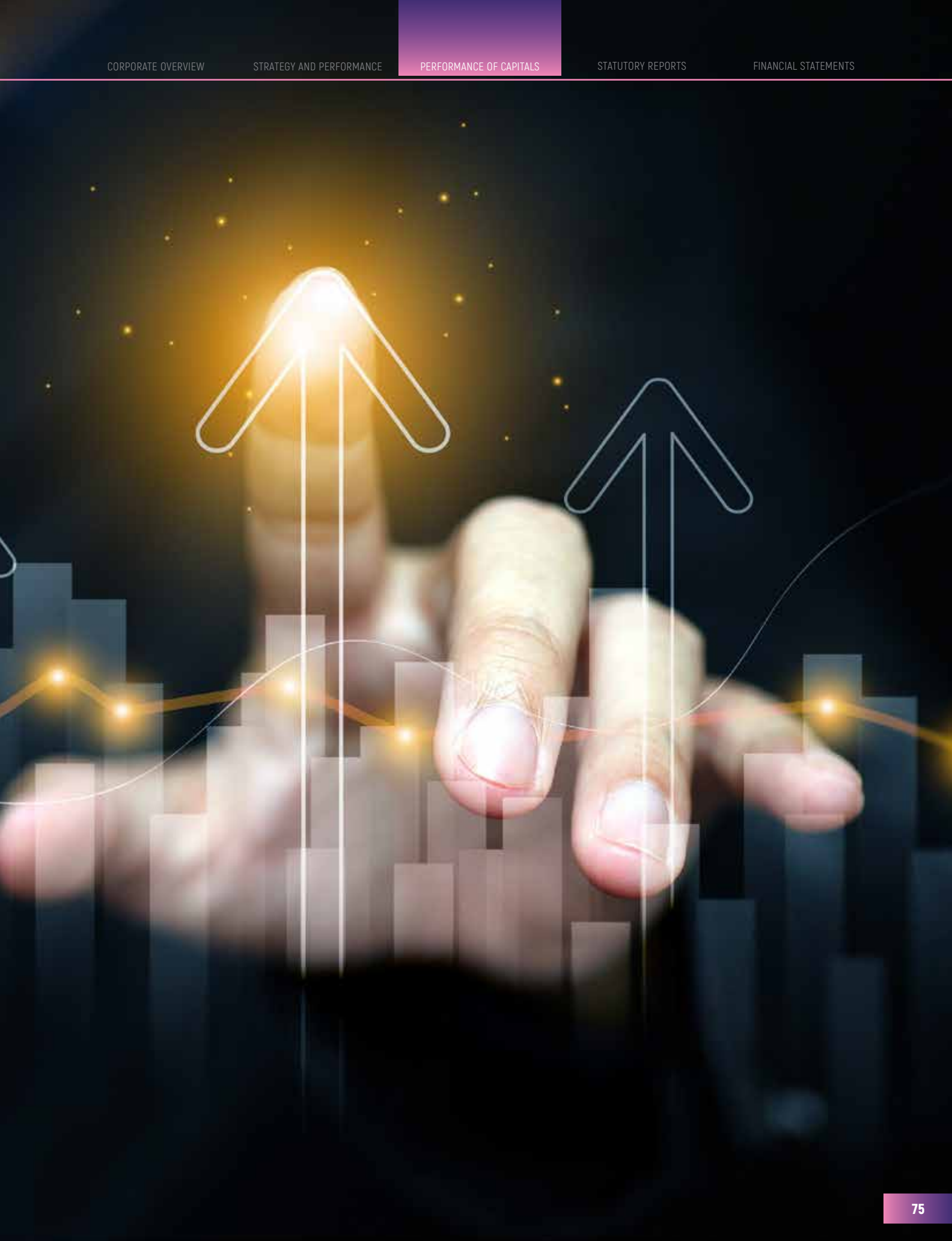
Business Expansion

Vakrangee's business expansion is strategically focused on profitable core expansion through its asset-light, franchisee-based model, aiming to deliver sustained, profitable growth and superior returns. The Company is expanding its extensive network of Vakrangee Kendras and planning new ATM deployments, particularly in underserved rural and semi-urban areas. This growth is supported by its Master Franchisee program and a strategic emphasis on high-margin businesses to enhance profitability and contribute to local economic development.

The Six Capitals

At the heart of our value creation journey lies the balanced use and enhancement of the six capitals defined by the International Integrated Reporting Council (IIRC). Financial Capital provides the stability and resources to fund growth, while Manufactured Capital represents the infrastructure and technology that enable efficient delivery of products and services. Intellectual Capital drives innovation, supported by digital capabilities, proprietary know-how, and continuous improvement. Human Capital reflects the talent, skills, and leadership that shape our culture and performance. Social and Relationship Capital embodies our partnerships with communities, customers, regulators, and stakeholders, anchoring trust and long-term relevance. Finally, Natural Capital underscores our responsibility to minimise environmental impact and embed sustainability in operations. Together, these six interconnected capitals form the foundation of our business model, ensuring resilience, inclusive progress, and sustainable value for all stakeholders.





Financial Capital

Fuelling Profitable Growth, Securing Future Value

As Vakrangee Limited, our financial strategy serves as the foundational strength propelling our dynamic future. We operate as a debt-free company, underpinned by a robust balance sheet and an asset-light, franchisee-based model that consistently powers growth and ensures shareholder value. While we remain committed to our long-term aspirations, for FY2025, our focus has been keenly on delivering sustained, profitable growth and superior returns through disciplined capital allocation and optimising operations. This strategic shift emphasises tangible year-on-year financial performance, reflecting our dedication to enhancing immediate shareholder value. Our commitment to high-margin businesses and core expansion for FY2025 has positioned us for robust financial health, building upon the continuity established in our previous years.

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Our financial strategy is the bedrock of our dynamic future, leveraging our inherent foundational strength as a debt-free company with a robust balance sheet and asset-light model. We are intensely focused on driving profitable core expansion and disciplined capital allocation to maximise shareholder value and ensure superior returns.

GRI Standards	UNSDG Targets Addressed	Linked Capitals	Materiality Issues Addressed
GRI 201: Economic Performance 2016	 	Financial Capital	Revenue growth, profitability, capital efficiency
GRI 202: Market Presence 2016		Financial, Social & Relationship	Local economic impact, fair wages
GRI 203: Indirect Economic Impacts 2016	 	Financial, Social & Relationship	Community infrastructure, financial inclusion
GRI 207: Tax 2019		Financial Capital	Tax transparency, compliance

Strategic Financial Framework



Total Income

25,902.6 Lakhs

for FY2025, marking a significant year-on-year increase from ₹21,492.1 lakhs in FY2024. This growth reflects our expanding service portfolio and deepening market penetration.

FY2025 Financial Performance: Strengthening Our Core

We are pleased to present our robust financial performance for the fiscal year ending March 31, 2025, which underscores our strategic focus on profitable growth and operational efficiency. This year's results demonstrate our ability to generate significant value, reinforcing our position as a leader in last-mile service delivery. Our audited financial results reflect a period of focused expansion and prudent management, building on the resilience shown in previous years, particularly FY2024.



Our strong financial performance in FY2025 is a testament to our disciplined capital allocation and strategic focus on high-margin businesses, ensuring a pathway to sustained profitability.

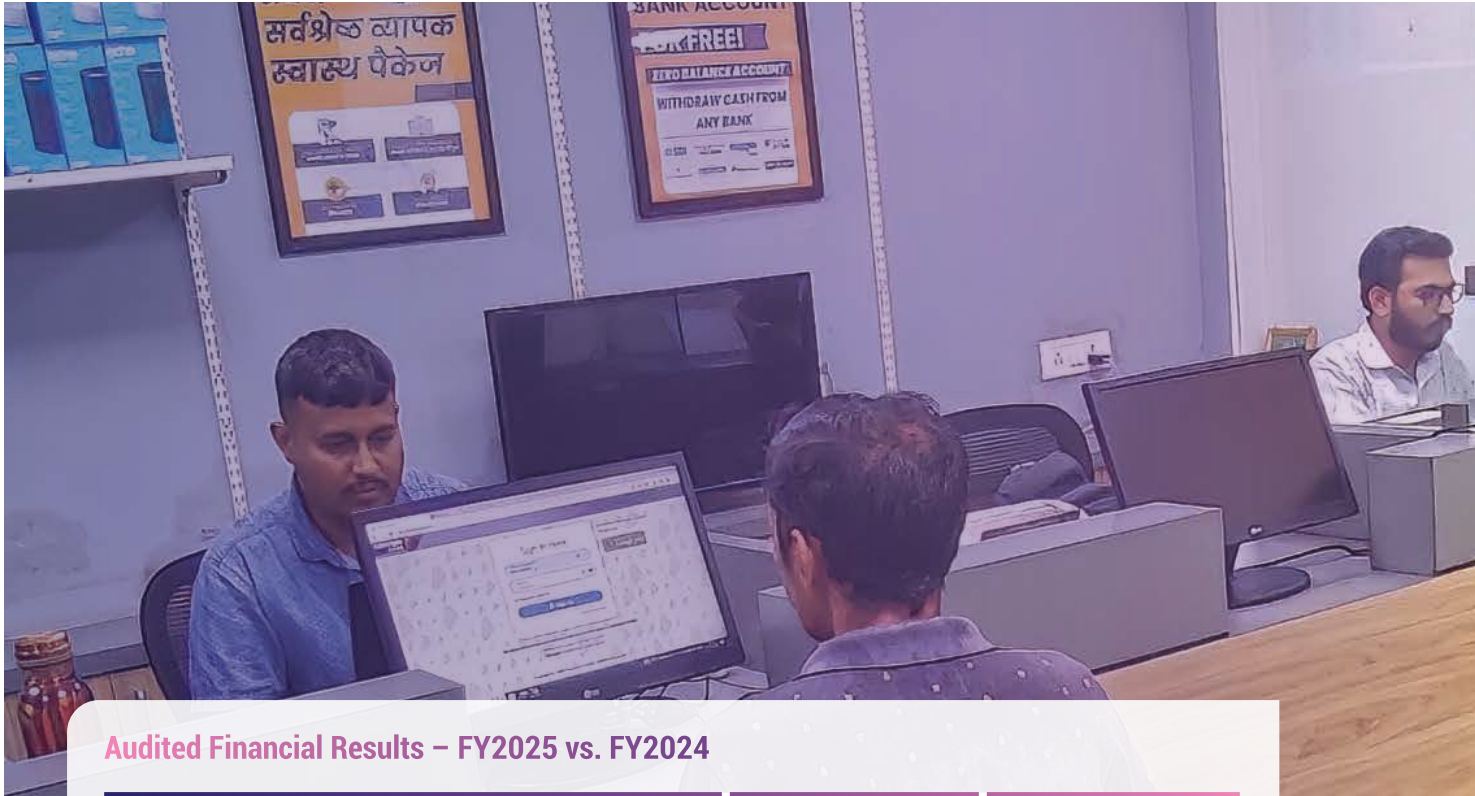
PAT Growth

46.8 %

for FY2025, demonstrating an improvement in profitability compared to 18% in FY2024. This is a direct outcome of our strategic shift towards high-margin businesses and optimised cost structures.

Financial Capital

(Contd.)

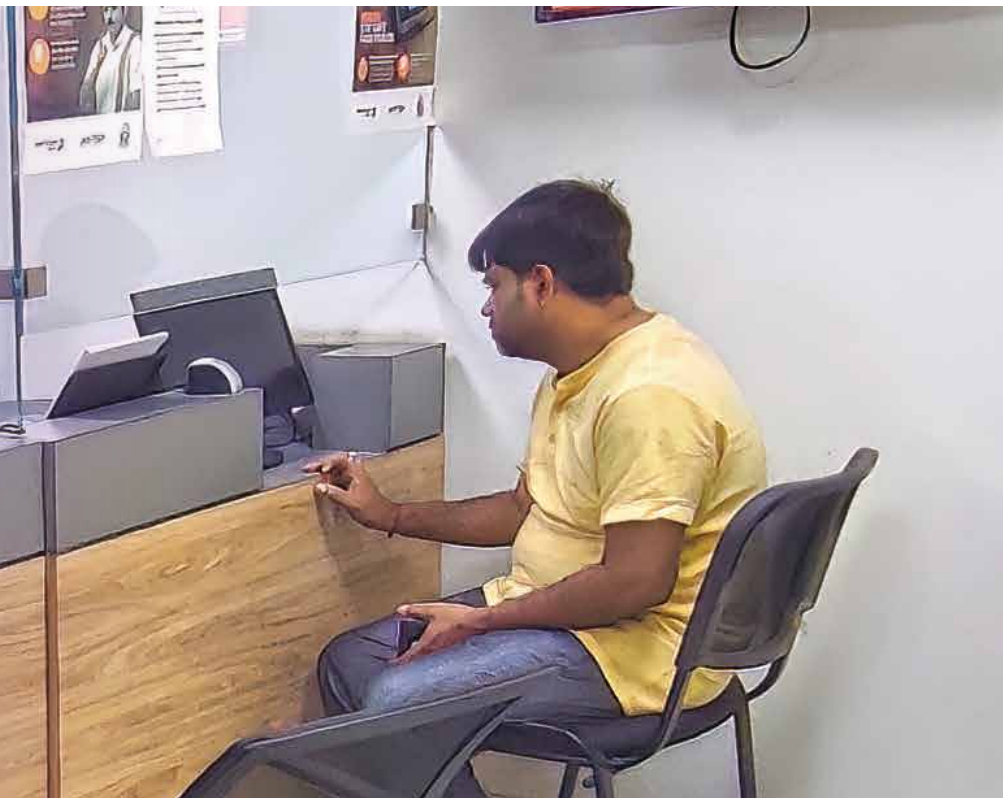


Audited Financial Results – FY2025 vs. FY2024

Particulars	FY2025 (₹ in Lakhs)	FY2024 (₹ in Lakhs)
Total Income	25,902.6	21,492.1
EBITDA	2,812.3	2,872.1
PAT	639.0	435.3
Cash Profit	2,308.7	2,004.3
EPS (Basic)	0.06 (₹ per share)	0.04 (₹ per share)

Explanation of Results: Vakrangee Limited's total income saw a notable increase of 20.5% in FY2025, rising to ₹25,902.6 Lakhs from ₹21,492.1 Lakhs in FY2024. This growth is attributed to the continued expansion of service offerings and geographical reach, particularly through deeper penetration in rural areas. It is expected to continue with the introduction of new services and verticals, such as apparel retail and Vortex's ATM manufacturing. The company's EBITDA for FY2025 was ₹2,812.3 Lakhs, a slight decrease of 2.1% from ₹2,872.1 Lakhs in FY2024. PAT demonstrated strong growth, increasing by 46.8% from ₹435.3 Lakhs in FY2024

to ₹639.0 Lakhs in FY2025. The PAT margin also improved by 44 basis points, reaching 2.5% in FY2025, which is linked to better fiscal discipline and tax management. The basic earnings per equity share (consolidated) for FY2025 stood at ₹0.06, an increase from ₹0.04 in FY2024.



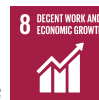
SUSTAINABLE DEVELOPMENT GOALS



GRI 201-1

Direct Economic Value Generated and Distributed:

Our financial results directly illustrate the economic value generated and distributed to our stakeholders through revenue, expenses, and retained earnings. This forms the basis of our contribution to the economy.



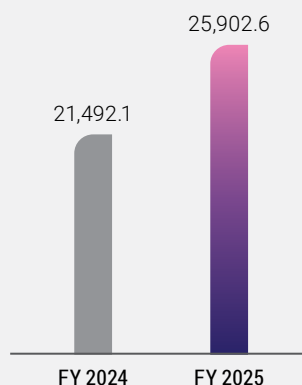
UNSDG

Decent Work and Economic Growth:

By maintaining and growing profitability, we reinforce the economic stability that enables the expansion of our franchisee network, thereby indirectly supporting local employment and economic growth within the communities we serve.

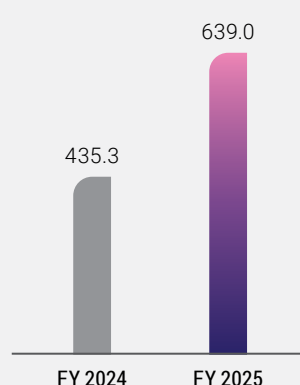
Total Income

(₹ in Lakhs)



PAT

(₹ in Lakhs)



“

46.8% growth in PAT and 25% growth in total income underline our expanding reach and sharper operational focus.

Financial Capital (Contd.)

Strategic Investments: Fuelling Future Profitability

We recognise that strategic capital allocation is fundamental to sustained growth and enhanced shareholder value. Our financial discipline extends beyond maintaining a robust balance sheet; it actively supports investments that unlock new revenue streams and strengthen our operational capabilities. A pivotal development in this regard for FY2025 has been the successful integration of Vortex Engineering Private Limited into our ecosystem.

The acquisition of Vortex Engineering, effective from June 4, 2024, represents a significant step in our strategy, providing direct entry into the manufacturing and servicing of Automated Teller Machines (ATMs). This backward integration not only enhances our control over key infrastructure but also introduces a new, high-potential segment to our revenue portfolio. The financial contributions of

this strategic move are evident in our FY2025 performance.

This strategic investment in Vortex Engineering underscores our commitment to profitable core expansion and disciplined capital allocation, laying a stronger foundation for achieving our targets. It positions us to capitalise on the growing demand for digital and financial infrastructure, particularly in underserved regions, further cementing our “phygital” reach and driving future profitability.



Our strategic investments are a testament to our commitment to expanding our core capabilities and diversifying our revenue streams, enabling long-term, sustainable growth.

Strategic Integration

Vortex Engineering Private Limited

Become a subsidiary effective June 4, 2024, marking a concrete step in our strategic expansion.

New Revenue Segment

₹ **5,479.0** Lakhs

Revenue generated from the Sale of Automated Teller Machines Products/Services for the full year FY2025. This segment was not present in FY2024, demonstrating immediate impact from the acquisition.

ATMs Order Visibility

5,000+

Strong order visibility for FY2025-26 from Vortex Engineering indicates future growth from this strategic investment.

Machines Shipped

1,596 ATM

This figure from FY2025 reflects the operational ramp-up of our strategic investment in Vortex Engineering.



Strategic Financial Growth: Targets and Pathway

Our financial strategy for the coming years is meticulously designed to build upon our current momentum, ensuring sustained growth and value creation. We are strategically aligning our operations and investments to achieve ambitious yet realistic financial targets. This pathway involves a continuous refinement of our business model, emphasising revenue diversification and operational excellence, moving beyond simply expanding reach. We are particularly keen on reinforcing our year-on-year growth trajectory, delivering immediate value while progressing towards our long-term goals.



Our growth trajectory is anchored in prudent financial planning and a solid commitment to enhancing profitability through strategic business diversification and operational discipline.

**SUSTAINABLE
DEVELOPMENT
GOALS**



GRI 201-1:

Direct Economic Value Generated and Distributed:

Our financial growth plan is intrinsically linked to increasing the economic value we generate, which enables greater distribution of benefits to employees, franchisees, and communities, supporting broader economic development.



UNSDG

Reduced Inequalities:

By targeting growth through expanded reach and accessibility of financial services in underserved areas, our strategic financial plans contribute directly to reducing economic inequalities and fostering inclusive growth.

Financial Capital
(Contd.)

Capital Structure and Efficiency: Optimising for Sustainable Returns

At Vakrangee Limited, we recognise that an optimised capital structure is crucial for minimising our cost of capital and maximising shareholder returns. Central to this strength is our asset-light, franchisee-based model, which enables us to expand rapidly across semi-urban and rural India without incurring significant capital expenditures on physical assets. By maintaining a debt-free balance sheet—equity grew from ₹16,211.1 lakhs in FY2024 to ₹21,166.9 lakhs in FY2025, with all debt fully repaid—we enjoy the financial flexibility to support ambitious, long-term growth plans while instilling confidence among stakeholders.

This model enables us to reinvest operational cash flows directly into growth initiatives, such as enhancing franchisee incentives, funding targeted

marketing campaigns, and building a pan-India, district-level Master Franchisee network. These investments accelerate expansion, ensure a quick payback for partners, strengthen on-the-ground management, and drive improvements in our Cash-Adjusted Return on Capital.

A prime example of our disciplined capital allocation in FY2025 is the acquisition and seamless integration of Vortex Engineering Private Limited, effective June 4 2024. This strategic move provides backward integration in ATM manufacturing and servicing, unlocks new revenue streams, and delivers cost synergies that immediately bolster our financial performance—demonstrating our commitment to profitable core expansion.

The marked improvement in our Cash Adjusted Return on Capital assets to the effectiveness of our unique model. By continuously optimising our capital structure and deploying cash flows with rigour, we minimise capital costs, maximise value creation and leverage our asset-light approach to bridge the digital and financial divide—empowering communities and fostering entrepreneurship nationwide.

Debt-Equity Ratio

0.00:1

for FY2025 (Maintaining debt-free status). This highlights our low financial risk profile and strong balance sheet.

Business Strategies



Asset-Light Model

Franchisee-based model for rapid expansion.



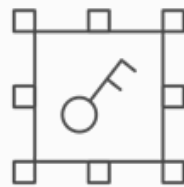
Debt-Free Status

Maintained debt-free status for financial health.



Reinvestment

Cash flow reinvested in incentives and marketing.



Key Acquisition

Vortex Engineering acquisition enhances capabilities.

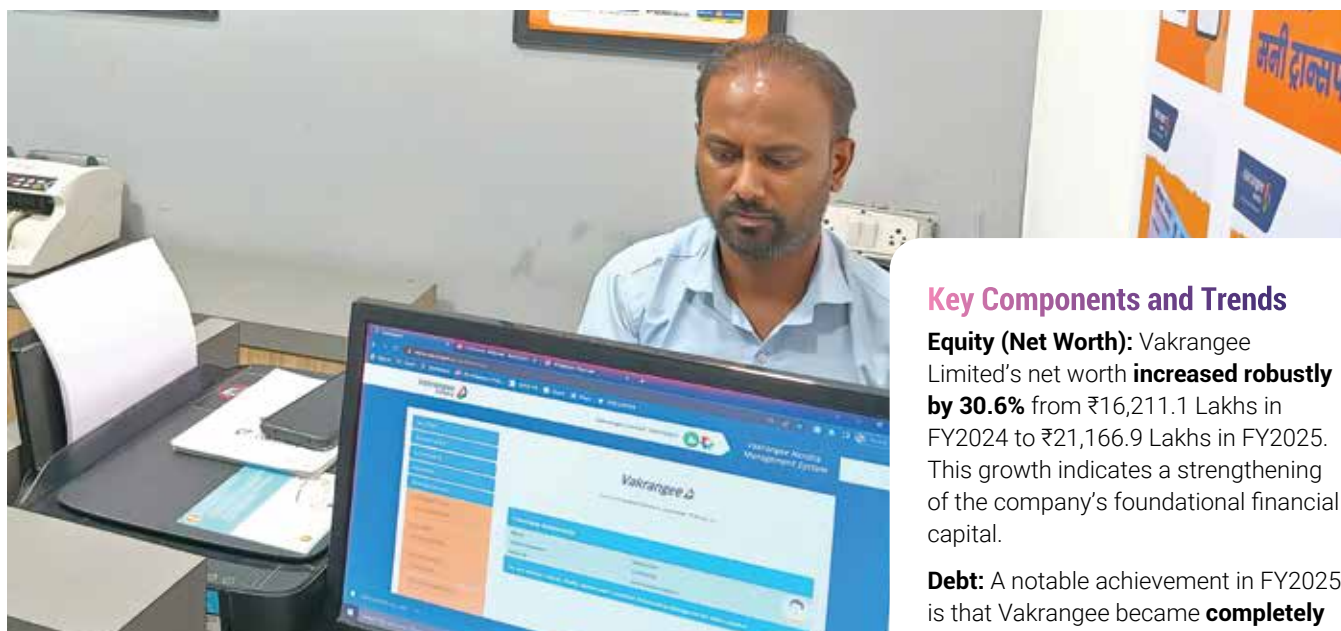
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Our asset-light model is a strategic advantage, enabling efficient capital allocation and reinvestment in our franchisee network, which directly translates to enhanced profitability and shareholder returns.

Cash Adjusted Return on Capital

>20%

for FY2025 this indicates our effectiveness in generating returns from our capital.



Capital Structure Snapshot

Particulars	FY2025 (₹ in Lakhs)	FY2024 (₹ in Lakhs)
Equity (Net Worth)	21,166.90	16,211.10
Debt	0.00	1,205.77
Debt-Equity Ratio	0.00	0.07
Cash Balance	8,188.16	4,868.00

Analysis of Capital Structure and Influence of the Asset-Light Model

The financial data for Vakrangee Limited (VL) demonstrates a significant shift in its capital structure from FY2024 to FY2025, primarily driven by its strategic focus on an asset-light model and financial discipline.

Key Components and Trends

Equity (Net Worth): Vakrangee Limited's net worth **increased robustly by 30.6%** from ₹16,211.1 Lakhs in FY2024 to ₹21,166.9 Lakhs in FY2025. This growth indicates a strengthening of the company's foundational financial capital.

Debt: A notable achievement in FY2025 is that Vakrangee became **completely debt-free**, having fully repaid its total debt of ₹1,205.7 Lakhs from the previous year. This contrasts sharply with FY2024, where total debt stood at ₹1,205.7 Lakhs. The company, along with its subsidiary companies, now operates with a debt free structure.

Debt-Equity Ratio: Correspondingly, the Debt-Equity Ratio plummeted from **0.07 in FY2024 to 0.00 in FY2025**, reflecting the elimination of debt.

Cash Balance: The company's cash and cash equivalents also saw a significant increase, from ₹4,868.0 Lakhs in FY2024 to ₹8,188.2 Lakhs in FY2025, indicating enhanced liquidity.

Financial Capital (Contd.)



GRI 203-1

Infrastructure Investments and Services Supported

Our capital allocation strategy, including reinvestment in our franchisee network and acquisitions like Vortex, directly supports the development of infrastructure that enhances access to essential services across India, creating broader indirect economic impacts.



UNSDG

Industry, Innovation and Infrastructure

By optimising our capital structure and investing in strategic acquisitions and technology (e.g., BharatEasy Mobile Super App), we contribute to building resilient infrastructure and fostering innovation within the industry.

Influence of the Asset-Light Model

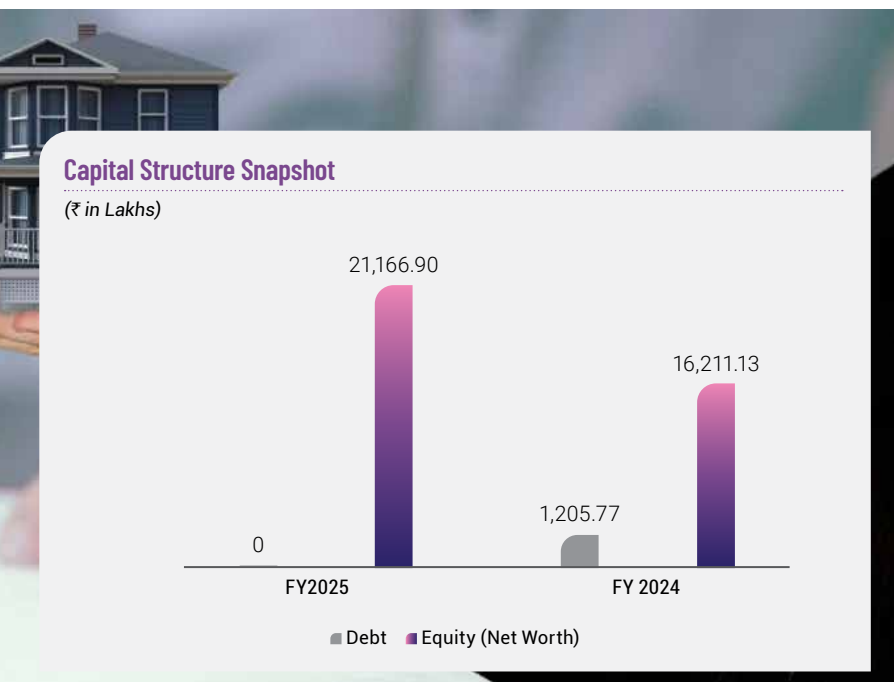
Vakrangee's financial strategy is explicitly "the bedrock of its dynamic future," leveraging its "foundational strength as a debt-free company with a robust balance sheet and asset-light model". The shift to a debt-free status in FY2025 is a direct outcome of this strategy.

The asset-light franchisee-based model is beneficial for Vakrangee in several ways:

- It emphasises relatively **lower capital asset ownership**.
- This approach enables the company to **maintain profitability and deliver returns to shareholders**.
- It contributes to maintaining an **optimal capital structure to minimise the cost of capital** as a going concern.
- By reducing the interest burden associated with debt, the company gains **greater financial flexibility**, which is crucial for sustaining long-term profitability and navigating macroeconomic uncertainties.

The debt-free status positions Vakrangee Limited to achieve sustained profitable growth and superior returns by focusing on maximising shareholder value and optimising operations.

This visual representation would highlight Vakrangee's strengthened balance sheet and improved financial health, resulting from its asset-light strategy and disciplined capital allocation.



Financial Risk Management & Robust Compliance

Our commitment to sound financial management extends to a proactive and comprehensive approach to risk management and compliance. We understand the dynamic nature of the business landscape and the importance of safeguarding our profitability and sustainability against potential threats. Our robust internal controls and adherence to stringent regulatory frameworks ensure transparency, accountability, and ethical conduct in all our financial operations. We continuously monitor and adapt to evolving regulations, prioritising the integrity of our financial reporting and data privacy.



Our rigorous financial risk management framework, coupled with a commitment to compliance, forms an essential shield that sustains trust.



Internal Control Effectiveness Rating

High

for FY2025 (based on internal audits and compliance checks). This signifies the strength of our systems in preventing financial irregularities.

Compliance Breaches (Financial Reporting/Data Privacy)

Zero

recorded instances in FY2025. This demonstrates our commitment to adhering to laws and regulations.

SUSTAINABLE DEVELOPMENT GOALS



GRI 102 403

Key impacts, risks, and opportunities & Hazard identification, risk assessment, and incident investigation

Our financial risk management explicitly addresses business risks affecting profitability and sustainability, including those related to corporate accounting fraud and data privacy breaches, aligning with our commitment to identify and mitigate operational hazards.

GRI 102-40/43/44

Stakeholder engagement and key topics/concerns raised

Our adherence to regulations governing accounting and public disclosure is a direct response to stakeholder expectations regarding transparency and ethical governance.



UNSDG

Peace, Justice, and Strong Institutions

Our commitment to adherence to laws and regulations, corporate governance, and safeguarding against fraud directly contributes to promoting decisive, accountable, and transparent institutions.

Financial Capital (Contd.)

Financial Growth Plan & Targets: Charting Our Trajectory Towards Future

Our financial strategy for FY2025 is firmly anchored in accelerating our progress towards maintaining a tangible focus on year-on-year growth and profitability. As a company with a strong foundation, a debt-free status, and an asset-light model, Vakrangee Limited is strategically positioned for sustained profitable growth. Our deliberate actions in FY2025 underscore our commitment to expanding our core capabilities and enhancing long-term shareholder value.

While the immediate focus is on robust year-on-year performance, our long-term aspirations remain a powerful guiding force. Our future framework outlines clear financial targets that reflect our growth potential and strategic direction. These targets guide our investments in expanding our unique “phygital” ecosystem, ensuring financial, social, and digital inclusion across India, particularly in underserved markets. We are focused on disciplined capital allocation and optimising operations to shift towards higher-margin businesses, ensuring superior returns for our stakeholders.

Our performance in FY2025, with the Annual Gross Transaction Value (GTV) crossing ₹54,258.5 Crores through 12.6 Crore transactions, highlights our accelerating momentum towards these goals. The strategic integration of Vortex Engineering is an example of profitable core expansion that directly contributes to our future revenue streams and aligns with our long-term vision.

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Our unwavering commitment to inclusive growth and long-term shareholder prosperity, guiding every strategic decision we make.

Financial Risk Management & Compliance: Upholding Integrity and Resilience

At Vakrangee Limited, our approach to financial risk management and compliance is integral to safeguarding our profitability and ensuring long-term sustainability. We proactively identify, assess, and mitigate various business risks through robust internal controls and adherence to stringent regulatory frameworks. Our commitment extends to maintaining the highest standards of financial integrity and transparency across all operations.

We meticulously manage financial risks, including Market Risk, Credit Risk, and Liquidity Risk. Our robust framework involves continuous monitoring and evaluation of these exposures, leveraging our strong balance sheet to absorb potential shocks. We regularly review our financial instruments and exposures to ensure that we are well-prepared for any market fluctuations or



Our steadfast commitment to robust financial risk management and solid compliance underpins our sustainable growth and enduring stakeholder trust.

credit challenges that may arise. Our financial liabilities are meticulously managed, with fair value measurements and maturity analyses conducted to ensure optimal liquidity and financial stability.

Our adherence to laws and regulations governing accounting, corporate governance, and public disclosure is of paramount importance. We ensure that our financial reporting aligns with leading frameworks, including the Integrated Reporting framework developed by the International Integrated Reporting Council (IIRC) and the GRI Standards, as per the Core option. Furthermore, we safeguard against corporate accounting fraud and data privacy breaches through the implementation of sophisticated internal controls and information security management systems. Our ISO/IEC 27001:2013 certification for Information Security Management System highlights our dedication to protecting sensitive data.

ISO/IEC 27001:2013 Certification

Reflects our Certification in Information Security Management System, ensuring the protection of sensitive data.

Debt Free Company

Vakrangee Limited, along with its subsidiary companies, is debt-free and maintains a robust balance sheet. This strong financial position enables us to confidently support our expansion plans and pursue sustained long-term growth.

Quarterly Board Reviews

Our corporate governance framework ensures quarterly reviews of compliance with statutory requirements, reinforcing oversight.



Financial Capital
(Contd.)

Ratio Analysis: Gauging Operational Efficiency and Financial Strength

Our financial ratios provide critical insights into Vakrangee Limited's operational efficiency, liquidity, and overall financial strength. For FY2025, these indicators underscore the success of our strategic shifts towards higher-margin businesses and optimised operations. We continuously analyse these metrics to ensure that we are not only achieving growth but also enhancing profitability and shareholder value effectively.

We present the following key financial ratios, which reflect our performance as of March 31, 2025. These ratios, when compared to previous periods, provide a comprehensive view of our ongoing improvements in managing assets, liabilities, and profitability. While specific calculated values for all FY2025 ratios are not yet detailed in the provided materials for public release in this format, their importance in assessing our financial health and operational agility is paramount.

Our ongoing review and analysis of these ratios will continue to inform our strategic decisions, ensuring that we maintain a robust financial position while pursuing our ambitious growth targets.

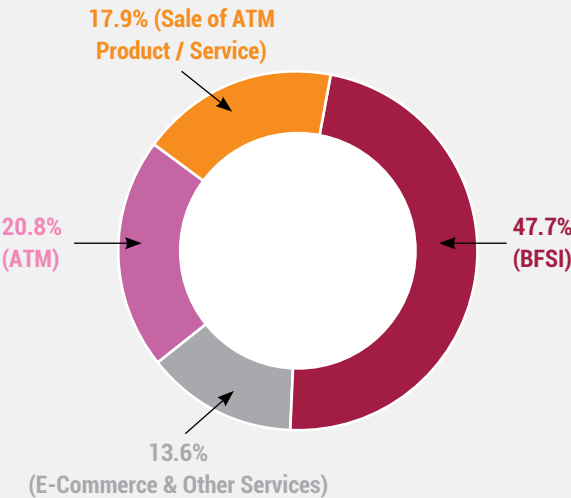


Our financial ratios reflect a strategic pivot towards enhanced profitability and sustained efficiency, underpinning our commitment to delivering superior shareholder returns.

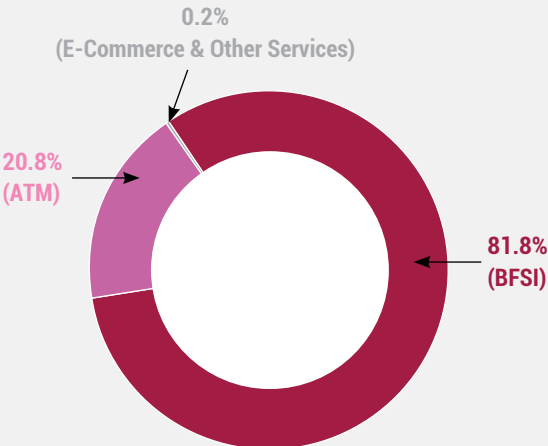
Revenue & Gross

Transaction Value Contribution Break-UP for FY2024-25

Revenue from Operations Break-up



Gross Transaction Value (GTV)



Vakrangee Limited: Key Financial Ratios (Consolidated)

Ratio	FY2025	FY2024	Change (FY25 - FY24)
Debtors Turnover	9.59 [Calculated from Total Income: Rs. 25,902.6 Lakhs / Trade Receivables: Rs. 2,701.6 Lakhs]	4.80 [Calculated Trade receivable turnover ration]	+4.79 Indicating efficient receivable collection via better credit control & faster realization.
Inventory Turnover	14.15 [Calculated from Total Income: Rs. 25,902.6 Lakhs / Inventory: Rs. 1,830.0 Lakhs]	304.42	-290.27 [A significant increase, suggesting more efficient management and replenishment of inventory]
Interest Coverage Ratio	0.06 [Vakrangee Limited, along with its subsidiary companies, is explicitly stated to be debt-free for FY2025, eliminating interest obligations]	0.27	-0.27 [Reflects a consistent approach to debt management, aiming for minimal interest burden]
Current Ratio	2.15 [Calculated from Current Assets: Rs. 15,750.9 Lakhs / Current Liabilities: Rs. 7,315.0 Lakhs]	1.40	+0.75 [An improvement, indicating enhanced ability to meet short-term liabilities with current assets, suggesting a healthier liquidity position]
Debt-Equity Ratio	0.00 [Calculated from Total Debt: Rs. 0 Lakhs / Total Equity: Rs. 21,166.9 Lakhs]	0.074 [Calculated from Total Debt: Rs. 1,205.7 Lakhs / Total Equity: Rs. 16,211.1 Lakhs]	-0.074 [A decrease, reinforcing the company's strong debt-free position and conservative capital structure]
Return on Net Worth	3.02% [Calculated from PAT: Rs. 639.0 Lakhs / Net Worth: Rs. 21,166.9 Lakhs]	3.04% [Source states "Return on Equity"]	-0.02% [A slight decrease, but still reflecting profitability in relation to shareholders' equity]

Financial Capital (Contd.)

Broader Market Outlook and Strategic Positioning: Capitalising on India's Growth Trajectory

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Our strategic positioning as a leader in India's 'phygital' ecosystem enables us to unlock unparalleled growth opportunities in the nation's rapidly expanding digital and financial landscape.

Vakrangee Limited's strategic positioning is deeply intertwined with the dynamic landscape of the Indian economy and its burgeoning FinTech sector. Despite global economic headwinds marked by lower trade momentum, persistent inflation, and tighter financial conditions, India has demonstrated remarkable underlying resilience. Forward-looking indicators for India's industrial and service sectors remain strong, with the Manufacturing PMI averaging in the mid-50s and the Services PMI surpassing 60 in May 2025. These metrics signal sustained business optimism and robust momentum in key sectors, providing a fertile ground for our operations.

India's FinTech sector, in particular, has emerged as a global powerhouse, ranking third worldwide with over 10,000 active FinTech companies. The industry's valuation

is projected to reach an estimated **USD 150–160 billion by 2025**, driven by a confluence of factors including a vast and expanding internet user base, supportive government policies, and a robust regulatory framework that fosters both innovation and financial inclusion. Our “phygital” model, seamlessly integrating our extensive physical Vakrangee Kendra network with digital platforms like



>22,900

Kendras: Vakrangee's extensive network of assisted digital convenience stores ensures widespread presence and last-mile reach.

609

Districts Covered: Our presence spans a substantial number of districts across India, underscoring our extensive reach.

5,835

Postal Codes Covered: Reflects our granular reach into various communities nationwide.

~83%

Presence in Tier IV & VI Cities: emphasises our strong focus on rural and semi-urban markets, which are key drivers of financial and digital inclusion.

~US\$160_{bn}

The estimated valuation of India's FinTech industry by 2025 underscores the significant market opportunity we are addressing.

the BharatEasy Mobile Super App, positions us uniquely to capitalise on this immense market opportunity, particularly in underserved rural and semi-urban markets.

Our presence serves as a crucial last-mile delivery point for essential banking, financial services, e-governance, and e-commerce services, directly contributing to financial, social, and digital inclusion nationwide. The

acquisition of Vortex Engineering further strengthens our strategic alignment, adding a high-potential segment that directly addresses the growing demand for financial infrastructure, particularly in the area of ATMs. We are not merely participants in this growth; we are a pivotal partner in advancing governmental priorities on financial and social inclusion, reinforcing our role as a strategic ally in achieving national development objectives. Our expansive network and diversified service offerings place us at the forefront of India's digital transformation journey.

Manufactured Capital

Phygital Footprint, Connecting India's Future

Vakrangee Limited's robust Manufactured Capital, embodied in our extensive network of Vakrangee Kendras and ATMs, forms the foundational strength of our unique phygital business model. Our manufactured capital enables us to cultivate profitable growth by penetrating deep into rural and semi-urban India, ensuring access to essential services and bridging the digital divide. For our dynamic future, we are committed to an ambitious geographical expansion, targeting near 100% district coverage within the next decade, a vision central to our chapter title: "Manufactured Capital: Expanding Our Phygital Footprint, Connecting India".

Vakrangee Kendra Network

22,986 Outlets

Total operational
Vakrangee Kendras

GRI Standards	UNSDG Targets Addressed	Linked Capitals	Materiality Issues Addressed
GRI 203: Infrastructure Investments 2016	 	Manufactured Capital	Project delivery, urban infrastructure
GRI 301: Materials 2016		Manufactured, Natural	Sustainable construction materials
GRI 306: Waste 2020	 	Manufactured, Natural	Construction & operational waste management
GRI 416: Customer Health & Safety 2016		Manufactured, Social	Safety in design & project execution

Vakrangee's Manufactured Capital



Foundational Strength

Extensive phygital network of Vakrangee Kendras and ATMs.



Current Reach (FY25)

22,986 Kendras in 32 States/UTs, 546 districts, 5,835 postal codes; 83% in Tier 4-6.



Phygital Model

One-stop shops offering 100M+ products/1,000 services, seamlessly integrated with BharatEasy App.



Scalability Driven

Master Franchisees are key, providing on-ground support and accelerating network expansion for unified customer experience.



Our Commitment

Bridging the digital divide and driving profitable, inclusive growth nationwide.



“Delivering 22,986 Kendras nationwide while maintaining zero debt demonstrates Vakrangee’s unparalleled scale and financial discipline, ensuring robust capital efficiency to drive sustainable phygital expansion and deepen inclusion across underserved India.”

Manufactured Capital (Contd.)

Our Extensive Network & Presence: India's Deep Reach

As of March 31, 2025, Vakrangee Limited has established a robust and extensive presence across India, demonstrating our unwavering commitment to connecting underserved communities. Our network comprises a total of 22,986 operational Vakrangee Kendra outlets nationwide. This widespread footprint spans over 32 states and union territories, encompassing 609 districts and 5,835 postal codes, ensuring broad accessibility to our services. A significant aspect of our reach is our focus on deeper penetration into less-served markets; 83% of our outlets are strategically located in Tier 4-6 cities, highlighting our dedication to bridging the urban-rural divide. In addition to our physical outlets, our ATM network contributes significantly to our manufactured capital, with 6,098 ATMs reported as of March 31, 2025. Our presence in Left-Wing Extremist (LWE), Tribal, and Aspirational districts has been substantial, with 5,648 outlets recorded in these regions during FY2024-25.



“Extending phygital services to 83 percent of Tier 4-6 cities through 22,986 Kendras ensures equitable access in remote markets, enabling inclusive economic participation and bridging critical infrastructure gaps nationwide for sustainable growth.”

Master Franchisee Network

546

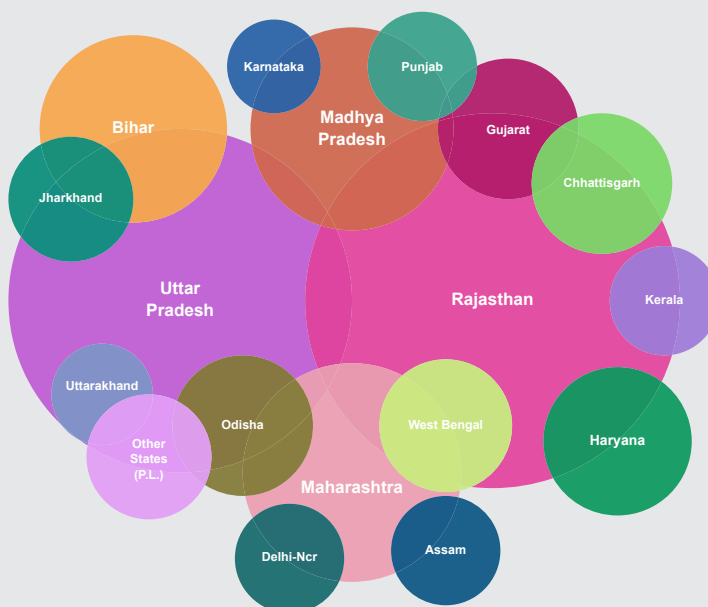
Number of District-Level Master Franchisees

Geographical Presence

32

Span of operations across India

State-wise Distribution of 22,986 Kendras



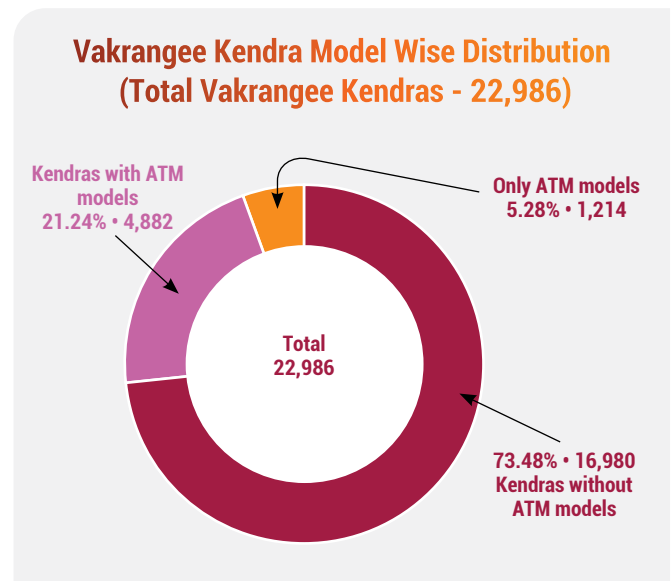
Note: Other States (each under 100 kendras) are: Tamil Nadu; Himachal Pradesh; Andhra Pradesh; Telangana; Arunachal Pradesh; Goa; Manipur; Mizoram; Meghalaya; Tripura; Chandigarh; Jammu and Kashmir; Puducherry; Dadra and Nagar Haveli; Nagaland.

Kendra ATM Distribution Model

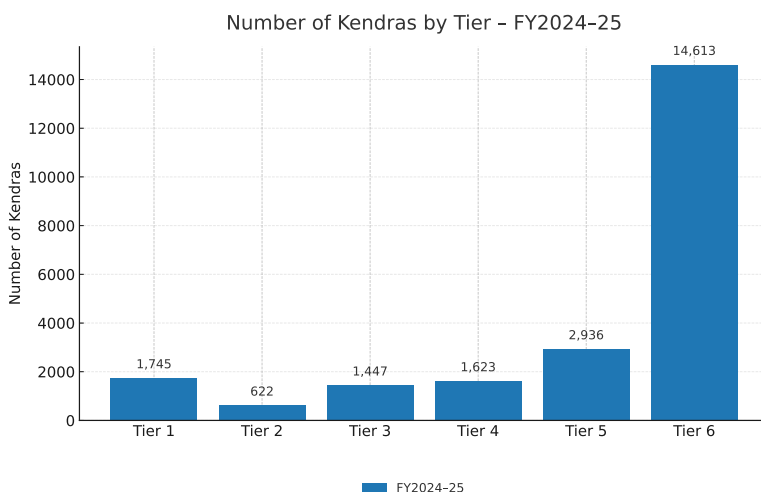
The distribution of Kendra operating models shows a diversified estate tailored to local demand while maintaining service consistency and a common outlet experience. ATM-enabled Kendras form a meaningful base and Only ATM outlets supplement coverage; however, Kendras without ATMs constitute the largest share of the network. This composition indicates substantial headroom to expand ATM access by converting selected non-ATM Kendras, prioritising high-footfall and underbanked catchments where cash services complement digital rails. A phased conversion strategy anchored in clear site-selection criteria, modular layouts, and paperless receipt infrastructure can improve customer convenience, raise transaction density, and open ancillary revenue streams with disciplined capital deployment. For context, out of 22,986 Kendras the network comprises 1,214 Only ATM models, 4,882 Kendras with ATM models, and 16,890 Kendras without ATM models.

Depth of Reach: A network anchored in Tier-6 catchments

The tier-wise distribution of our network is anchored in deep rural and semi-rural markets, with Tier 6 forming the core and Tier 5 providing the next layer of scale. Tiers 1 to 4 create an urban and peri-urban spine that supports visibility, service reliability, and hub-and-spoke logistics. This shape of the network has clear implications for planning. Product design and staffing should continue to reflect rural demand patterns,



while cash logistics, digital enablement, and grievance redress need to be optimised for dispersed geographies. The urban and peri-urban base can be used for pilots, training, and higher-value services, whereas the Tier 6 footprint offers headroom for conversions to ATM-enabled formats where transaction density and access gaps justify capital deployment. Overall, the configuration supports growth with a disciplined focus on last-mile service quality and selective upgrades where returns are demonstrable.



ATM Network

6,098 ATMs

Number of ATMs operated by Vakrangee

ATM Tier Presence

77%

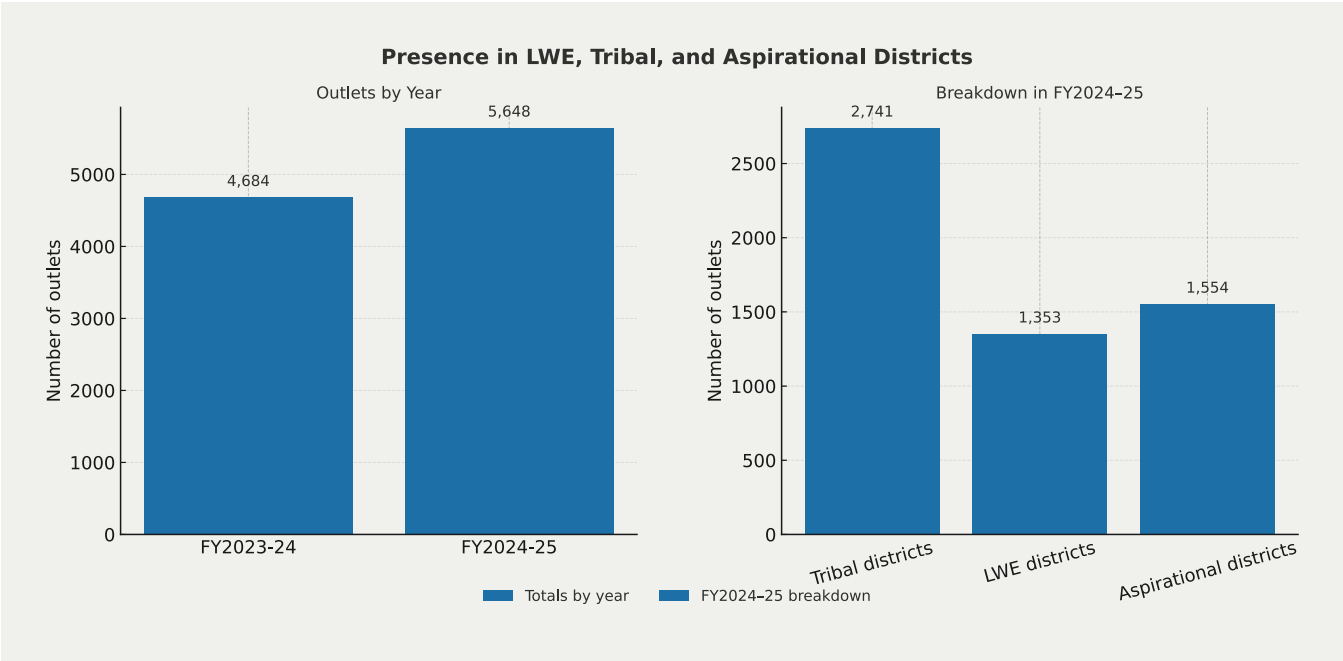
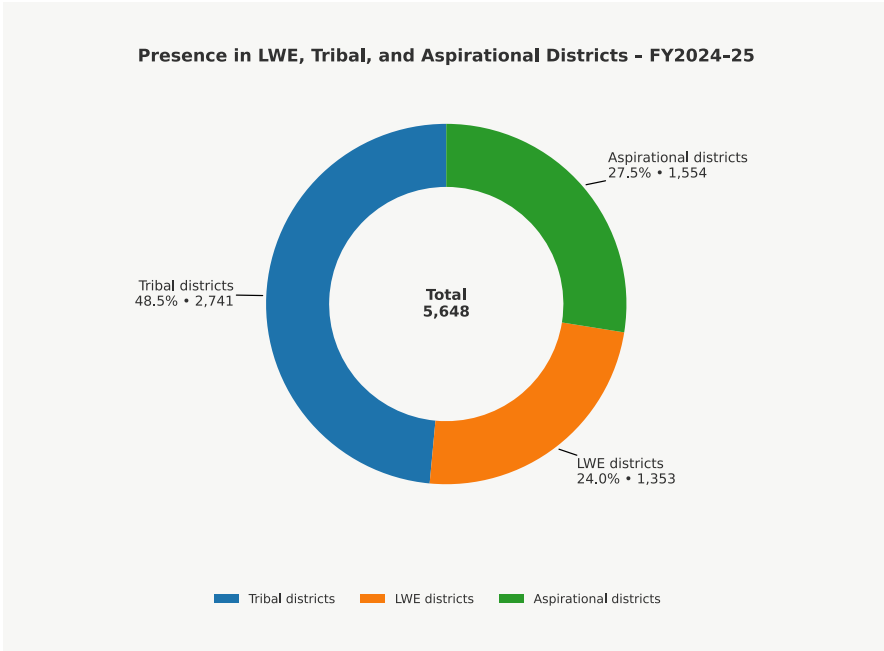
ATM presence in Tier IV – VI Cities

Manufactured Capital

(Contd.)

Comparison of Outlet Presence in LWE, Tribal and Aspirational Districts: Previous Year vs. Current Year

Our footprint in Left-Wing Extremist affected, Tribal, and Aspirational districts continued to strengthen in FY2024-25. The number of outlets increased year on year from 4,684 in FY2023-24 to 5,648 in FY2024-25, reflecting targeted deployment, closer coordination with local administrations, and operating models adapted to regional needs. This expansion underlines our commitment to reliable, high-quality service delivery in underserved areas, with the objective of stimulating local economic activity, improving access to essential services, and empowering communities.



Strategic Expansion: Future Growth Trajectory

Vakrangee Limited's strategic expansion is firmly aligned with our ambitious Vision, aiming for comprehensive national coverage and sustained growth. Our long-term objective is to establish Kendras across India, bringing our services within walking distance of our remotest customers. A crucial element of this expansion is achieving 100% district coverage through our Master Franchisee network. As of March 31, 2025, we have already appointed Master Franchisees in 546 districts across 32 states & UTs marking significant progress toward our goal.

Vakrangee's Comprehensive Network



Kendras

22,986 service centers providing access to services



ATMs

6,058 automated teller machines for financial transactions



States/UTs

Coverage across 32 states and union territories



Districts

Presence in 546 districts ensuring widespread reach



Postal Codes

Operations spanning 5,835 postal codes



Rural Focus

83% of outlets in Tier 4-6 cities emphasizing rural service



Impact

Extending services to underserved areas like LWE and Tribal districts

“

“With Master Franchisees appointed in 546 districts and a plan to achieve 100 percent district coverage by March 2026, Vakrangee embeds local entrepreneurship and operational agility to realise its pan-India phygital vision.”

Manufactured Capital (Contd.)

The Unique Phygital Model: Blending Physical and Digital

“Sab Kaam Ek Dukaan”

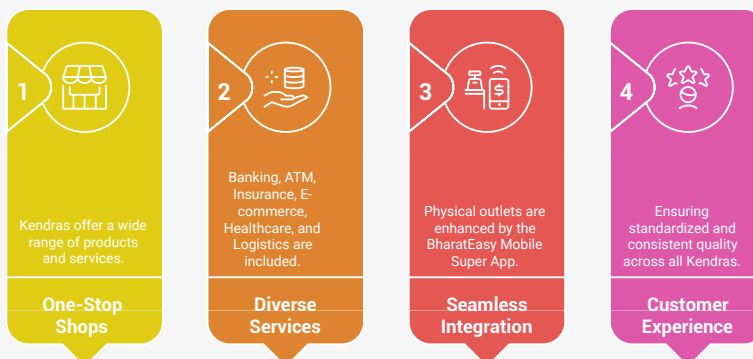
Vakrangee Limited's core strategy is its distinctive “Phygital” model, which seamlessly integrates physical presence with digital capabilities to deliver comprehensive services. Our Next-Gen Vakrangee Kendras function as true “one-stop shops,” offering a broad spectrum of essential services in real-time. These services include banking and financial services, ATM operations, insurance, e-governance solutions, and a diverse range of e-commerce offerings, including healthcare services like tele/video consultations, home diagnostics, and medicine delivery, as well as logistics services. This extensive portfolio provides access to over 100 million products and 1,000 services under a single roof. The physical outlets are seamlessly integrated with robust digital platforms, most notably the BharatEasy Mobile Super App, creating a unified digital ecosystem that enhances convenience and accessibility for consumers. We are committed to maintaining a regimented degree of standardisation and consistency in the quality of facilities and service levels across all our Kendra outlets, ensuring a uniform and high-quality consumer experience nationwide.



“Offering over 100 million products and 1,000 services in Next-Gen Kendras integrated via the BharatEasy Super App, Vakrangee’s phygital model unifies physical and digital channels to elevate customer convenience and reach.”



Vakrangee's Phygital Advantage



Postal Code Coverage

5,835

Postal Codes

Number of postal-code areas reached

Our Comprehensive Products & Services Portfolio: A One-Stop Solution

Vakrangee Limited is dedicated to providing a diverse and comprehensive suite of products and services, acting as an actual “one-stop shop” for our customers across India. Our unique phygital model ensures that, whether through our physical Next-Gen Vakrangee Kendras or the BharatEasy Mobile Super App, we deliver essential services, focusing on financial, social, and digital inclusion for underserved markets.



“By combining comprehensive banking services—from account opening to loans—with e-commerce and digital offerings, Vakrangee Kendra delivers a true one-stop solution that drives social and financial inclusion.”



Our offerings include:

Banking & Financial Services: We provide a full spectrum of services, including account opening, cash withdrawal and deposit services, and other banking functions. Our financial services extend to opening online Demat and Trading Accounts, Domestic Money Transfer (DMT), lead generation for personal and business loans, AEPS and Pan Card Services. We also offer diversified non-cash banking services, such as insurance and fixed deposits, significantly mitigating reliance on a single product line.

ATM Services: Vakrangee’s ATM services anchor its phygital model by extending reliable cash and banking access to underserved locations while reinforcing financial, social, and digital inclusion. The network supports real time withdrawals via UPI and cards, balance and PIN services, Aadhaar seeding and other utilities, and is designed for accessibility with talking ATMs, Braille keypads, ramps, and biometric authentication. Operated as RBI-licensed white-label ATMs manufactured by Vortex Engineering, the machines are paperless with SMS receipts, include digital video surveillance, and are evolving into Mini and Android ATMs, with plans for Digital Banking Unit kiosks. Strategically, ATMs integrate with Vakrangee Kendra one-stop outlets, strengthen market position, and diversify revenue beyond cash transactions through a broader portfolio of banking and allied services.

Manufactured Capital (Contd.)

E-commerce & Digital Services: This extensive category encompasses assisted online shopping, comprehensive healthcare services (including tele/video consultations, home diagnostics, and medicine delivery), online travel services, mobile recharges, and various e-governance services. We are also strategically venturing into private-label and white-label product categories within the consumer and retail segments (Apparel Category), leveraging our extensive network for distribution. Additionally, we offer logistics services, further enhancing convenience for our customers. Our business model is designed to provide a broad portfolio of products and services, ensuring no dependency on a single offering, like ATMs or banking alone. This diversified approach, combined with one of the highest commission rates in the industry, makes us an attractive partner for franchisees and a comprehensive solution for consumers.

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By offering a diverse portfolio of digital and retail services under one roof, we empower our franchisees and serve customers with unmatched convenience and choice.

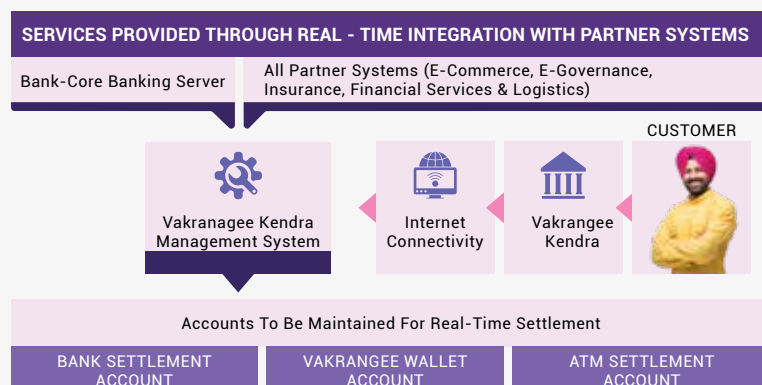


Standardised and exclusive store format for a unified consumer and service experience : Our outlets operate as digital convenience stores supported by a distinctive business model. Over time, the network has progressed from non-exclusive locations with limited services to exclusive, multi-speciality stores with a broad portfolio and a strong market presence. Digitalisation has accelerated this evolution by enabling convenient doorstep delivery of goods and services. Each outlet follows a modern, standardised format with a consistent look and feel, which safeguards uniform service levels and a reliable customer experience across all locations, including remote areas.

Organisational hierarchy for monitoring, training, and operational support: A clear organisational framework anchors day-to-day execution. State Heads and District-level Master Franchisee Partners oversee operations and ensure adherence to standard operating procedures. District-level Master Franchisees provide on-ground operational and marketing support, assist with daily tasks, and resolve issues quickly. To maintain consistency in capability building, a centralised Master Franchisee and Franchisee Training and Induction Programme runs five days a week with two three-hour sessions in English and Hindi. The programme equips franchisees with the skills and knowledge required to deliver high-quality service.

Our proprietary technology platform: Our proprietary technology platform underpins standardisation, security, and scale. It integrates front-of-store workflows with partner systems in real time, enforces role-based access and user authentication, and provides operational dashboards and alerts that support rapid issue resolution. The platform's design enables consistent execution at the outlet level while giving supervisors and franchisees the tools to monitor performance,

Our Proprietary Technology Platform



uphold compliance, and enhance customer experience.

Robust technology infrastructure: We operate a secure and scalable technology stack anchored by VKMS (Vakrangee Kendra Management System) and the BharatEasy Mobile Super App. These proprietary platforms integrate with partner systems in real time, enabling efficient and compliant service delivery across the network. A dedicated team provides continuous technical and quality support to franchisees to ensure uptime and consistent customer experience. Platform access follows a strict user-authentication policy for every individual connecting to company servers. This policy underpins transaction integrity and creates a trusted environment for customers and franchisees.

Real-time monitoring and daily reporting: VKMS and the BharatEasy app deliver live visibility of transaction status, ATM cash levels by denomination, and wallet account balances. Stakeholders receive real-time alerts on critical issues, and daily dashboards and reports enable precise performance monitoring across services and outlets. Master Franchisees and business teams use these insights to identify gaps, act on exceptions, and improve service quality through data-driven decision making.

Collaboration and field engagement: We use video conferences and webinars to engage Master Franchisees and franchisees for operating reviews, issue resolution, and knowledge sharing. Each franchisee is aligned to a District-level Master Franchisee, who oversees operational compliance and adherence to standard operating procedures. This structure strengthens supervision and support, which in turn maintains consistent service standards.

Manufactured Capital (Contd.)

Vakrangee Connect mobile app: The Vakrangee Connect app supports day-to-day operations. Franchisees can view date-wise ATM transactions and dispensed amounts, check real-time ATM status and cash balance, and complete routine activities such as cash loading entries and daily cash tally. The app improves transparency, speeds issue resolution, and enhances customer satisfaction at Kendras.

Technical Support Desk and customer support: A centralised Technical Support Desk is the single point of contact for franchisee assistance. Calls are handled on 022-67765178 and the toll-free number 18002744427. The desk operates 12 hours on working days from 8:00 a.m. to 8:00 p.m. and 8 hours on non-working days from 9:00 a.m. to 6:00 p.m., with three staggered shifts on working days to match query volumes. Clear SLAs, issue categorisation, and escalation protocols ensure timely resolution.

Data quality governance: We maintain accurate, complete, consistent, timely, and relevant data across enterprise repositories and golden sources. Data owners define quality rules based on profiling; integrity controls and privacy safeguards govern modification rights; and delivery services enforce transfer specifications. Key Control Indicators are tracked on a control scorecard, and any exceptions trigger remediation with root-cause analysis and documented corrective actions.

Sustainable sourcing and Green IT: We follow a sustainable procurement framework that prioritises suppliers with clear targets on water and energy reduction, environmental stewardship, diversity in talent, and compliance with human rights and applicable laws. Vendors must provide accurate reporting on these parameters upon request. As part of our Green IT strategy, all RFPs for IT hardware and electronics mandate EPEAT-certified models only.

ISO 20400:2017 Sustainable Procurement Management System: We are certified to ISO 20400:2017. The standard provides guidance for embedding sustainability into procurement policy and practice, helping organisations integrate environmental and social considerations into purchasing decisions, manage legal and ethical risks, monitor supplier performance, and build long-term value through responsible sourcing. Our certification reinforces disciplined supplier engagement and aligns procurement with our broader sustainability goals.



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"From digital tools to green procurement, our integrated support systems empower franchisees, uphold transparency, and embed sustainability into everyday operations."

ATMs: A Game-Changer for Phygital Reach

Vakrangee's ATM services are a cornerstone of its "phygital" business model, designed to deliver essential financial accessibility and convenience, especially in the remote and underserved regions of India. These services are deemed a game-changer for Vakrangee due to their pivotal role in fostering financial, social, and digital inclusion, solidifying the Company's market standing, and diversifying its revenue streams through strategic investments and innovative technological deployment.



“Equipped with UPI enabled, Vakrangee's white-label ATMs transform phygital reach by delivering inclusive banking services to illiterate and visually-impaired customers in underserved markets.”



Features of Vakrangee's ATMs:

Vakrangee's ATM network facilitates both financial and non-financial transactions, providing crucial cash access in remote areas through withdrawal of cash through UPI and Card. The ATMs boast a range of features aimed at broad accessibility and efficient operation:

► Comprehensive Transaction Capabilities:

- ◆ They support real-time banking and financial services, including cash withdrawals, balance inquiries, PIN changes, and mini statements.
- ◆ Newer models are being equipped with UPI enabled cash withdrawal functionalities.
- ◆ They enable additional services like Aadhaar seeding, card-to-card fund transfers, cheque book requests, and mobile banking registration.

► Enhanced Accessibility and Inclusivity:

- ◆ All ATMs are "talking-ATMs" with Braille-friendly keypads, specifically designed to serve specially-abled (Divyang) customers. Franchisees are encouraged to install ramps for wheelchair accessibility.
- ◆ They facilitate biometric-enabled banking, allowing rural citizens to conveniently access banking services using their Aadhaar cards and biometrics at no extra cost.

► Advanced Technology and Operational Efficiency:

- ◆ Vakrangee operates White Label ATMs under a license from the Reserve Bank of India (RBI).
- ◆ The machines are environmentally friendly and paperless, sending transaction acknowledgements via SMS instead of printed receipts, which aligns with "Go Green" initiatives.
- ◆ Vortex Engineering, a Vakrangee subsidiary, manufactures these ATMs, featuring low operating expenses, resilience to power fluctuations, built-in Digital Video Surveillance Systems, UPI enabled cash withdrawal functionality and support for Aadhaar-based biometric authentication.
- ◆ Recent innovations comprise Mini ATMs with UPI-based cash withdrawals and Android ATMs offering advanced digital banking features and next-generation user interfaces.
- ◆ Plans include launching Digital Banking Unit (DBU) kiosks as an alternative to traditional bank branches.

Manufactured Capital (Contd.)

Why Vakrangee Kendra are a "Game Changer":

Vakrangee's network is transformative for the Company's business strategy and impact:

Pioneering Financial Inclusion: Vakrangee, as one of India's largest last-mile distribution platforms, leverages Banking & ATMs to bring essential financial services to unserved and underserved rural, semi-urban, and urban markets. This extensive reach significantly bridges the urban-rural divide, promoting financial, social, and digital inclusion and aligning with government initiatives like the Pradhan Mantri Jan Dhan Yojana (PMJDY) for direct subsidy delivery.

Integrated "One-Stop Shop" Model: The ATMs are integral to the "Vakrangee Kendra" outlets, which function as "one-stop shops" offering a wide array of services beyond just banking, including insurance, e-governance, e-commerce (e.g., healthcare, online shopping), and logistics. This comprehensive model enhances customer convenience and builds trust, particularly in areas with limited-service access.

Strategic Diversification and Market Positioning: Recognising the anticipated shift towards digital payments, Vakrangee has proactively diversified its business model. The Banking & ATM, while core, are part of a broader portfolio that includes non-cash banking services (like account opening, loans, and insurance) and other offerings. This strategy ensures long-term sustainability and profitability, mitigating risks associated with sole reliance on cash transactions.

Unmatched Scale and Reach: With 22,986 operational Vakrangee Kendras by FY2025 (and 21,653 outlets by FY2023-24), and an extensive presence in over 83% of its outlets in Tier IV, V, and VI cities, Vakrangee possesses an unparalleled network for reaching the deepest rural areas. As of FY2024-25, the Company operate 6,098 ATMs, making Vakrangee Limited a significant player in rural India and the 3rd largest White Label ATM operator.

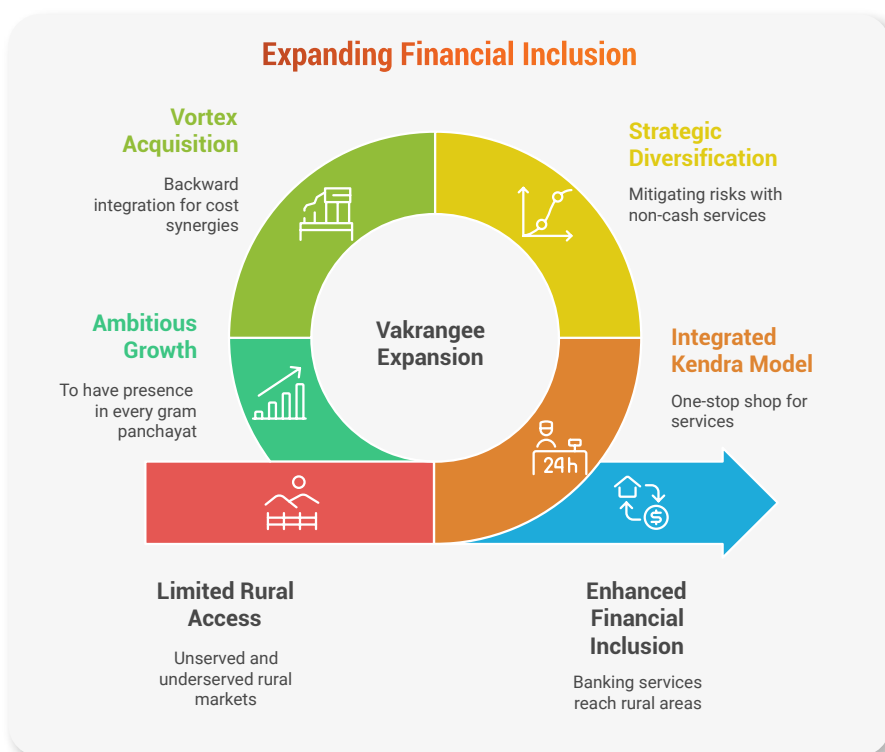
Backward Integration through Vortex Acquisition: The acquisition of Vortex Engineering Private Limited (effective June 4, 2024) is a strategic investment that allows Vakrangee to engage in ATM manufacturing. This move promises cost synergies, technological advantages. It unlocks new growth opportunities, positioning Vakrangee not only as a distribution platform but also as a competitive supplier of ATMs in both domestic and international markets, becoming a comprehensive provider of digital financial infrastructure.

Ambitious Growth Trajectory and Performance: Vakrangee aims to significantly expand its ATM footprint. The platform's strong performance is evident in its 35 million ATM transactions with a Gross Transaction Value (GTV) of ₹97,733 million in FY2025.

Tier IV & VI City Presence

~83% Presence

Proportion of presence in Tier IV and Tier VI cities





Operational Management & Scalability: Empowering Our Network

Vakrangee Limited's operational management and remarkable scalability are fundamentally driven by our unique franchisee model, with Master Franchisees playing an instrumental role. These Master Franchisees are crucial for our extensive growth, as they are responsible for end-to-end monitoring and ensuring operational compliance for their respective franchisees. They provide on-ground operational support to existing franchisee outlets. They are pivotal in driving new franchisee acquisition, a strategy that enables the Company to scale much faster and achieve its ambitious long-term targets.

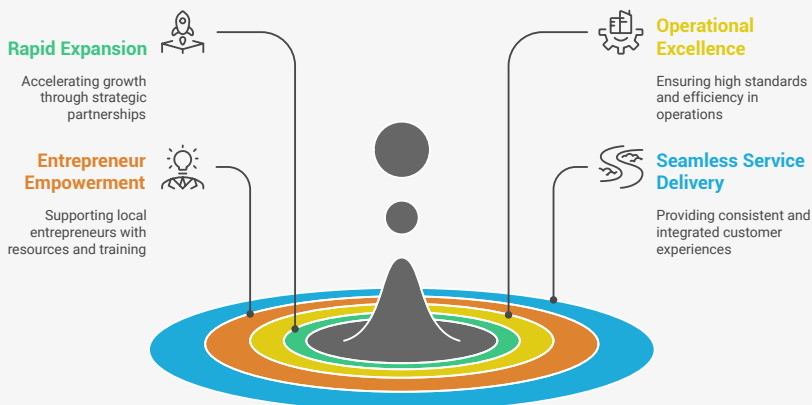
Our organisational structure is designed to foster a culture of entrepreneurship and innovation at the grassroots level, empowering local entrepreneurs to manage and expand their district-level Kendra networks. We support their efforts by investing in cutting-edge technology and infrastructure, providing essential tools and resources. Furthermore, we contribute to capacity building and job generation by offering

“

Through its Franchisee based model, Vakrangee empowers local entrepreneurs with operational support and competencies, driving scalable network growth and sustainable community development.”

Banking, Insurance & Other Services. The Master Franchisee program, introduced in 2022, strengthens our commitment to maintaining end-to-end monitoring and operational efficiency across our expansive franchisee network. This entrepreneurial spirit, combined with our expansive last-mile network and integrated physical and digital platforms, ensures robust operational efficiency and seamless service delivery, fostering a unified and consistent customer experience.

Franchisee Expansion Strategies



Franchisee Owner

3,196

No. of Female Franchisee

Presence in Tribal / LWE / Aspirational Districts

5,648

Number of Vakrangee Kendras in Tribal districts/LWE districts/ Aspirational districts

Manufactured Capital (Contd.)

Our Growth Strategy

Our strategic approach to growth for FY2024-25 is firmly rooted in leveraging our foundational strengths and disciplined capital allocation to cultivate profitable expansion. While we maintain an eye on ambitious long-term targets, our immediate focus remains on delivering tangible year-on-year growth and enhancing profitability for our stakeholders. This direction ensures our strategies are concrete and yield immediate, discernible results, aligning with our short to medium-term priorities.

A pivotal element of our growth strategy centres on the impact of strategic investments, notably our stake in Vortex Engineering Private Limited. This acquisition serves as a key driver for unlocking future growth opportunities and capitalising on operational synergies, reinforcing our commitment to profitable core expansion.

ATM Shipments (Vortex Engineering)

1,596 Machines

ATMs shipped by Vortex Engineering during FY2024-25

ATM Order Pipeline (Vortex Engineering)

5,000+ Machines

Vortex Engineering's confirmed order book for delivery in FY2025-26

“

“Maintaining a debt-free balance sheet while leveraging Vortex Engineering’s manufacturing synergies positions Vakrangee for disciplined capital deployment and sustainable, long-term competitiveness across its phygital network.”

Vortex Engineering's Performance and Outlook:

- ♦ **ATM Machine Shipments:** Vortex Engineering shipped 1,596 ATMs in FY2024-25. This represents a significant 36.6% year-on-year growth in the number of ATMs shipped.
- ♦ **Revenue Growth:** The subsidiary recorded a robust 26.3% year-on-year revenue growth in FY2024-25.
- ♦ **AMC Business Expansion:** Our Annual Maintenance Contract (AMC) business within Vortex Engineering demonstrated substantial progress, achieving 23.4% year-on-year revenue growth in FY2024-25. This segment continues to show solid growth with rising annuity-based revenue.
- ♦ **High-Margin Software Business:** The high-margin Intellectual Property (IP) software (PERFO) business is witnessing strong growth and profitability.
- ♦ **Debt-Free Status and Future Visibility:** Vortex Engineering, is debt-free and maintains a robust balance sheet. This strong financial position, supported by capital infusion from Vakrangee Limited, enables us to support our expansion plans and pursue sustained long-term growth confidently. We anticipate a strong order visibility of over 5,000 ATMs in FY2025-26 for Vortex Engineering, positioning the Company for robust, long-term growth.



Banking BC Points

15,000+ BC Points

Total Banking Business Correspondent points

Debt-Free Status

ZERO Debt

The Company and its subsidiaries maintain a debt-free balance sheet

Kendra Business: Products, Services, and Network Expansion:

Our core Kendra business, operating on an asset-light, franchisee-based model, is central to our growth. For FY2025, we have established a strong and expansive presence with a total of 22,986 Vakrangee Kendra outlets nationwide, covering 32 states and union territories, 609 districts, and 5,835 postal codes. Notably, 83% of our outlets are located in Tier 4-6 cities, reflecting our commitment to serving underserved markets. Our Kendras serve as one-stop solutions, providing real-time Banking, ATM, Insurance, E-commerce, Total Healthcare, Travel, Telecom, Bill Payment, and E-governance services.

- ♦ **New Product Lines in FY2025:** In line with our strategy to diversify and enhance offerings, we have introduced new product categories to expand our market presence. This includes the launch of Mini ATM models, designed as ultra-low-cost alternatives to significantly scale our ATM network and capture market share. We also ventured into private and white-label products, starting with a private & white label apparel range in the e-commerce category, leveraging our extensive Kendra network for distribution to consumers and retailers.
- ♦ **Strategic Expansion and Future Aims for FY2026:** We are committed to ambitious geographical expansion and service diversification. We plan for the deployment of 3,000 new ATMs in FY2025-26. This expansion is further bolstered by the RBI's increase in the interbank fee from INR 17 to INR 19 per transaction, effective May 1, 2025. This change is expected to boost ATM business margins and positively impact our EBITDA by approximately INR 5–10 Cr in FY2025–26. Additionally, we plan to launch Digital Banking Unit (DBU) kiosks, offering an alternative to traditional physical bank branches. Our strategic focus for financial services expansion includes Loans, Insurance, Mutual Funds, and Equities, specifically targeting Tier 3–6 cities where Vakrangee Limited has a strong presence, by introducing affordable, small-ticket products tailored for rural and semi-urban customers. Our Master Franchisee network is crucial to our expansion strategy. We have already appointed Master Franchisees in 546 districts across 32 States as of March 31, 2025. Our ambitious goal is to achieve 100% district coverage by March 2026, aggressively expanding our Kendra network by leveraging this Master Franchisee model. This initiative empowers local entrepreneurs, providing on-ground operational support to existing franchisee outlets and driving new franchisee acquisition, thereby contributing significantly to regional economic development and creating new entrepreneurial pathways.

Our overarching financial strategy is built on our foundational strength as a debt-free company, complemented by a robust balance sheet and an asset-light model. This financial discipline underpins our ability to make strategic investments and optimise operations, ensuring that our growth is not just expansive but also consistently profitable. We remain dedicated to maximising shareholder value by continuing to shift towards high-margin businesses and providing superior returns.

Human Capital

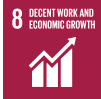
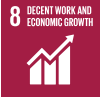
Igniting Entrepreneurship, Propelling Growth

At Vakrangee Limited, we unequivocally recognise that our human capital – encompassing both our dedicated employees and the expansive, dynamic network of Master Franchisees and Kendra franchisees – is the **foundational strength** and the ultimate engine driving our **dynamic future** and **profitable growth**. We are not merely building a business; we are cultivating a thriving ecosystem of entrepreneurship across India, where individuals are not only empowered to innovate but are also encouraged to take full ownership of their roles, proactively identifying and overcoming challenges. This deep-seated commitment ensures that our human capital strategy is intrinsically aligned with our overarching annual report theme: *"Built on Legacy – Driven by Profitability and Strong Growth"*. Through diligently crafted, comprehensive training programs, robust and continuous support mechanisms, and consistent motivation, we enable optimal performance across our entire franchisee network, which in turn leads directly to enhanced customer satisfaction and accelerated business expansion. Our firm dedication to fostering a culture of diversity and inclusion further

enriches our collective capabilities, providing diverse perspectives that fuel innovation and build the resilience necessary to drive our continuous progress and achieve our strategic objectives. Our focus remains firmly on nurturing this invaluable human asset to sustain our competitive edge and deliver enduring value to all stakeholders.

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**Our people are our strength,
empowering communities,
enabling innovation, and
driving sustainable progress.**

GRI Standards	UNSDG Targets Addressed	Linked Capitals	Materiality Issues Addressed
GRI 401: Employment 2016		Human, Financial	Employment practices, job creation
GRI 402: Labour–Management Relations 2016	 	Human, Social	Industrial relations
GRI 403: Occupational Health & Safety 2018	 	Human Capital	Workplace safety
GRI 404: Training & Education 2016		Human, Intellectual	Talent development
GRI 405: Diversity & Equal Opportunity 2016	 	Human, Social	Diversity, inclusion
GRI 406–409: Non-discrimination, Freedom of Association, Child Labour, Forced Labour	 	Human Capital	Human rights, ethical labour practices
GRI 412: Human Rights Assessment 2016	 	Human, Social	Human rights
GRI 414: Supplier Social Assessment 2016		Human, Social	Responsible sourcing

Human Capital

(Contd.)

Fostering the Entrepreneurial Spirit

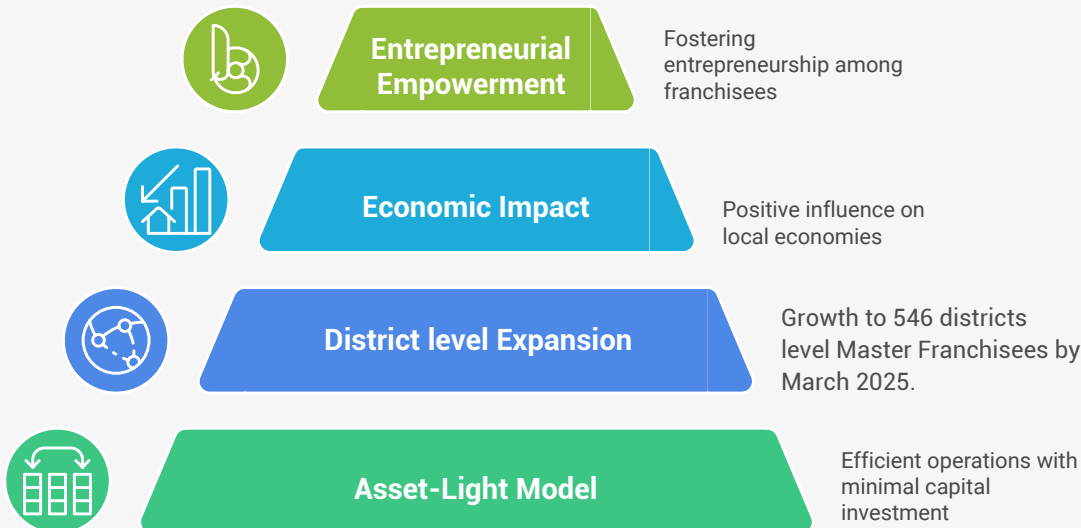
Vakrangee Limited places paramount emphasis on empowering its Master Franchisees and Kendra franchisees, recognising them as absolutely crucial for driving both performance and sustainable growth across our vast network. Our distinctive district-level master franchisee approach actively embodies and promotes a philosophy of "driven performance through entrepreneurship". This model is built on a foundation of trust and provides comprehensive support directly to local entrepreneurs, who serve as the vital on-ground representatives of Vakrangee in their respective regions. These Master Franchisees play a pivotal and multifaceted role; they provide essential on-ground operational support to existing franchisee outlets, ensuring smooth daily operations and prompt issue resolution, and they are instrumental in spearheading the acquisition of new franchisees, thereby continuously expanding our reach.

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"Our Master Franchisees embody the entrepreneurial spirit, transforming local insights into catalysts for profound socio-economic development, directly aligning with our mission to empower communities and drive inclusive growth."



Vakrangee's Entrepreneurial Strategy





The Master Franchisee program, which was officially introduced in 2022, serves as a cornerstone of our expansion strategy. It ensures stringent compliance across the network, offers active and personalised on-ground support, and strategically facilitates the acquisition of new franchisees, thereby reinforcing end-to-end monitoring and operational efficiency throughout our extensive network. This innovative business model intrinsically stimulates significant skill development and job creation, extending opportunities and empowerment to individuals from diverse backgrounds, particularly in the deep rural areas of India. By empowering these local entrepreneurs, we directly contribute to robust regional economic growth and significantly aid in poverty eradication, aligning our commercial success with profound societal impact.

By leveraging an inherently asset-light, franchisee-based model, Vakrangee Limited not only cultivates substantial profitability but also ensures strong and sustainable shareholder returns. This approach allows us to expand rapidly and penetrate

546

District-level Master Franchisees are appointed across 32 States as of March 31, 2025, demonstrating our expanding entrepreneurial network.

100%

District coverage targeted by March 2026, showcasing our ambitious geographical expansion strategy through the Master Franchisee model.

deep into semi-urban and rural India without incurring significant capital expenditures on physical assets, thereby optimising our capital structure and minimising our cost of capital. The strategic appointment of Master Franchisees has been a considerable accelerator; as of March 31, 2025, we have appointed Master Franchisees in 546 districts across 32 States. We aim to achieve comprehensive 100% district coverage by March 2026, aggressively expanding our Kendra network by fully leveraging this Master Franchisee model. This initiative not only empowers local entrepreneurs but also provides critical on-ground operational support to existing franchisee outlets and drives the acquisition of new franchisees, thus contributing profoundly to regional economic development and fostering new entrepreneurial pathways across the country.

Human Capital (Contd.)

Training, Development & Support

Vakrangee Limited is deeply committed to providing reliable assistance, comprehensive training, and continuous guidance to both our new and existing franchisees. Our meticulously designed training programs are tailored to enhance a wide array of essential skill sets, ensuring that our franchisees are not only competent but also highly proficient in delivering our diverse range of services. A notable aspect of this training is the **certification provided for Banking and Insurance Services**, equipping our franchisees with specialised knowledge and compliance understanding crucial for these financial offerings. Beyond these certifications, our training covers various operational aspects of running a Vakrangee Kendra, including efficient transaction processing, customer service excellence, and adherence to stringent security protocols. This extensive training, coupled with robust, ongoing support and consistent motivation, is fundamental to Vakrangee's strategy for ensuring optimal franchisee performance and maximising operational efficiency across our expansive network.

The Master Franchisee model serves as a critical support mechanism, offering direct, on-ground operational assistance to existing franchisee outlets. Master Franchisees regularly assist with daily operational activities, provide immediate troubleshooting for any issues encountered by franchisees, and ensure that best practices are consistently followed. This localised support significantly enhances the quality and reliability of services delivered at the last mile. Furthermore, Vakrangee Limited consistently invests in and deploys cutting-edge technologies and



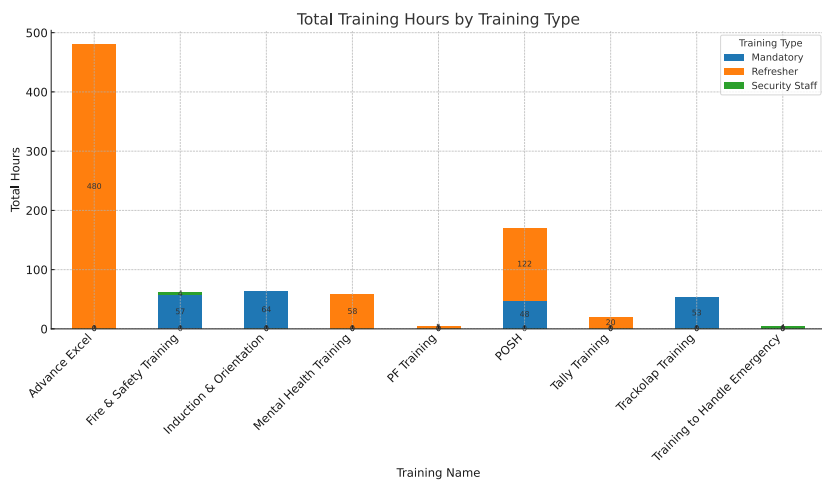
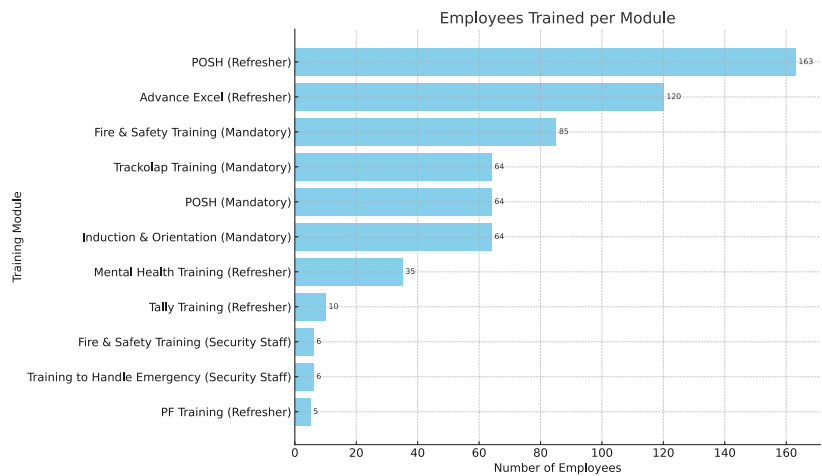
Factors Enhancing Franchisee Support and Efficiency



Technology upgrades, skill-based training, experienced guidance, and formal certifications together define our commitment to empowering franchisee success.



robust infrastructure, ensuring that both new and existing franchisees receive the necessary tools, systems, and technological support to propel their performance to unprecedented heights. This sustained investment in technology underscores our dedication to equipping our entire network with the most advanced capabilities required for success in India's rapidly evolving and dynamic market landscape. This includes streamlining franchisee lifecycle management processes from acquisition and onboarding to service activation, leading to a faster, simpler, and more secure experience for franchisees, which enables robust scalability and quicker turnaround times. We provide continuous training and guidance to ensure that our franchisees are adept at using these advanced technological solutions to enhance accessibility and foster their entrepreneurial ventures.



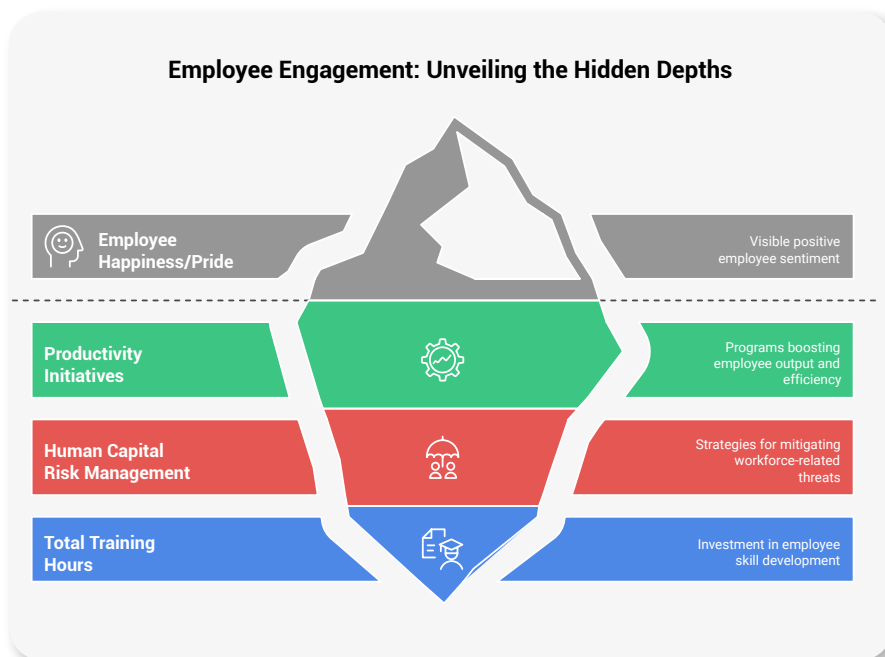
We conduct regular seminars and knowledge-sharing programmes for employees across all levels—tactical, strategic, and leadership. These initiatives are designed not only to strengthen technical and functional expertise but also to build soft skills, particularly in communication and collaboration. The Nomination and Remuneration Committee, together with the Compensation Committee, establishes annual training hour targets to ensure that every employee attends a minimum of two workshops each year.

Human Capital (Contd.)

Employee Engagement & Organisational Culture

Vakrangee Limited is profoundly committed to nurturing an entrepreneurial and highly engaging work atmosphere for all its employees, recognising that a professional, respectful, and empowering culture directly correlates with enhanced productivity, sustained growth, and overall organisational positivity. We actively and purposefully strive to build a work culture characterised by **meaningful work and continuous engagement**, where every individual feels valued and can contribute to our collective success. This commitment is underpinned by our dedication to ensuring fair resolutions for all internal matters, making merit-based decisions in all aspects of employment, and maintaining transparent dealings with all stakeholders across the organisation. A clear and comprehensive code of conduct is rigorously enforced for all employees, consistently reinforcing the expected standards of workplace decorum, ethical behaviour, and professional interactions.

The Risk Management Committee regularly conducts comprehensive human capital risk assessments, meticulously identifying potential factors that could adversely impact our personnel and overall organisational activities. The Head of People, Performance, and Culture is tasked with developing a detailed action plan, which encompasses thorough risk identification, precise classification, assessment of potential losses, formulation of effective management strategies, definition of implementation sequences, establishment of clear timelines, and designation of responsible officials. This action plan undergoes rigorous assessment and approval by the Risk Management Committee of the Board, ensuring robust oversight and strategic alignment. An annual activity calendar systematically guides our efforts to proactively mitigate human capital risks, with effectiveness rigorously measured by key parameters such as applicant numbers, employee feedback on work culture, and the quantifiable outcomes of training programs. A testament to these continuous and dedicated efforts, in FY2024-25, 81% of our employees reported feeling happy and proud to work at Vakrangee, affirming the positive impact of our organisational culture.



To further enhance employee productivity and well-being, we implement a variety of strategic initiatives. These include aligning individual tasks directly with broader organisational objectives, ensuring fair and timely compensation (including pay parity across roles), offering diverse avenues for professional excellence and career advancement, and establishing a secure and safe workplace environment complemented by quality health benefits and robust pension plans. Our deep commitment to fostering a strong sense of belongingness among our employees is reflected in our proactive efforts to embrace diversity in all its forms, vigorously encourage cross-functional collaboration, and provide equal access to all company programs and initiatives.

Employee Code of Conduct and Ethical Practices

We enforce a strict **Employee Code of Conduct** applicable to all personnel, irrespective of role or seniority. Introduced at the time of onboarding, the Code defines the ethical and professional standards expected across the organisation. It promotes a harmonious work environment, strengthens employer–employee relationships, and underscores our commitment to integrity and professionalism.



The Code addresses critical aspects such as maintaining a drug- and alcohol-free workplace, prioritising safety, safeguarding Company property, demonstrating respect, and upholding both internal and external professionalism. Detailed guidelines are available on our website under the Employee Code of Conduct section.

Our performance-driven culture emphasises **innovation, efficiency, and collaboration**. Employees are empowered to contribute ideas, work collectively, and deliver exceptional outcomes—ensuring the organisation consistently achieves its goals and maintains a leadership position in the industry.

Fostering a Feedback Culture

We encourage constructive feedback across all levels of the organisation, regardless of hierarchy. This practice ensures that every employee's voice is valued, contributing to inclusive growth and a supportive work environment. An **open-door policy** allows employees to approach peers or superiors freely, while specific concerns can be raised via humanresource@vakrangee.in or by calling **(022) 67765130**. By breaking down barriers to communication, we nurture both personal and professional growth while reinforcing our culture of transparency and accountability.

Commitment to Ethical Excellence

Fairness, honesty, integrity, and respect guide all our business decisions. We maintain a **zero-tolerance policy for bribery and corruption** across the organisation and our franchisee network. This commitment is reinforced by our **Anti-Bribery Management System certification**, which provides a robust framework for implementing and monitoring effective anti-bribery practices.

The certification also highlights our emphasis on continuous improvement and vigilance. Notably, during FY 2024-25, the Company reported **zero incidents of corruption**, reflecting the effectiveness of our control measures, comprehensive training programmes, and oversight systems.



We are guided by ethics and driven by accountability. Fairness, transparency, and professionalism shape our workplace.

Human Capital

(Contd.)

Building a Connected Workforce

We implement a range of initiatives to ensure employees remain well-informed of policies, processes, and expected standards of conduct. Our **Induction Programme** offers comprehensive orientation for new employees, while the **Human Resource Management System** serves as a central portal for updated policies, circulars, and notices.

- To facilitate seamless communication, we employ multiple channels, including:
- Group email IDs for sharing circulars and notices.
- A dedicated WhatsApp group for timely updates.
- Regularly updated **HR Manuals**, accessible through the internal server and available in print through the HR department.
- The **Vakrangee Kendra Management System (VKMS)**, our IT platform for communicating organisational values, achievements, and policy updates.

916

total training hours were provided to employees in FY2025, emphasising our investment in continuous professional development and skill enhancement.

>80%

A significant number of employees reported feeling happy and proud to work at Vakrangee in FY2025, indicating high employee satisfaction and a positive work environment.

“

"Our culture thrives on ownership and innovation; every employee's contribution is pivotal to our collective success and our ability to adapt and excel in a rapidly changing environment continually."



Together, these initiatives build a transparent, informed, and connected workforce aligned with the Company's values and long-term objectives.

Initiative	Description
Induction Programme	Assists new recruits to become familiar with the Company's policies, procedures, and standards of business conduct.
Human Resource Management System	Provides employees access to updated policies, circulars, and notices for reference.
Group email ID	Common email groups facilitate communication of important information, including circulars, notices, and updates on behavioural norms, standards, and processes.
Human Resource Manual	Regularly updated handbook covering policies, values, standards, and norms. Available digitally on the internal server and in print with HR/Department Heads.
WhatsApp Group	Provides prompt broadcast of updates on policies and processes.
VKMS	IT platform accessible to all employees, keeping them informed about the Company's values and achievements.

Diversity & Inclusion

Vakrangee Limited profoundly recognises the strategic imperative of cultivating a diverse and inclusive workforce, understanding that it directly drives innovation, fosters more informed decision-making, and enhances resilience across all our operations. Our deep and firm commitment to diversity and inclusion fosters a dynamic culture that actively leverages unique perspectives, experiences, and backgrounds to continuously enhance customer satisfaction, stimulate innovation, and improve overall financial performance. We uphold a strict policy that **prohibits any form of discrimination** based on race, colour, religion, gender, nationality, or age, thereby ensuring truly **equal opportunities for all individuals** within our organisation and extended network.



"We ensure equal opportunities for all by fostering a culture that celebrates inclusion, prohibits discrimination, and actively promotes societal impact, gender equality, and accessibility."

By actively committing to and implementing strategies for hiring from underrepresented groups, Vakrangee makes a significant and tangible contribution to **reducing societal inequalities** and promoting inclusive growth. A special and deliberate emphasis is placed on the **empowerment of women** within our ecosystem. We offer flexible policies, particularly those designed to support childcare, alongside carefully tailored mentorship programs and comprehensive training initiatives. These programs are specifically designed to support women's career progression, ensure gender pay equality, and facilitate their leadership at all levels of the decision-making process. Our commitment to inclusivity extends beyond our direct employees; it is powerfully evidenced by the significant number of **Vakrangee Kendras owned and operated by women, totalling 3,196 in FY2024-25**. Furthermore, we are dedicated to providing **Divyang facilities (facilities for persons with disabilities) at our Vakrangee Kendras**, ensuring accessibility and inclusivity for all customers and operators. This commitment underscores our belief that embracing diversity, fostering collaboration, and ensuring equal access

to all our programs and initiatives are fundamental to our mission of bridging divides and serving every segment of society. Our efforts in this area are not just about compliance but are integral to our business model, driving innovation and expanding our market reach by better serving diverse communities.

Human Capital (Contd.)

Diversity Audits

We firmly believe that **diversity is a source of strength** and have undertaken multiple initiatives to embed diversity and inclusion across our workplace. Oversight is ensured through a dedicated **Diversity and Inclusion Council**, which monitors progress, collects data, and reports directly to the **Nomination, Remuneration and Compensation Committee**.

As part of our commitment to transparency, the Council prepares a **quarterly report** on workplace diversity and inclusion, providing comprehensive insights and updates. In addition, an **independent third-party audit** is conducted annually to further validate our practices. The Committee analyses these reports in detail and presents its findings to the **Board of Directors**, covering:

- Initiatives implemented in the organisation
- Outcomes achieved from these initiatives
- Progress against targets set by the Committee
- Complaints of unlawful discrimination by employees, partners, or third parties, along with corrective actions taken after thorough investigation

We place strong emphasis on the significance of **diversity in the workplace**, believing that a culture of inclusion fosters innovation, creativity, and sustainable success. By recognising and respecting individual perspectives, backgrounds, and talents, we aim to build an environment where everyone has the opportunity to thrive.

While there were **no permanent Divyaang employees** in the Company during FY2024-25, we remain committed to extending **equal opportunities to all employees, regardless of ability**, and will continue to strengthen our initiatives to support this vision.



Employee diversity as per age and gender	Below the Age of 30				Age of 30 -50				More than 50			
	Male		Female		Male		Female		Male		Female	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Employees at corporate headquarters	17	12	10	7	91	62	15	10	11	7	3	2
Employees at state offices	10	13	0	0	64	83	0	0	3	4	0	0
Total	27	12	10	5	155	69	15	7	14	6	3	1

Sr. No	KPI	FY 2022-23	FY 2023-24	FY 2024-25
1	Number of males at corporate HQ	152	117	119
2	Number of females at corporate HQ	32	18	28
3	Male/Female ratio at corporate headquarters	4.75:1	6.5:1	4:2:1
4	Percentage of females at corporate HQ	17.39%	13.33%	19.04%
5	Number of women representing the Company's Management Council	10	10	12
6	Percentage of women representing the Company's Management Council	40%	43%	43%



New employee hires

Year	Total New Hires	Gender-wise				Age-wise		
		Male	%	Female	%	Less than 30 years	30-50 years	Above 50 years
FY 2022-23	63	44	69.84	19	30.16	22	40	1
FY 2023-24	24	18	75	6	25	8	16	0
FY 2024-25	85	66	78%	19	22%	34	47	4

We aim to build a truly diverse workplace. The graph here depicts our efforts in women's representation over the years.

FY 2021-22	26
FY 2022-23	32
FY 2023-24	18
FY 2024-25	25

In addition to our exceptional team of 224 employees, we benefit from the vital support of five highly skilled contractual professionals whose specialised expertise strengthens our operations. We are also supported by a dedicated team of seven security personnel, whose role is critical in safeguarding our establishment. Together, this collective workforce forms an integral part of the organisation, working in collaboration to ensure seamless operations and sustained success.

Human Capital (Contd.)

Gender Equality

Gender equality is fundamental to our philosophy and central to our role as a social equaliser. We strive to build a workplace culture that values gender diversity, recognising it as critical to our long-term success and growth. Gender equality is an integral part of our non-discrimination commitment, and our policies on recruitment, remuneration, and promotion are based solely on merit and skills, without regard to gender identity.

To ensure pay parity, we have established a **Pay Equity Committee** comprising the Head of Human Resources, Head of Strategy, Chief Operating Officer, and Chief Financial Officer. This Committee is responsible for designing, implementing, monitoring, and reviewing programmes that promote fair and equal pay across the organisation. We prioritise transparency and accountability by conducting **independent audits of gender pay equity**, undertaken by external firms. Findings and recommendations are presented to the **Nomination, Remuneration, and Compensation Committee** and escalated to the **Board of Directors**. Any identified gaps are addressed promptly and effectively, reflecting our strong commitment to fairness.

Initiatives to Foster Gender Equality

- **Pay Equity Committee:** Rewards, pay, and recognition are strictly merit-based, eliminating gender bias. This reinforces equal opportunities and fosters a sense of belonging for all employees.
- **Transparency in Salary Negotiation:** We disclose salary ranges during recruitment, enabling prospective applicants, including women, to make informed decisions and reducing disparities in salary negotiations.
- **Inclusive Shortlisting:** To strengthen representation, we ensure that recruitment and promotion shortlists include more than one qualified woman candidate, countering potential biases and promoting equal opportunity.
- **Fair Reward System:** Pay increases and bonuses are determined solely on performance and merit, ensuring equity across all roles and levels.
- **Pay Transparency:** We disclose band-wise and designation-wise remuneration data for male and female employees annually, reinforcing accountability in compensation practices.
- **Equal Salary and Bonus Practices:** We ensure that regular salaries for both male- and female-dominated roles are on par and that bonus and incentive evaluations follow uniform, unbiased criteria.
- **Flexibility and Work-Life Balance:** Supervisors are trained to manage flexible work schedules effectively, ensuring employees—irrespective of gender—can balance professional and family responsibilities.
- **Targeted Development for Women Employees:** We analyse average increments for women employees relative to organisational averages. Where gaps are identified, we organise workshops and training programmes specifically designed to enhance women's skills and empower their career progression.



KPIs to Measure Gender Pay Equality

- **Equal Value Determination:** We apply the ILO Guide for Promoting Equity: Gender-Neutral Job Evaluation to objectively assess positions based on skills and qualifications, eliminating gender bias in job assessments.
- **Job Analysis Across the Organisation:** Qualifications and job bands are thoroughly analysed across departments, categorised into interpersonal skills, manual dexterity, knowledge-related, and work-related requirements.
- **Education and Qualifications:** Employees with equivalent educational qualifications (graduation, 10+2+3, or higher) are compensated fairly. Salary structures account for educational levels, industry experience, and additional training, ensuring transparency and fairness.



"We champion diversity not merely as a principle, but as a dynamic force that ignites innovation and propels our societal impact, ensuring that every individual has the opportunity to contribute and thrive."

Male-to-female salary ratios for different designations within the organisation

Male: Female ratio detail	FY 2022-23	FY 2023-24	FY 2024-25
Average salary across the organisation	1.75:1	1.70:1	0.84 :1
Median salary across the organisation	1.001:1	0.99:1	1:1
Median salary male/ female and ratio at corporate headquarters	1.112:1	1.10:1	1:1
Average salary of an Assistant Manager	1.165:1	1.33:1	0.83:1
Average salary of a Manager	1.052:1	1.32:1	1.1:1
Average salary of Deputy General Manager	1.417:1	0.71:1	0.98:1
Average salary of a General Manager	1.048:1	NA (as there are no female employees under this designation)	0.87:1
The average salary of an Associate Vice President (no female employees under this designation).	NA (as there are no female employees under this designation)	NA (as there are no female employees under this designation)	NA (as there are no female employees under this designation)
Average salary of a Vice President	2.04:1	1.71:1	NA (as there are no female employees under this designation)

3,196

Vakrangee Kendras were owned by women in FY2025, demonstrating our active role in women's economic empowerment.

Non-discrimination

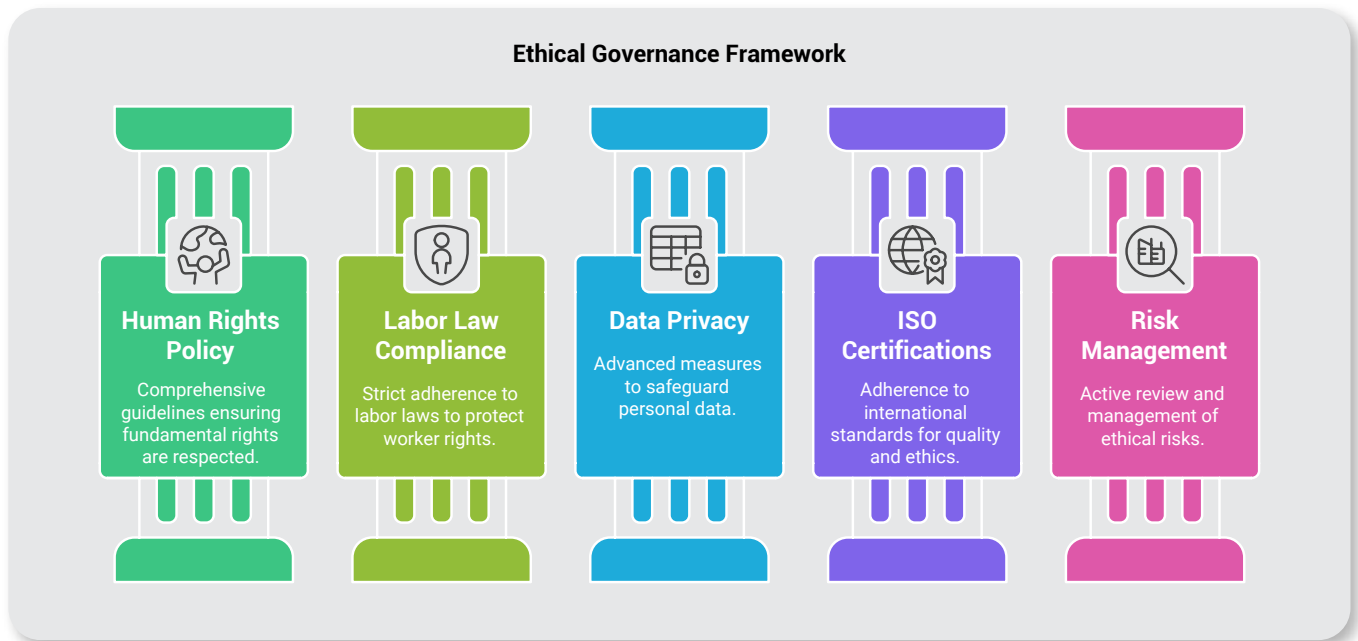
policy enforced across all operations, ensuring equal opportunities for all individuals regardless of background.

Human Capital (Contd.)

Human Rights & Ethical Practices

Vakrangee Limited places the highest priority on upholding human rights and implementing stringent ethical practices throughout all its operations and across its entire supply chain. This commitment is critical not only for maintaining our strong reputation but also for mitigating potential legal

repercussions and ensuring long-term sustainability. We maintain a continuous and proactive process of meticulously identifying and comprehensively addressing potential human rights impacts, inherent risks, and emerging opportunities. Our approach involves continuously strengthening our workplace policies, practices, and programs to establish and maintain robust frameworks for upholding and advancing human rights standards. Our comprehensive Human Rights Policy serves as a foundational guide, articulating our firm commitment and providing clear directives for all our activities.



"Our firm commitment to human rights and ethical conduct is embedded in every facet of our operations, fostering trust and accountability with all our stakeholders and building a legacy of integrity."

**ISO 26000:2010, ISO 37001:2016,
& ISO 19600:2014**

certifications achieved, demonstrating adherence to global standards for social responsibility, anti-bribery, and compliance management.

We adhere strictly to all applicable labour laws and regulations, meticulously covering every aspect from fair wages and appropriate work hours to overtime compensation, employee benefits, and transparent pay practices. Furthermore, safeguarding sensitive data—including that of our customers, vendors, employees, ex-employees, and retirees—is of paramount importance. To ensure the utmost data privacy and security, we employ multi-layered password-protected authentication systems, deploy advanced automated tools, implement robust tracking mechanisms, and adhere to a strict need-to-know information-sharing protocol. Our commitment in this area is further validated by certifications such as **ISO 27701:2019 for Privacy Information Management System (PIMS)**, which extends our adherence to ISO 27001 standards, providing a structured framework for data privacy.

The Risk Management Committee regularly conducts thorough reviews to assess the effectiveness of our initiatives and policies that support human rights and diversity within both our direct operations and our extended supply chain. Our dedication to ethical conduct and transparent governance is reinforced by a suite of prestigious certifications, including **ISO 26000:2010 for Social Responsibility Management**, **ISO 37001:2016 for Anti-bribery Management**, and **ISO 19600:2014**

for Compliance Management.

These certifications underscore our proactive and systematic approach to ethical governance. We also maintain robust governance structures, ensure transparent reporting through our Business Responsibility and Sustainability Report (BRSR) framework, and implement specific policies such as the **Whistle-blower Policy** and a comprehensive **Code of Conduct for all stakeholders**. These measures collectively ensure strict adherence to all laws and regulations governing accounting, corporate governance, and public disclosure, reinforcing our commitment to integrity and accountability across all facets of our business.



ISO 27701:2019 (PIMS)

certification obtained, affirming robust data privacy and security frameworks.

Human Capital (Contd.)

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- **Education and Qualifications:** Employees with equivalent educational qualifications (graduation, 10+2+3, or higher) are compensated fairly. Salary structures account for educational levels, industry experience, and additional training, ensuring transparency and fairness.



"By increasing women-owned centres and implementing strong gender-focused policies, we are building a truly inclusive and balanced future."

Below is the list of benefits that are given to employees:

Category	Benefits
Retirement Benefits	Gratuity
Stock Option	ESOP Benefits
Insurance Benefits	Group Medclaim policy, Group Term Life, and accidental cover insurance
Work-life Balance	Annual leave, public holidays, maternity leave with full pay, leave encashment, and flexible working hours
Wellness Programmes	Employee assistance programme, health and fitness initiatives, well-being and cessation programmes, and higher education programmes
Career Break Policy	Medical emergency and higher education

Year	Employees Resigned	Gender-wise				Age-wise		
		Male	%	Female	%	Less than 30 years	30-50 years	Above 50 years
FY 2022-23	58	46	79.31	12	20.69	12	44	2
FY 2023-24	64	48	75.00	16	25.00	11	46	7
FY 2024-25	73	57	78%	16	22%	20	49	4

Human Capital (Contd.)

Encouraging Growth

We firmly believe in the effectiveness of **annual appraisals** as a means to stimulate growth, nurture professional development, and acknowledge the contributions of our employees.

Employee Satisfaction

Employees are at the centre of our organisational philosophy. We recognise that their well-being and productivity are pivotal to their success and, in turn, to ours. This commitment aligns with our focus on building an **entrepreneurial culture that balances productivity with employee welfare**.

Key aspects of our approach include:

- **Work hours:** Employees typically follow a 9-hour workday with flexible arrangements to meet individual needs.
- **Leave policy:** Employees accrue 1.75 days of leave each month, resulting in 21 annual leave days, 3 days sick leave and 9 public holidays per year. Unused leave of up to 30 days can be carried forward. Additionally, the 2nd and 4th Saturdays are designated holidays.
- **Maternity benefits:** We provide 184 days of paid maternity leave per child. Hospitalisation expenses are covered up to INR 50,000 for normal delivery and INR 60,000 for C-section delivery. Crèche facilities are also available to support female employees managing childcare responsibilities. During FY2024-25, 2 female employees availed parental leave.
- **Employee Stock Options (ESOPs):** Our ESOP programme covers 100% of employees, aligning their interests with long-term organisational success and creating a shared sense of ownership.
- **Confidentiality:** To safeguard information, employees are required to sign a Non-Disclosure Agreement (NDA) covering Company and health-related data. Any breach of confidentiality is subject to disciplinary action.



Employee Engagement

We recognise that employee engagement goes beyond financial remuneration—it reflects a deeper sense of trust, integrity, and mutual commitment. Engagement directly impacts performance, productivity, and well-being, driving both individual and organisational success.

Our initiatives to foster engagement include:

- Comprehensive training and development opportunities
- Recognition programmes and collaborative activities
- Initiatives that promote work-life balance
- Transparent and open communication practices

To build a vibrant and positive workplace culture, we organise a wide variety of activities, such as:

- Zumba classes
- Celebrations of International Women's Day, Independence Day, Republic Day, and Navratri
- Inter-departmental team-building activities
- Happiness sessions and well-being events
- Mother's Day celebrations

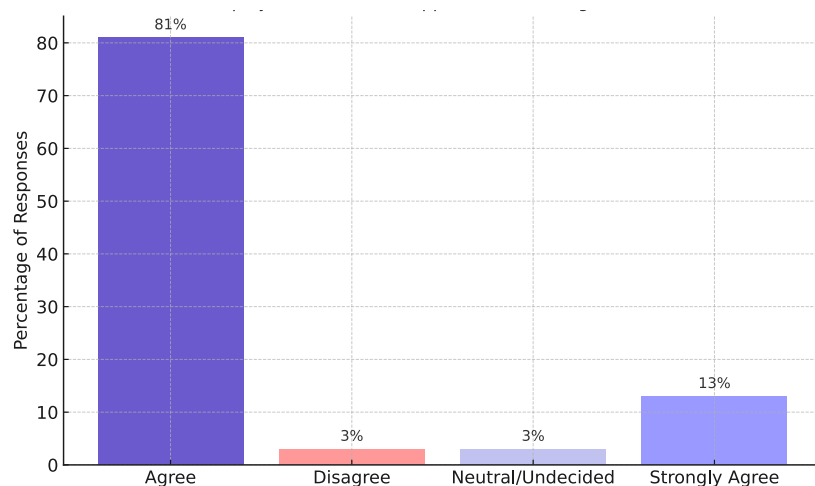
Employee Engagement Survey

We conduct regular Employee Engagement Surveys to measure workforce satisfaction and strengthen our entrepreneurial, inclusive, and growth-oriented culture. The surveys evaluate ten key themes—pride in and satisfaction with the employer, job satisfaction, recognition and feedback, opportunities for new challenges, supervisory support, discretionary efforts, clarity of role and mission, intent to remain with the organisation, and aspirations for future growth. The insights derived from these assessments provide actionable inputs that guide targeted interventions, enabling us to enhance motivation, retention, and organisational alignment.

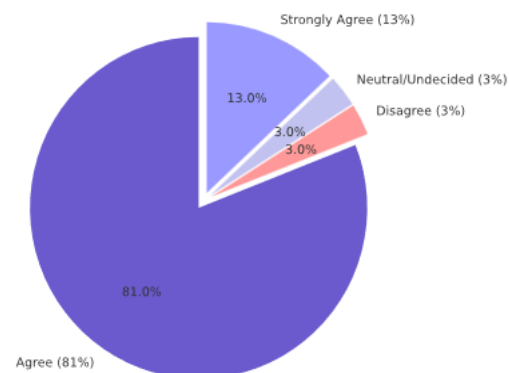
Employee Engagement Survey – Key Themes

No.	Theme
01	Pride in Employer
02	Satisfaction with Employer
03	Job Satisfaction
04	Recognition and Positive Feedback
05	New Challenges
06	Personal Support from Supervisor
07	Efforts Beyond Minimum
08	Understanding One's Job and the Organisation's Mission
09	Intention to Stay with the Employer
10	Future Growth

Employee Sentiment: Career Goals, Growth & Development



Employee Sentiment: Happiness at Vakrangee Limited



Intellectual Capital

Innovating for a Connected Tomorrow

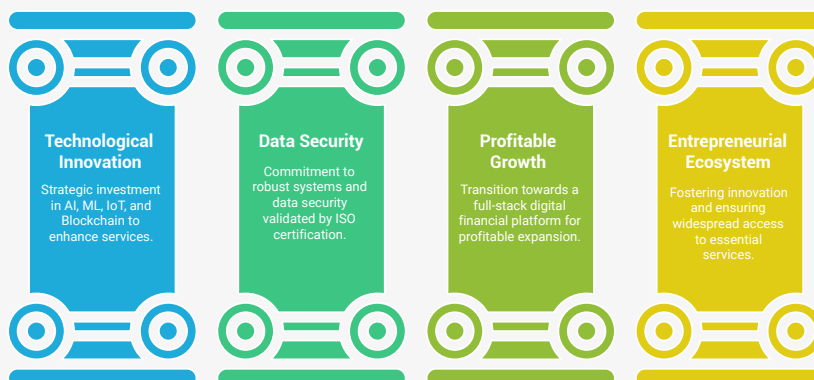
Our intellectual capital at Vakrangee Limited is the fundamental driver shaping our **dynamic future** and empowering us to uphold our unique **phygital reach**. Building upon our **foundational strength**, we are steadfast in our commitment to continuous investment in cutting-edge technologies. This strategic focus includes advancements in Artificial Intelligence (AI), Machine Learning (ML), Internet of Things (IoT), and Blockchain, all aimed at enhancing our service offerings and expanding our digital capabilities across India. This dedication ensures the establishment of **robust systems and processes**, creating a secure and reliable environment for all our operations. Our commitment to security is underscored by our ISO/IEC 27001:2013 certification, which validates our stringent Information Security Management System and our dedication to safeguarding sensitive data.

GRI Standards	UNSDG Targets Addressed	Linked Capitals	Materiality Issues Addressed
GRI 418: Customer Privacy 2016	 	Intellectual, Social	Data security, privacy management
GRI 419: Socioeconomic Compliance 2016		Intellectual, Financial	Legal compliance, risk management
GRI 302: Energy 2016 (for smart solutions/innovation)	 	Intellectual, Natural	Innovation in energy-efficient design
GRI 404: Training & Education 2016		Intellectual, Human	Knowledge management, innovation culture

For the fiscal year ending March 2025, our efforts in leveraging intellectual capital have demonstrably contributed to Vakrangee Limited's profitable growth. This growth is reflected in our significant financial achievements, including a revenue of ₹255.0 crore, and a Gross Transaction Value (GTV) of ₹54,258.5 crore and 12.6 crore transactions for FY2025. We also achieved a notable 63.7% year-on-year growth in Profit Before Tax and a 20.5% increase in Total Income, all while maintaining a debt-free balance sheet. Our strategic technology roadmap is purposefully designed to facilitate our evolution towards becoming a full-stack digital financial platform, or Neo Bank, allowing us to maintain our leadership position in India's rapidly evolving digital economy. As we detail in this chapter,

our investments in intellectual capital are not just about technological advancement; they are about fostering innovation, securing our operations, and continuously improving the value we deliver to our stakeholders.

Vakrangee's Strategic Pillars



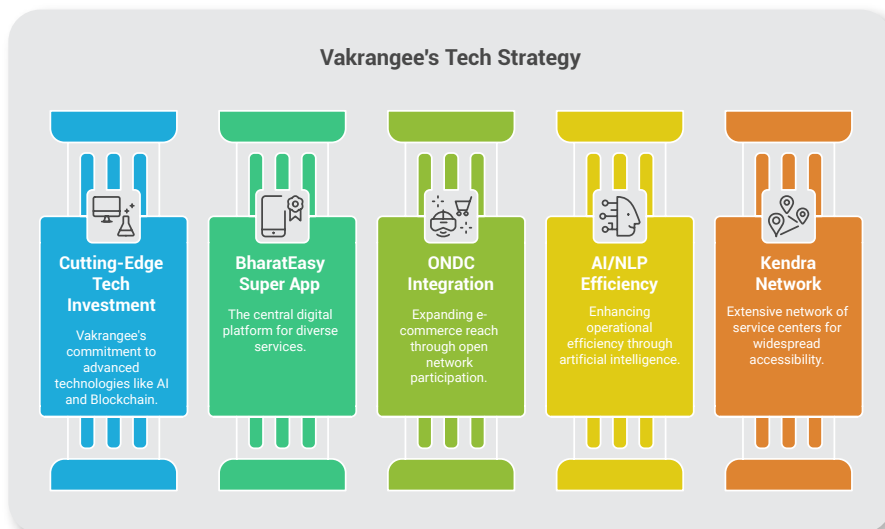
Intellectual Capital (Contd.)

Technology Innovation: Enabling Our Phygital Reach

At Vakrangee Limited, our **technology strategy and innovation** are at the forefront of enabling our unique **phygital business model**, which seamlessly integrates physical Kendras with digital interfaces to accelerate outreach and inclusion, particularly across underserved rural and semi-urban India. We continuously invest in **cutting-edge technologies** such as Artificial Intelligence (AI), Machine Learning (ML), Internet of Things (IoT), and Blockchain. These investments are not merely about adopting new tools; they fundamentally **enhance our service offerings and expand our digital capabilities**, allowing us to bridge the gap between rural and urban populations through our last-mile services. Our commitment to technology absorption, research and development is paramount, as the business and technological landscapes are constantly evolving.



From AI to ONDC, our tech-first approach drives accessibility, efficiency, and inclusive digital empowerment.



A cornerstone of our digital platform is the **BharatEasy Mobile Super App**. This all-encompassing application serves as a comprehensive digital ecosystem, providing convenient access to a diverse suite of services including banking, insurance, online shopping, total healthcare services, demat and trading account services, online travel, and seamless money transfers. By extending these services, the BharatEasy Mobile Super App significantly enhances convenience for our customers, making essential offerings readily available at their fingertips. Furthermore, we are strategically



12.6 crore

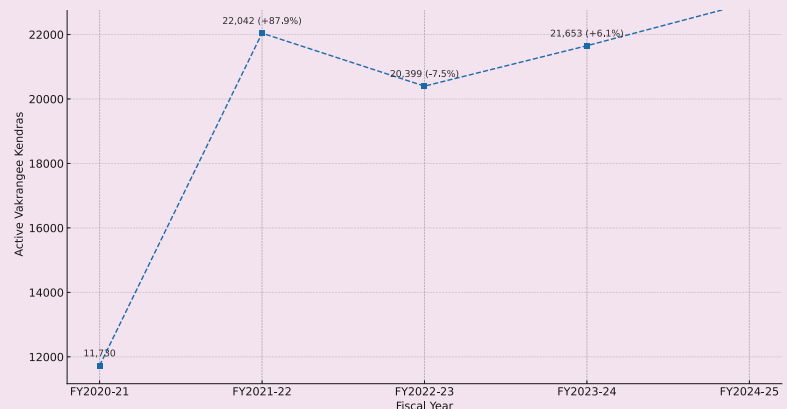
Total transactions recorded in FY2025 demonstrate the extensive engagement with our digital and physical platforms.

leveraging new platforms like ONDC (Open Network for Digital Commerce) to expand our e-commerce services, with a particular focus on rural markets, thereby driving financial inclusion and economic empowerment in these regions.



The integration of advanced technologies like AI and Natural Language Processing (NLP) has **revolutionised our services**, enabling sophisticated data analysis, personalised customer interactions, and automated processes. These cognitive systems are designed to think and respond like human experts, providing optimal responses based on available data in real-time. This significantly enhances efficiency and customer satisfaction, allowing us to expand our phygital model and further support speed and convenience for all parties involved. Our dedication to innovation is a driving force behind our mission to enhance the accessibility of online services, making them readily available to individuals nationwide through our extensive network of last-mile retail points.

Year on Year Trend: Active Vakraangee Kendras



Intellectual Capital

(Contd.)

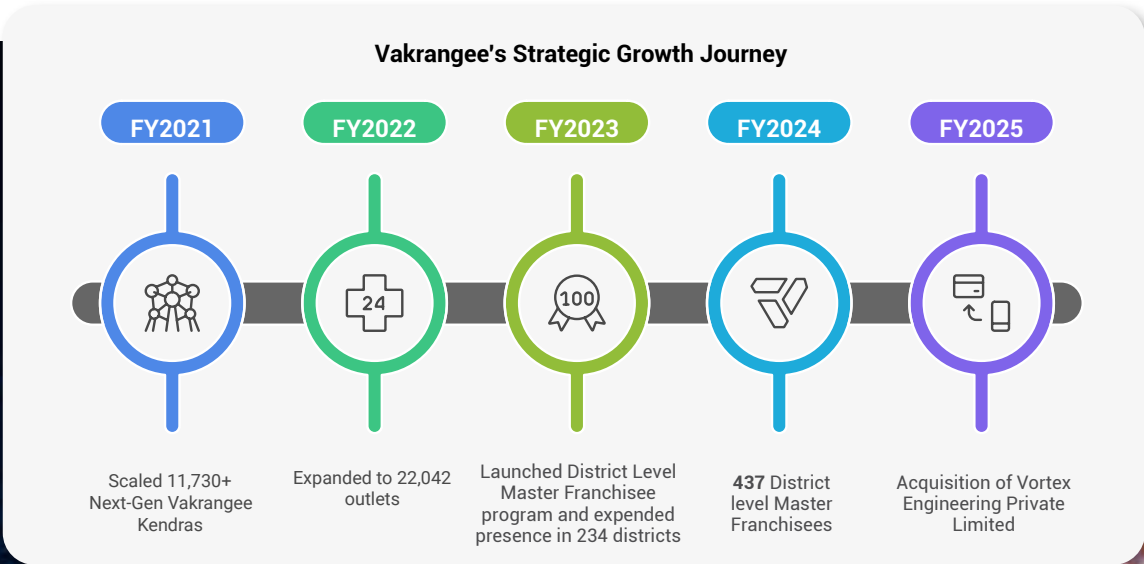
Securing Data: Integrity & Information Systems

Our commitment to sound financial management extends to a proactive and comprehensive approach to risk management and compliance, which is intrinsically linked to information security and data privacy. At Vakrangee Limited, safeguarding the sensitive data of both the company and its valued customers is paramount. We understand the dynamic nature of



Protecting data is not just an IT mandate - it is a cornerstone of financial integrity, trust, and long-term sustainability.

the business landscape and the critical importance of protecting our profitability and sustainability against potential threats, including corporate accounting fraud and data privacy breaches. Our dedication to this principle ensures transparency, accountability, and ethical conduct across all our financial and operational activities.

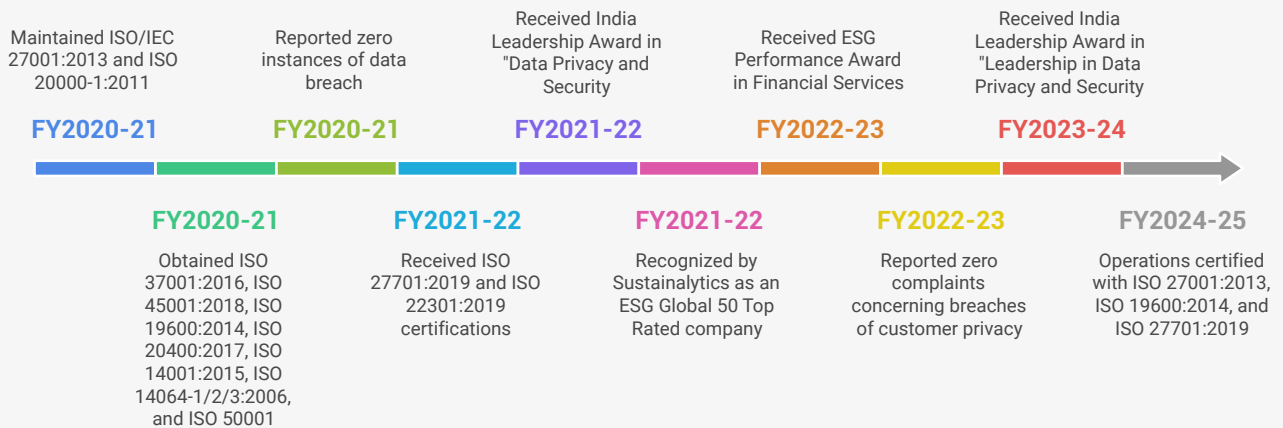


A cornerstone of our secure operations is the **ISO/IEC 27001:2013 Information Security Management System certification**. This certification reflects our stringent adherence to international standards for information security, providing stakeholders with confidence in our robust controls and practices. We have implemented **strict internal controls and comprehensive security measures** to guard against any fraudulent activities or breaches of data privacy. Our Information Security Management System (ISMS) is overseen by a dedicated team that reports to the Chief Information Security Officer (CISO). The Information Security Committee is responsible for drafting policies, ensuring reviews are performed, and communicating these policies throughout the organisation. Furthermore, policies and standards are consistently reviewed by this committee and approved by executive-level management, reinforcing a top-down commitment to security.



Our Information Security Management System, led by the CISO and governed by executive-reviewed policies, ensures enterprise-wide vigilance against fraud and data breaches.

Evolution of Information Security and ESG Performance



Intellectual Capital (Contd.)

Our **data protection strategy** follows a logical and systematic approach, beginning with **Privacy Impact Assessments**. We meticulously define sensitive data and continuously monitor its entire lifecycle, from creation to destruction, to effectively enforce relevant protection policies. **Secure data storage** is a key priority, ensuring its integrity and confidentiality. Through our ongoing program, risks are continuously assessed, and dedicated efforts are made to raise awareness among all personnel. Our robust data security efforts encompass the design, implementation, management, and enhancement of operational controls. We allocate adequate resources, including skilled personnel and advanced technologies, and ensure timely responses to compliance requirements and incidents. To cultivate a culture of collective responsibility, we emphasise effective communication to garner support from senior management and the broader user community. This comprehensive approach to data privacy has earned us recognition for **leadership in data privacy and security**, including accolades such as the ESG India Leadership Awards.

Zero

Substantiated complaints concerning breaches of customer privacy or losses of customer data were reported in FY2025. This reflects our effective data protection strategy.

Data Security Highlights



ISO Certification

Vakrangee is ISO/IEC 27001:2013 certified, demonstrating commitment to data security.



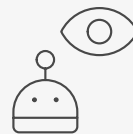
Internal Controls

Vakrangee implements strict internal controls to protect data.



Privacy Assessments

Vakrangee conducts Privacy Impact Assessments to identify and mitigate risks.



Real-time Monitoring

Vakrangee uses real-time monitoring to detect and respond to security threats.



Security Leadership

Vakrangee is recognized for its leadership in data security.

Our risk management frameworks also extend to human capital risks, which are identified, classified, and subject to detailed action plans approved by the Risk Management Committee of the Board. This holistic approach to risk management ensures that potential threats to our operations, including data security, are proactively identified and mitigated, reinforcing our commitment to sustainability and profitability. Real-

ISO/IEC 27001: 2013 Certified

Vakrangee Limited maintains this certification in the Information Security Management System, ensuring robust protection of sensitive data.

time monitoring of logs, data tagging, and time stamps is implemented to detect anomalies, misuse, or abnormal activities, enabling prompt identification and response to potential security breaches.

Control Area	Core Practices and Controls	Governance and Assurance
Internal Control Environment	Rigorous internal control framework to ensure reliable financial information and the safeguarding of assets. FY2025 Internal Control Effectiveness Rating is "High".	Periodic review by the Board. Statutory auditors reported an unmodified opinion on the adequacy and operating effectiveness of Internal Financial Controls. FY2025 effectiveness rated "High" based on internal audits and compliance checks. Quarterly Board review on Business Responsibility parameters.
Data Privacy and Information Security	Operations certified to key ISO standards that safeguard company and customer data, enforce regulatory and legal compliance, and drive continuous control monitoring. Zero data breaches and zero customer privacy complaints reported. Data quality assessment and monitoring are in place. Key Control Indicators are tracked by data controllers and owners.	Certifications are maintained on an ongoing basis. Breach and privacy complaint instances remain at zero. KCIs are continuously monitored.
Risk Management Framework	Enterprise framework for identifying and analysing risks across financial, operational, sectoral, sustainability, information and cyber domains, with documented mitigation through internal controls. Audit Committee oversees management compliance with policies.	The Board holds overall responsibility. The Risk Management Committee met twice in FY2024-25 on May 9 2024, and October 15 2024.
Board and Committee Oversight	The Board ensures timely and informed decision-making and compliance with SEBI regulations. Independent Directors review the performance of non-independent directors and the Board. Audit Committee oversees internal controls and financial reporting.	The Board met six times in FY2024-25. Audit Committee met four times in FY2024-25. Independent Directors held a separate meeting on May 9 2024.
Real-time Operational Monitoring	Vakrangee Kendra Management System and the BharatEasy Mobile Super App provide live visibility of transactions, ATM cash levels and wallet balances, with real-time alerts, dashboards and reports. Issues raised through VKMS are addressed within 24 hours.	Daily and real-time monitoring through VKMS and the BharatEasy App. Issues are typically closed within 24 hours.
Compliance with Laws and Regulations	Adherence to laws and regulations covering accounting, corporate governance and public disclosure, including SEBI (Prohibition of Insider Trading) Regulations.	Corporate compliance programs are in place. A Compliance Certificate on Corporate Governance is issued by a Practising Company Secretary. Zero compliance breaches in financial reporting and data privacy were recorded in FY2025.

Intellectual Capital (Contd.)

Data Quality, Privacy and Information Security

Vakrangee manages information assets with twin objectives: raising operational efficiency and protecting sensitive data across the entire lifecycle. A structured data quality operating model and a comprehensive Data Privacy Programme govern how data is acquired, processed, stored, used and retired, ensuring that controls, accountabilities and measurement remain embedded in day-to-day operations.

Roles are clearly defined. Data owners document quality rules that arise from profiling and criticality assessment and they hold responsibility for applying those rules in business processes. Data controllers maintain a control scorecard that tracks key indicators of data quality and integrity, and they coordinate remediation when deviations occur. Senior management sponsors the expansion and enhancement of data elements within the business context and ensures that resources, tooling and training are in place.

The **data quality operating model** covers delivery, quality assessment, integrity management and lifecycle controls from creation through to deletion. Measurement is continuous and supported by a scorecard that monitors completeness, accuracy, timeliness, consistency and lineage. Where exceptions are identified, a dedicated remediation function acts promptly, performs root-cause analysis and closes actions to prevent recurrence. This approach preserves accuracy and consistency across the information repository and sustains reliability in downstream systems and reporting.

The **Data Privacy Programme** is built on the fundamental right to privacy and applies a risk-based methodology to personal data. A classification framework directs protection requirements across four dimensions, namely sensitivity and confidentiality, criticality and availability, identifiability and privacy, and compliance. Privacy Impact Assessments are performed for new processes and significant changes. Protection policies apply throughout the lifecycle, supported by secure storage, appropriate access controls and ongoing risk assessments. Training and



Vakrangee ensures end-to-end data integrity, privacy, and security with defined roles, strong governance, and enterprise-wide alignment to international standards.

Oversight rests with the Information Security Committee, which reviews and approves the Information Security Management System and keeps standards under periodic examination for continued relevance and effectiveness. A Corporate Security and Compliance team, reporting to the Chief Technology Officer, provides the second line of defence through security oversight, compliance monitoring and coordinated incident response. Governance includes Board representation within the information security and data privacy structure so that practices stay aligned to strategic objectives and receive appropriate sponsorship.

awareness programmes reinforce first-line responsibility, encourage timely reporting of concerns and promote effective response.

The **policy corpus** that underpins privacy, security and governance include the Acceptable Use Policy, the Risk Management Policy, the Data Privacy Policy, the Fraud Prevention Policy, the Intellectual Property Rights and Ownership Policy, the Information Security and Management Policies, the IT Governance, Risk and Compliance Policy and the Data Request Management Policy. The Data Request Management Policy operationalises individual rights to access, rectify and, where applicable, delete personal information in accordance with legal requirements. The Fraud Prevention Policy codifies ethical expectations, clarifies prohibited conduct and provides protection to whistleblowers so that issues can be raised without fear of reprisal.

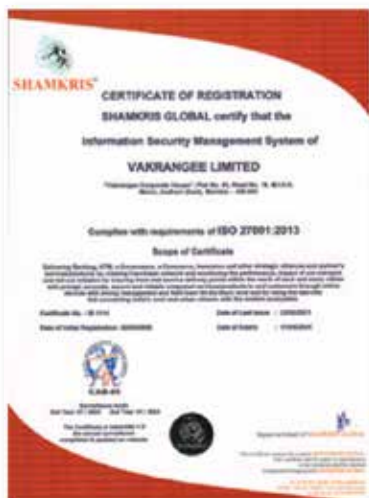
Risk management follows a coordinated process that identifies, assesses and prioritises risks, allocates mitigation efficiently and monitors outcomes for effectiveness. Annual risk assessments led by the second line of defence address emerging threats and validate the design and operation of controls. Operational controls protect confidentiality, integrity and availability, and incident procedures provide for timely handling of compliance obligations and security events. Independent third-party audits test the environment and drive improvement by validating effectiveness and highlighting areas for uplift.

External frameworks and certifications support this system. ISO/IEC 27001:2013 provides the foundation for establishing, operating, monitoring, reviewing and improving the Information Security Management System. ISO/IEC 27701:2019 extends the security framework to structured governance of personal data processing and strengthens regulatory alignment. ISO 22301:2019 establishes Business Continuity Management to protect critical services and reduce downtime during disruption. ISO/IEC 20000-1:2011 supports service quality and reliability in IT service management. These certifications are independently assessed and demonstrate adherence to recognised international standards.

Business continuity planning defines impact analyses, recovery strategies, testing regimes and crisis communications so that services can respond and recover effectively if disruption occurs. Performance management remains continuous. The control scorecard is reviewed at management intervals, lessons from audits and assessments are incorporated into processes, and awareness programmes strengthen first-line ownership. According to internal records, the Company has reported no data breaches to date, which reflects the maturity of governance, culture and control design across the operating environment.



Vakrangee protects data through structured policies, certified systems and regular audits.



Intellectual Capital (Contd.)

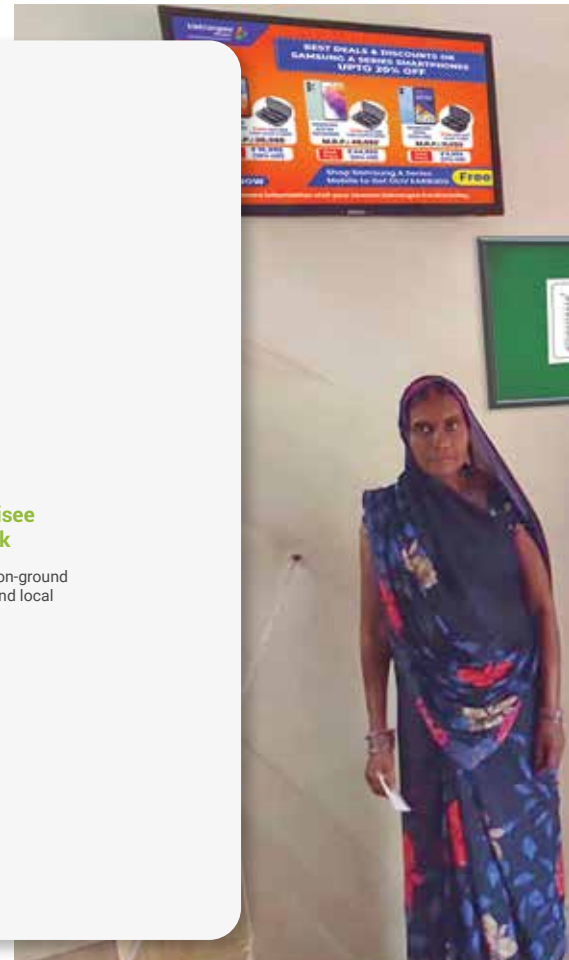
Robust Operations: Ensuring Consistent Excellence

The core of Vakrangee Limited's operational strength lies in our **robust systems and processes**, designed to ensure **operational efficiency and consistency** across our extensive network. We are dedicated to providing a standardised and consistent look and feel across all our Vakrangee Kendras, ensuring a uniform and high-quality customer experience at every location. This regimented degree of standardisation and consistency in facilities and service levels is crucial as our network continues to grow exponentially, reinforcing our position as India's largest rural distribution platform.

Our unique **asset-light, franchisee-based model** is inherently scalable, enabling us to penetrate even the most remote and underserved regions of India without incurring significant capital expenditures on physical assets. This flexible approach allows us to adapt to local market conditions while maintaining a unified operational standard across the entire network. The master franchisee and franchisee model creates a seamless last-mile distribution network that is highly scalable

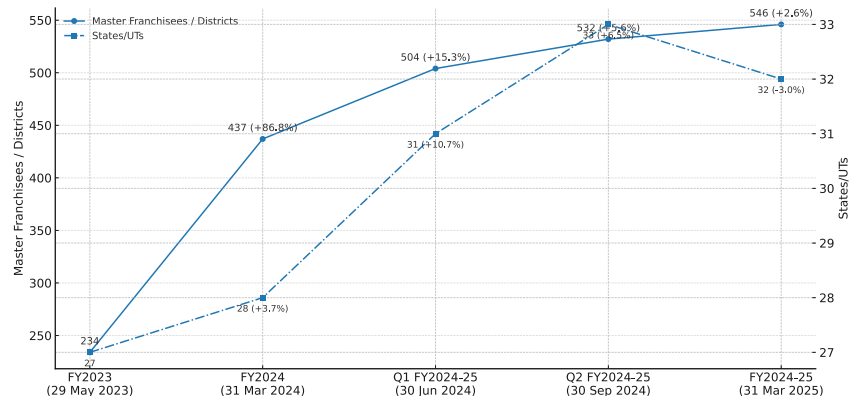
because each franchise operates as an independent entity with a vested interest in its success. Local village-level entrepreneurs, acting as franchisees, take ownership of day-to-day operations, customer satisfaction, and market penetration. Meanwhile, the **master franchisees** play a crucial role in providing comprehensive support, including training, marketing, and operational guidance, fostering a synergy that significantly fuels our growth. Their on-ground operational support and role in driving new franchisee acquisition are vital to our expansion strategy.

Vakrangee's Operational Framework



To further enhance efficiency and consistency, we have **digitised the complete Franchisee Lifecycle Management processes**, including franchisee acquisition, onboarding, and service activation. This digitisation delivers a faster, simpler, and more secure experience for our partners. Our organisational structure includes key roles such as State Heads and District-level Master Franchisee Partners to oversee and manage daily operations effectively. We ensure robust on-ground operational management and end-to-end monitoring within the

Coverage Growth: Master Franchisees/Districts and States/UTs



network, demonstrating our operational efficiency. This disciplined capital allocation approach, combined with reinvesting operational cash flows into franchisee incentives and marketing campaigns, ensures a quick payback for our partners and strengthens our on-the-ground management, thereby driving improvements in our Cash-Adjusted Return on Capital.

546

District-level Master Franchisees appointed across 32 states as of March 31, 2025. These Master Franchisees are eligible to earn a percentage of active franchisees' earnings on an ongoing perpetual basis.

22,986

Operational Vakrangee Kendras across 32 States & UTs, covering 609 districts and 5,835 postal codes in FY2025.

Intellectual Capital (Contd.)

Investing in Progress: Research & Development

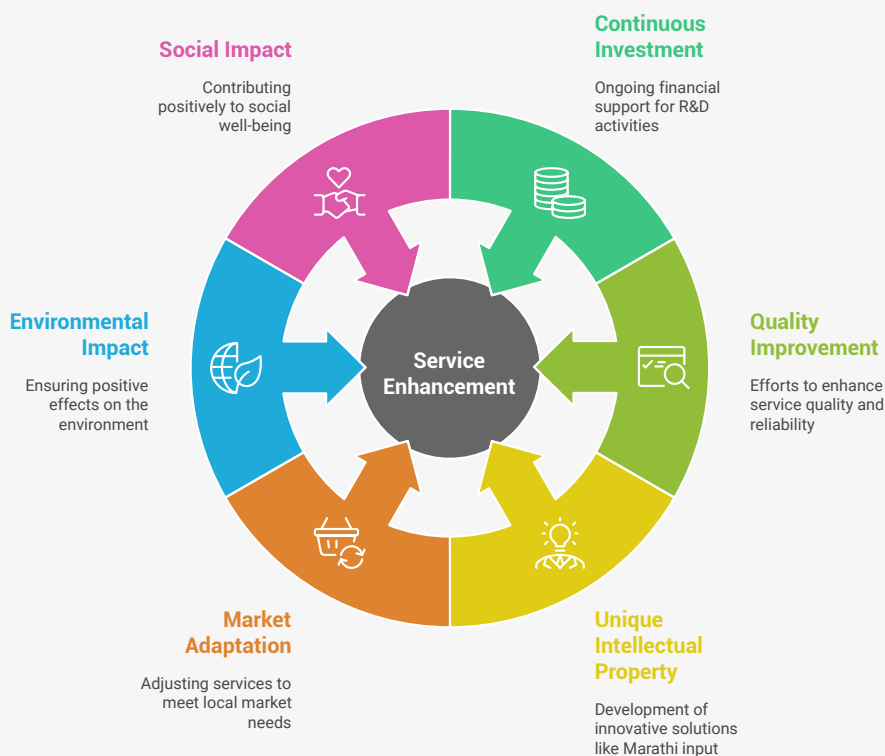
Our commitment to innovation and future growth at Vakrangee Limited is significantly underpinned by our strategic **investments in Research & Development (R&D) and the continuous enhancement of our intellectual property**. Recognising



Vakrangee Limited consistently invests in R&D to enhance service offerings and improve operational efficiency. This commitment ensures that our services remain at the cutting edge, adapting to changing market dynamics and consumer needs.

that the business and technological landscapes are constantly evolving, we prioritise R&D activities to ensure the quality upgrade of our products and services, which in turn helps maintain our margins. Our R&D efforts are not just focused on technological advancements; they also consider the **improvement of environmental and social impacts** through technology, aligning our innovations with broader sustainability goals.

Vakrangee's R&D Efforts



While specific figures for R&D expenditure are not detailed in the provided FY2025 data, our past reports highlight significant investments in capital expenditure related to technology and infrastructure. For instance, capital expenditure on Automated Teller Machine (ATM) purchases from OEMs, including freight costs and installation, is capitalised, reflecting our ongoing investment in physical assets that support our digital services. Our intellectual capital is built upon core principles such as Trust,

Perseverance, Unyielding Rigour, Entrepreneurial Spirit, and Prudence, which guide our implementation of standardised policies, procedures, and the leveraging of relevant tools and software. Any new system introduced is fundamentally driven by the goal of creating a more customer, employee, and franchisee-friendly business enterprise.

Our continuous efforts in bridging the rural and urban digital divide are supported by introducing innovative service delivery methods, such as doorstep facilities and Digital Kendras, which allow customers to access services from their homes, and telemedicine, offering remote doctor consultations and medical deliveries. Even amidst challenges like the pandemic, our focus on last-mile services and advanced technology like AI and Natural Language Processing has helped us maintain a competitive edge and identify new growth.



Intellectual Capital (Contd.)

Future Pathways: Towards a Fintech Model

Vakrangee Limited is strategically positioning itself for a **dynamic future** by accelerating its progression towards becoming a **full-stack digital financial platform, or Neo Bank**. This strategic shift aims to embrace a more cost-effective approach, enabling us to effectively reach every corner of India. Our financial strategy for FY2025 is firmly anchored in accelerating progress towards maintaining a tangible focus on **year-on-year growth and profitability**. As a company with a strong foundation, a debt-free status, and an asset-light model, Vakrangee Limited is strategically positioned for sustained profitable growth, with deliberate actions in FY2025 underscoring our commitment to expanding core capabilities and enhancing long-term shareholder value.

We are proactively positioned to **leverage and adapt to disruptive innovations** within the fintech industry. The estimated valuation of India's FinTech industry by 2025, projected at approximately **US\$160 billion**, underscores the significant market opportunity we are addressing. Our expansion plans involve deepening our presence in India and enhancing our service portfolio to create a seamless customer experience.



Vakrangee's Strategic Path to Financial Inclusion





Key initiatives driving our future growth include the planned deployment of 3,000 new ATMs in FY2025-26. This expansion is further bolstered by the Reserve Bank of India's (RBI) increase in the interbank fee from INR 17 to INR 19 per transaction, effective May 1, 2025.

3,000

New ATMs to be deployed in FY2025-26, supported by an increased interbank fee of ₹19 per transaction effective 1 May 2025.

This change is expected to significantly boost ATM business margins and positively impact our EBITDA by approximately INR 5–10 Cr in FY2025–26. Additionally, we plan to launch Digital Banking Unit (DBU) kiosks as an alternative to traditional physical bank branches, further expanding our accessible financial services. Our strategic focus for financial services expansion includes offering Loans, Insurance, Mutual Funds, and Equities, specifically targeting Tier 3–6 cities where Vakrangee Limited has a strong presence, by introducing affordable, small-ticket products tailored for rural and semi-urban customers. We are also exploring diversification into other consumer and retail product categories.

Our Master Franchisee network is crucial to our expansion strategy, with 609 districts across 32 states already covered as of March 31, 2025. Our ambitious goal is to achieve 100% district coverage by March 2026, aggressively expanding our Kendra network by leveraging this Master Franchisee model. This initiative empowers local entrepreneurs, providing on-ground operational support to existing franchisee outlets and driving new franchisee acquisition, thereby contributing significantly to regional economic development and creating new entrepreneurial pathways. The "Vakrangee Effect" aims to bolster and invigorate the Indian economy by ensuring financial and social inclusion for a significant segment of society that contributes over half of India's GDP.

Social & Relationship Capital

Building Trust, Fostering Inclusive Prosperity

Our social and relationship capital is the bedrock of Vakrangee Limited's enduring legacy and dynamic future, built on deep trust and strategic partnerships. We leverage this foundational strength to bridge the digital and physical divide, ensuring profound financial, digital, and social inclusion for every Indian, particularly in rural and semi-urban areas. Our unique '**phygital**' **business model** integrates physical Vakrangee Kendras with digital interfaces like the BharatEasy Super App, enabling us to accelerate outreach and inclusion across underbanked regions. This dual-channel approach cultivates profitable growth by extending essential services to the last mile, empowering local entrepreneurs, and fostering grassroots economic development. Our commitment extends beyond mere business objectives; we aim to maximise shareholder value while making a lasting positive impact on society and communities, embodying what we call "**The Vakrangee Effect**". We believe in harnessing the power of business to create shared value and catalyse community development. Our journey is marked by financial accomplishments and an enduring dedication to serving and uplifting the communities we operate in.

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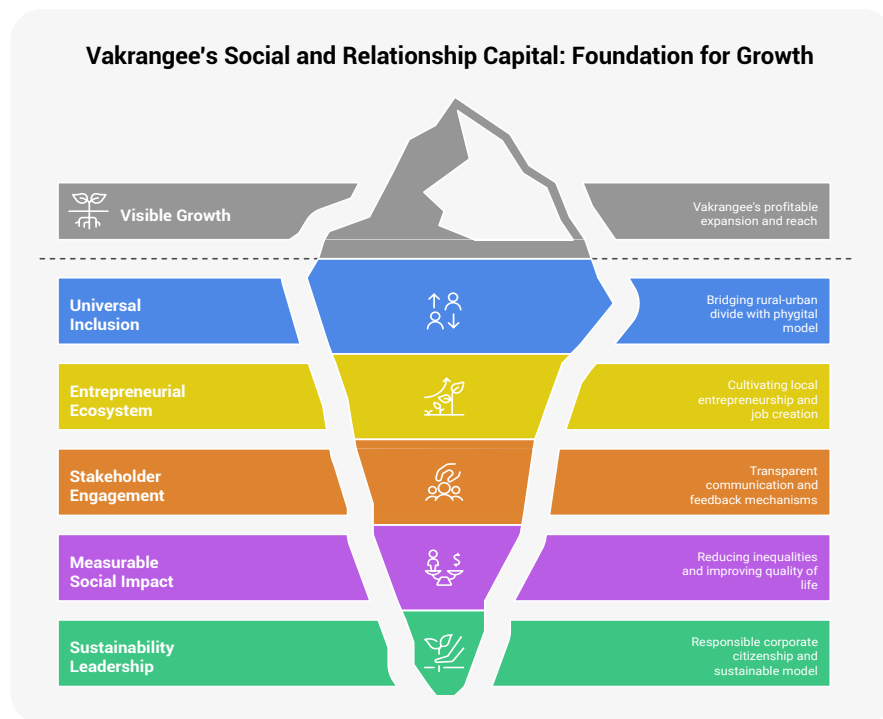
Empowering communities and transforming lives - Vakrangee drives inclusive prosperity through last-mile digital and financial access.

GRI Standards	UNSDG Targets Addressed	Linked Capitals	Materiality Issues Addressed
GRI 413: Local Communities 2016	 	Social, Financial	Community development
GRI 415: Public Policy 2016		Social, Financial	Public policy engagement
GRI 205: Anti-corruption 2016		Social, Financial	Governance integrity
GRI 417: Marketing & Labelling 2016		Social, Intellectual	Customer responsibility
GRI 416: Customer Health & Safety 2016		Social, Manufactured	Product/service safety

Social & Relationship Capital (Contd.)

Powering India's growth, one empowered community at a time.

Our social and relationship capital is the very foundation of our journey, empowering Vakrangee to drive transformative change and profitable growth. We are dedicated to bridging India's rural-urban divide through our unique phygital model, ensuring every Indian has access to essential services.



- ♦ **Universal Inclusion (Financial, Digital, Social):** We are committed to achieving 100% district coverage by March 2026,. Our BharatEasy Super App complements our physical network, offering banking, insurance, e-commerce, healthcare, and more, resonating with PM Modi's vision of financial inclusion opening "windows to development." This is "The Vakrangee Effect," boosting India's GDP.
- ♦ **Entrepreneurial Ecosystem:** Our Master Franchisee network cultivates local entrepreneurship, creating jobs and economic pathways, particularly in underserved regions. We reinvest operational cash flows into franchisee incentives, driving mutual growth and community development.
- ♦ **Value Creation through Engagement:** We actively engage with all stakeholders—customers, franchisees, employees, government, and communities—through transparent communication and robust feedback mechanisms. Our material issues, including data privacy and human rights, are proactively addressed.

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The Vakrangee Effect - driving universal inclusion, empowering entrepreneurship, and creating measurable impact for a sustainable and equitable future.

- ♦ **Measurable Social Impact:** Our initiatives directly reduce inequalities, improve the quality of life, and promote health and safety in remote areas. We measure our success not just financially, but by our positive contributions to society, aligning with critical UN Sustainable Development Goals.
- ♦ **Sustainability Leadership:** Our top global ESG ranking and adherence to UN Global Compact principles underscore our responsible corporate citizenship. Our entire business model is designed around sustainable products and services, aiming for a greener, more inclusive future.

Foundational policies and codes

Vakrangee's approach to stakeholder engagement is grounded in policies and codes that set clear expectations for conduct, disclosure, and service quality. These policies apply to employees, franchisees, partners, and suppliers, ensuring that interactions across the value chain meet rigorous standards. The framework strengthens trust, transparency, and accountability, and provides the basis for responsible and ethical practices in every engagement.

Human Rights Policy

Vakrangee upholds a comprehensive Human Rights Policy aligned with the UN Guiding Principles, ILO conventions, the UN Global Compact, and the Constitution of India. The policy guides conduct across recruitment, workplace practices, and supply chain interactions. In practice, this means strict adherence to labour laws, sustained awareness-building among employees, a culture that values diversity, and a work environment free from harassment. Employees retain the freedom of association, supported by accessible grievance redressal mechanisms and a clear commitment to health and safety in the workplace. The policy is available on the Company's website: https://vakrangee.in/pdf/Policies-PDF/Human_Rights_Policy.pdf

Whistle-blower Policy

Effective governance requires safe and reliable channels to report concerns. Vakrangee's Whistle-blower Policy, including a Hindi version for wider accessibility, enables directors, employees, business partners, franchisees, and other stakeholders to report suspected misconduct confidentially. The framework is designed to encourage ethical conduct, protect bona fide reporters, and ensure that concerns are investigated and addressed in a timely manner. The policy is available at: https://vakrangee.in/pdf/Policies-PDF/Whistle%20Blower%20Policy_Final.pdf

Corporate Social Responsibility Policy

Vakrangee views business performance and community well-being as interdependent. The Corporate Social Responsibility Policy sets the principles and governance for programmes that support sustainable community development. The intent is to direct resources toward initiatives that have measurable social outcomes and align with the Company's values. The policy can be accessed here: https://vakrangee.in/pdf/Policies-PDF/Corporate%20Social%20Responsibility_Policy.pdf



Social & Relationship Capital (Contd.)

Supplier Code of Conduct

The Company expects its suppliers to uphold environmental, social, and ethical standards commensurate with its own. The Supplier Code of Conduct articulates expectations on topics including labour practices, safety, environmental stewardship, and business integrity, and encourages suppliers to embed these standards in their own operations and supply chains. The code is available at: <https://vakrangee.in/pdf/Policies-PDF/Supplier%20Code%20of%20Conduct.pdf>

Access and customer enablement

Vakrangee Kendras serve as a national last-mile distribution platform, extending access to essential services across underserved urban and rural locations. The network and its “one-stop shop” model are intended to advance financial, digital, and social inclusion. In FY2024-25, Vakrangee facilitated the opening of more than 1.2 million new bank accounts, expanding access to formal financial services for communities across India. These outcomes were supported by the BharatEasy Mobile Super App, which consolidates a growing portfolio of assisted and digital services to simplify customer journeys.

Service portfolio at Vakrangee Kendras

The Company continues to broaden the scope of services available through Kendras and the BharatEasy app. Customers can access banking and ATM services, open demat and trading accounts digitally, and use a range of healthcare services, including telemedicine with licensed doctors

and home sample collection for blood tests. The platform also supports assisted e-commerce for groceries and other products, online pharmacy, travel bookings and utility payments, entertainment ticketing, online education modules, agricultural inputs such as seeds and pesticides, and courier booking. Customers can use the app to locate the nearest Vakrangee Kendra, improving convenience and access.



One-stop access to banking, healthcare, e-commerce, and more – simplifying lives with BharatEasy.

Customer support and redressal

Vakrangee maintains clear, accessible pathways for feedback and grievance redressal. The corporate website provides comprehensive information and channels for queries, including a dedicated franchisee contact process with a stated response time of three working days. For ATM-related complaints, email contacts are published along with the nodal officer's details. For SBM-related services, customer care information, including designated phone and email contacts, is provided to ensure prompt resolution. The objective is to maintain transparency and ensure that customers can reach the appropriate team quickly through the channels published on the Company's website.



Driving Financial, Digital & Social Inclusion

Vakrangee's core mission is to bridge the digital and physical divide across rural and semi-urban India, striving for **universal financial, digital, and social inclusion**. Our extensive network of Vakrangee Kendras and the BharatEasy Mobile Super App are pivotal in providing essential services to underserved and unserved segments of society, ensuring equal access to products and services at competitive prices and uniform service standards. These services encompass a wide range of offerings, including **Banking, Insurance, E-governance, E-commerce, Total Healthcare, and ATM services**.



"Financial inclusion is not just about opening a bank account. It is about opening the windows to development, a belief we fully embody through our services."

Our vision aligns seamlessly with national goals of financial inclusion and development. As the Honourable Indian Prime Minister Mr. Narendra Modi once said, **"Financial inclusion is not just about opening a bank account. It is about opening the windows to development."** We empower individuals from diverse backgrounds with critical competencies through certifications

for Banking and Insurance Services, improving their employability and boosting their capacity to influence positive changes within their communities.

The enhanced participation of individuals, facilitated by our services, provides crucial support to industrialisation, agriculture, and the expansion of the market for products and services. This increased engagement ensures the financial and social inclusion of a significant segment of society, contributing to over half of India's GDP, thereby further bolstering and invigorating the Indian economy. This phenomenon is what we proudly refer to as **"The Vakrangee Effect"**.

22,986

active transacting Vakrangee Kendras as of FY2024-25, ensuring widespread access to essential services.

20.5%

growth in total income for FY2025, reflecting our successful expansion and service diversification.

Social & Relationship Capital (Contd.)

Stakeholder Engagement & Value Creation

Our growth and impact trajectory is a testament to our unwavering dedication to cultivating entrepreneurial excellence across our vast Master Franchisee and Franchisee ecosystem, as well as our robust engagement with a diverse array of stakeholders. We actively engage and collaborate with shareholders and investors, franchisees, master franchisees, business partners, suppliers/vendors, customers, government and regulatory bodies, the local community, industry bodies, employees, and NGOs/NPOs/civil society organisations. This collaborative approach cultivates a rich tapestry of relationships that fuels our growth, innovation, and societal impact.

Our engagement methods are multi-faceted, including conference calls, press releases, analysts' meetings, one-on-one sessions, board presentations, annual general meetings, and investor presentations for shareholders. For our business partners, we conduct dedicated interactions with vertical heads to address specific service requirements. We prioritise monitoring community interventions, CSR programs, and franchisee owner recruitment.

Material topics are continuously assessed and prioritised based on their significance to our business and stakeholder concerns, encompassing environmental, social, and governance (ESG) factors. Key focus areas include financial, social, and digital inclusion, compliance with regulations, cybersecurity, data privacy and security, diversity and inclusion, employee well-being, human rights, optimal franchise performance, and environmental sustainability. We strive to address



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"We actively engage and collaborate with an array of stakeholders who contribute to our success and help us realise our vision, forming a diverse network."

these concerns effectively, ensuring our policies and programs reflect our commitment. Our commitment to customer privacy is consistent, with zero complaints concerning breach of customer privacy reported in FY2024-25. We have a dedicated support desk and helpline visible in all outlets for customer feedback and complaints, soliciting proof of allegations for any malpractices.

0

complaints received from local community members



5,648

Vakrangee Kendra outlets presence in LWE/Tribal/Aspirational districts offering vital services, showcasing our extensive reach and dedication to national service.

Stakeholder engagement approach

Vakrangee regards stakeholder engagement as a continuous management discipline that informs strategy, risk, and day-to-day execution. The Company consults regularly with key stakeholder groups, identifies material concerns through dialogue, and responds collaboratively to address them. Flexibility is integral to the approach so that formats, frequency, and content can adapt to evolving expectations. The intent is to engage in forward-looking and innovative ways that strengthen relationships and improve outcomes across the ecosystem.

Consistent Commitment to Customer Privacy

	FY 2024–25	FY 2023–24	FY 2022–23
Complaints concerning breach of customer privacy	0	0	0
Complaints received from third parties and substantiated by the organisation	0	0	0
Complaints from regulatory bodies	0	0	0
Complaints received from local community members	Nil	Nil	Nil
Total number of identified leaks, theft or loss of customer data	0	0	0



Social & Relationship Capital (Contd.)

Customer privacy outcomes

Customer privacy is a core expectation embedded in processes, technology, and training. The Company reports zero complaints relating to breaches of customer privacy in FY2024-25 and notes that this outcome has been sustained for two consecutive financial years. This record reflects sustained investment in controls, vigilance, and user education, and it remains a management priority to keep improving privacy protocols and transparency for customers and other stakeholders.

Strengthening business partnerships

Business partners are central to seamless service delivery and scale. Vakrangee engages with partners to understand expectations, communicate objectives, and align on operating plans. Dedicated interactions are used to address service requirements, with vertical leadership involved where appropriate. Senior-management partner meetings are convened periodically to review performance, risks, and forward plans. Monthly state-level webinars provide an open forum for updates, feedback, and structured Q&A. Engagements focused on marketing and strategic initiatives support service activation and sales targets, while interactions with the technology team cover data security and integration. A centralised FRM team and subject matter experts conduct service training and resolve grievances so that partners can operate with clarity and speed. In line with the motto Sab Kaam Ek Dukaan, the Company builds strategic alliances that extend coverage and consistency across all services.



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From corporate partners to civil society, we foster strategic relationships that ensure consistent service delivery, shared values, and measurable societal impact.

Code of conduct for partners

Alignment on values and standards is formalised through a comprehensive Code of Conduct that applies to employees, directors, and partners. The code promotes honesty, fairness, objectivity, and compliance with applicable laws and internal policies. It provides practical guidance on expected behaviour, highlights situations requiring careful judgment, and sets out channels for advice and escalation so that potential issues can be addressed promptly and appropriately.

Engagement with NGOs, NPOs and civil society

Vakrangee recognises a responsibility to the communities it serves and supports initiatives that improve access to facilities and enhance livelihoods, particularly for underserved populations. These engagements complement the commercial network by addressing social needs that benefit customers, partners, and local economies.



Shareholder and investor engagement

Constructive and consistent communication with investors is governed by the Shareholder Engagement Policy, which sets out principles, channels, and responsibilities for dialogue. A dedicated Investor Relations team acts as the primary contact, providing accurate and timely information through conference calls, analyst interactions, press releases, and domestic and international roadshows. One-to-one meetings address specific questions and deepen understanding of strategy and performance. During the Annual General Meeting, the Board engages directly with shareholders to discuss matters of interest. The Stakeholder Relationship Committee oversees share dematerialisation and security holder grievances to uphold service standards. The policy is available at: <https://vakrangee.in/pdf/Policies-PDF/SHAREHOLDER%20ENGAGEMENT%20POLICY.pdf>

Franchisee and master franchisee engagement

Franchisees and master franchisees are pivotal to reach and service quality. Vakrangee provides handholding support to ensure timely resolution of issues and clarity on operating expectations. The recent appointment of District-Level Master Franchisees grants exclusive district rights and a structured set of benefits, including opportunities to set up Vakrangee Kendra and ATM franchises and to earn income from franchisees acquired within the district. Master franchisees have been



Through structured onboarding, professional certification, and field coordination, we enable every Vakrangee franchisee to deliver trust, compliance, and impact.

appointed in 546 districts across 32 states, strengthening on-ground support and accelerating responsible expansion. Corporate, state, and field operations teams coordinate closely to supervise operations and sales, while an assigned Relationship Manager serves as a single point of contact for each franchisee to address operational matters.

Training and capability building for franchisees

A structured training architecture supports capability and compliance. The Indian Institute of Banking and Finance provides remote banking training led by experienced staff. The Insurance Regulatory and Development Authority curriculum delivers a 45-hour programme on insurance products, benefits, and compensation. On-site ATM training by specialist engineers covers cash loading and operational functions. Relationship Managers and field officers deliver ongoing product and process training for new tie-ups, schemes, and promotions. This blended model ensures that franchisees can operate Kendras and associated services effectively and in compliance with partner and regulatory standards.

Social & Relationship Capital (Contd.)

Technology, service, and marketing support for franchisees

The Vakrangee Management System integrates partner and service provider interfaces to enable single-window operations for franchisees. Issues raised through the platform are targeted to be addressed within 24 hours. Live monitoring through CCTV and dashboard connectivity supports safety, security, and service uptime. Marketing support is provided through artwork, materials, state-level initiatives, online promotions, and structured outreach such as WhatsApp and SMS to improve awareness and footfall.

Supplier and vendor engagement

Supplier engagement is designed to raise environmental, social, and governance performance across the supply chain. All suppliers are required to comply with the Supplier Code of Conduct, which reflects the principles of the ILO, the UN Global Compact, and the Universal Declaration of Human Rights. The code emphasises freedom of association and collective bargaining, gender equality and non-discrimination, fair wages and benefits, safe and healthy workplaces, community engagement, dignity and respect for all workers, and effective grievance mechanisms. Vakrangee maintains a zero-tolerance position on child labour and forced labour. The code is available at: <https://vakrangee.in/pdf/Policies-PDF/Supplier%20Code%20of%20Conduct.pdf>

Oversight of suppliers, audits, and reviews

Supplier oversight combines periodic audits, contract management meetings, and long-term reviews to assess ESG risks and drive improvement.



Independent reviews examine strategies and processes using defined Key Performance Indicators. In FY2024-25, social and environmental assessments were conducted for four suppliers, providing insights to strengthen sustainability practices. Progress Review Meetings with supplier management cover worker well-being, sourcing practices, environmental impact reduction, and forward milestones, while Technical Review Meetings analyse technical reports and ESG performance data. Long-term review meetings track achievement of ESG objectives and verify improvements across extended supply chains. Where necessary, the Company may request supply chain mapping to the source and retains the right to conduct facility audits. Findings and improvement areas are shared to support continuous advancement.

Government relations and advocacy

The Company has discontinued its legacy e-governance business and now operates solely through Vakrangee Kendras, with no direct service delivery relationship to government bodies. Vakrangee operates White Label ATMs under licence from the Reserve Bank of India and is subject to annual audits. The Company is currently among the larger White Label ATM operators in India, with roughly two thirds of ATMs located in rural areas, thereby improving access to cash and basic transaction services.

Industry associations and collaborative platforms

Vakrangee participates in sector bodies and collaborative forums to advance responsible finance and the ATM ecosystem. As a member of the Business Correspondent Federation of India, the Company engages in studies, workshops, and policy dialogues that support financial inclusion through last-mile delivery. Within the Confederation of ATM Industry, Vakrangee contributes to committees and advocacy initiatives related to the White Label ATM model, including franchisee approaches. Ongoing engagement with the National Payments Corporation of India on programmes associated with Digital India, RuPay, and ATM expansion, provide further avenues to share experience and align on common standards.

Impact of the Franchisee Network on Communities

At the heart of our growth and success lies the entrepreneurial spirit that infuses our extensive network of district-level master franchisees and Kendra franchisees. This network is crucial for fostering local economic development and creating pathways for entrepreneurial success. By empowering local entrepreneurs, we are not just fueling our growth but actively contributing to the local economies and job generation.

Our asset-light, franchisee-based model enables us to expand rapidly, particularly across semi-urban and rural India, providing on-ground operational support to existing franchisee outlets and driving new franchisee acquisition. We invest operational cash flows back into enhancing franchisee incentives and building a robust Pan India district-level Master Franchisee network, ensuring scalability and long-term sustainability of our business model. This forward-looking approach enables us to unlock unprecedented opportunities and deliver superior value to our stakeholders.

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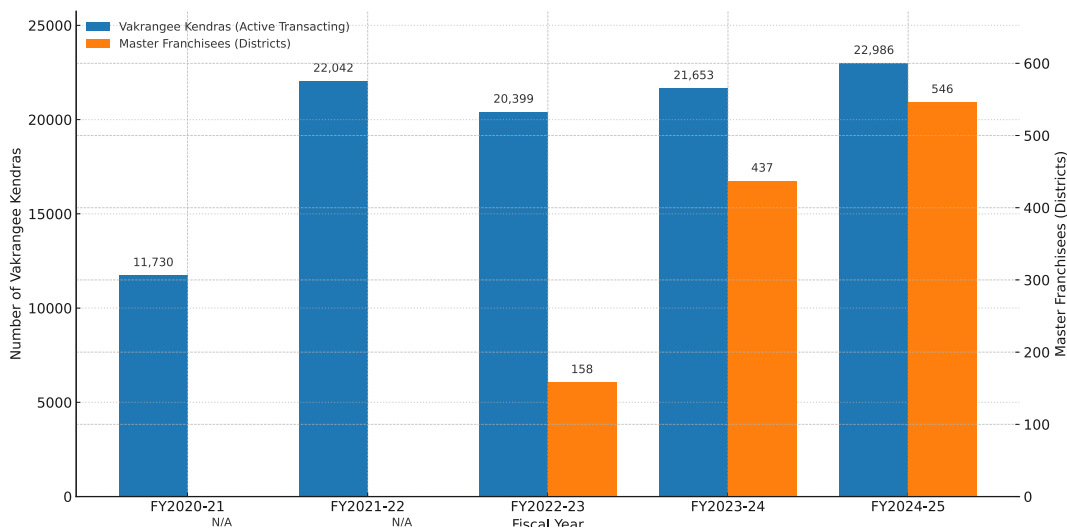
"By empowering local entrepreneurs, we're not just fueling our growth; we're actively contributing to local economic development and creating pathways for entrepreneurial success."

546

Master Franchisees appointed across 32 states/UTs nationwide as of FY2024-25, reinforcing our strategic expansion.

We provide essential training and certification in Banking and Insurance Services, equipping individuals with critical competencies that not only improve their employability but also boost their capacity to influence positive changes within their respective communities. This commitment to skill development and job creation in rural areas empowers previously underserved and unbanked segments of society, enabling them to participate more actively in economic activities and enhancing their socio-economic prospects. We aim for 100% district coverage through our master franchisee network by March 2025, ensuring that every Indian has access to essential services.

Growth of Vakrangee Kendras and Master Franchisees (Dual Axis)



Social & Relationship Capital (Contd.)

Key social impact of our business initiatives

Vakrangee's last-mile distribution platform is designed to serve underserved and unserved segments with financial and digital access at uniform service standards and competitive prices. By operating as a reliable connection between rural and urban markets, the network acts as an equaliser that narrows access gaps across India. The operating philosophy is to deliver multiple essential offerings simultaneously through a single, trusted point of service, thereby advancing inclusion while supporting everyday livelihoods.

Reducing inequalities

The Vakrangee Kendra format embodies the principle of "Sab Kaam Ek Dukaan" and provides comprehensive convenience across banking, digital, e-commerce and essential services. Standardised pricing, assured availability and consistent service quality enable rural and semi-urban customers to access solutions that are otherwise concentrated in larger cities. This approach improves parity of access and contributes to the quality of life in rural communities.

Promoting gender equality

Vakrangee encourages participation of both women and men as master franchisees and franchisees. Inclusive decision making, equal opportunity pathways and workplace safeguards are integrated into franchise engagement and corporate processes. Policies and programmes aim to enable women's leadership at every level of the network and to ensure dignity, safety and equal access to economic opportunity.



Skills enhancement

The model embeds skill development into day-to-day operations. Franchise operators and staff receive structured training that converts motivated individuals into capable service providers. Personnel delivering Aadhaar and banking services obtain mandatory certifications, which strengthen technical proficiency and improve service quality for customers.

Decent work and economic growth

Kendras support local employment and stimulate rural consumption. Master franchisees and franchisees recruit, train and retain talent for banking, insurance and other services, which creates productive, stable work with fair compensation. By building local service capacity, the network enables communities to participate more fully in economic activity and contributes to poverty reduction through formal financial inclusion.



Innovation and infrastructure for communities

A unified technology platform provides instant access to a very wide catalogue of products and services through a single window. Real-time, paperless and biometric-enabled processes strengthen reliability and user trust. Interoperable banking, supported through integrations with core banking systems of major institutions, allows customers to transact conveniently at the point of service. Together, these capabilities create resilient last-mile infrastructure that scales efficiently.

Clean water and sanitation

Many Kendras operate in Tier V and Tier VI locations where basic amenities are limited. Water coolers at outlets provide drinking water for public use and promote hygiene. The presence of these facilities in remote areas supports public health and complements the service mission of the outlets.

Engagement with our people

Employees are central to the operating model and culture. Vakrangee maintains open, two-way communication through structured platforms that enable information flow, feedback and problem solving. These channels encourage employees to share ideas and concerns, support rapid resolution and promote continuous improvement across functions.



From financial inclusion to women-led franchises, Vakrangee's social impact model translates business efficiency into real-world transformation.

Employee Communication and Policy Access

Channel / Platform	Purpose and usage
The HR Manual	The HR Manual, encompassing policies, values, standards and norms, undergoes regular updates and is accessible to all employees via the shared folder on the Vakrangee internal server. Copies are also maintained by the HR department and respective department heads for employee reference.
HRMS	The internal Human Resource Management System serves as the portal where the latest policies, circulars and notices are published for employees.
WhatsApp Group	A WhatsApp broadcast group is used to disseminate updates regarding policies and processes.
Group Email ID	A common email group facilitates important and regular communication to all employees, including circulars and notices on behavioural norms, standards and processes.
VKMS	The Vakrangee Kendra Management System is an IT platform accessible to all employees and is used to keep employees updated and informed about the organisation and its values.

Social & Relationship Capital (Contd.)



Social Initiatives & Community Interventions

Vakrangee is deeply committed to creating shared value through business activities that promote community involvement and economic growth. Our network of last-mile retail outlets serves as an engine for local entrepreneurship, promoting financial inclusion, social security, and economic development. Through our efforts, we empower individuals from diverse backgrounds with the necessary skill sets to drive results, contributing to local economic growth and poverty eradication. We have consistently upheld our commitment to social responsibility by actively promoting financial and digital literacy among the underserved and unserved segments of society.

Our business initiatives generate several key social impacts. We aim to improve the standard of living of rural citizens and act as a catalyst for social equality, bridging the gap between India's urban and rural populations. Our "Sab Kaam Ek Dukaan" (Now, the Whole World is Nearby) philosophy ensures consistent pricing, availability, and quality of goods and services in both urban and rural areas through our Vakrangee Kendras. We also make significant strides in serving Left Wing Extremist (LWE), Tribal, and Aspirational districts.

Specific examples of services contributing to health and safety in remote locations include Total Healthcare services such as doctor consultations, home blood test



"Our network of last-mile retail outlets serves as an engine for local entrepreneurship, promoting financial inclusion, social security, and economic growth."

₹ 639.01 lakhs

Profit After Tax (PAT) for FY2024-25, demonstrating robust financial performance while driving social impact.

facilities, and other care packages. We also provide essential services, including online shopping, online agricultural products, online Demat Account opening, and online PAN Card application services. We are associated with renowned public sector banks and private entities, aiming to foster the advancement of financial, social, and digital inclusion, making a meaningful impact on lives. We play a crucial role in distributing government subsidies to Jan Dhan Account holders in rural areas nationwide.

We have received recognition for our social contributions, such as being globally ranked No.1 in the Sustainalytics ESG Risk and being recognised with the Leadership in Data Privacy and Security Award at the ESG India Leadership Awards 2021. Our commitment to financial inclusion is exemplified by the successful opening of 12.9 lakh accounts during FY2025. We also sold 14.8 lakh insurance and pension schemes and facilitated 8.8 crore transactions for banking services, with a Gross Transaction Value (GTV) of Rs. 44,354.7 crore for banking services in FY2025. Our CSR initiatives focus on deeper engagements to create positive impacts in communities, with significant investments in healthcare, education, and other initiatives over the past few years.

3,196

Vakrangee Kendras owned by women, promoting gender equality and women's empowerment within our entrepreneurial ecosystem.

Grievance Redressal Mechanism

Through our Human Rights Policy, we affirm our commitment to protecting the rights of our workforce, communities and all individuals affected by our operations. We believe that an empowered workforce and open channels of communication create the right environment to receive feedback and identify areas for improvement. To this end, we operate a comprehensive Grievance Redressal Procedure with defined systems to address employee concerns related to human rights and decent labour practices. Retaliation against any employee or stakeholder who raises a concern is strictly prohibited. All complaints are investigated, addressed and responded to, with corrective action taken for any violation.

The procedure is supported by company policies and applicable statutes and is implemented through an online portal that enables transparent, structured discussion and fair resolution. We follow a zero-tolerance approach to sexual harassment under the law. A POSH Committee and an Internal Complaints Committee are constituted to receive, review and resolve reported incidents, as well as other acts of misconduct. The current committee members are Ms. Divya Nandwana, Ms. Namita Pradhan, Mr. Shrikant Pathade, Mr. Viral Majmudar, Ms. Veena Shetty and Ms. Himangi Ghadi.

We continue to identify and address human rights impacts, risks and opportunities, strengthening workplace policies, practices and programmes. As per internal records, we have reported zero complaints concerning unethical or unlawful behaviour during the period under review.

Whistleblower Channels

To enhance transparency, Vakrangee has adopted a Whistleblower Policy that provides a secure mechanism to report irregularities, misconduct or unethical behaviour. Reports may be addressed to the Group Ethics Officer, the Compliance Officer, the Chairman of the Audit Committee or through an independently administered 24-hour hotline.

Group Ethics Officer: Mrs. Namita Pradhan, Head – HR, Vakrangee Corporate House, Plot No. 93, Road No. 16, MIDC, Marol, Andheri East, Mumbai 400093. Email: infohumanresource@vakrangee.in. Phone: 022-67765100.

Compliance Officer (as on March 31, 2025): Mr. Amit Gadgil, Company Secretary, Vakrangee Corporate House, Plot No. 93, Road No. 16, MIDC, Marol, Andheri East, Mumbai 400093. Email: infocompliance@vakrangee.in. Phone: 022-67765100.

Chairman of the Audit Committee (as on March 31, 2025): Mr. Hari Chand Mittal, House No. 234, Sector 40A, Chandigarh 160036. Email: mittalhc@yahoo.co.in.

Hotline: 18001023411, available 24 hours and administered by an independent third party, with the option to report anonymously where permitted by law. Further information is available in the Whistleblower Policy.

Social & Relationship Capital (Contd.)

Complaints related to unethical and unlawful behaviour

	FY 2024–25	FY 2023–24	FY 2022–23
No. of complaints received regarding unethical and unlawful behaviour	Nil	Nil	Nil
No. of complaints resolved regarding unethical and unlawful behaviour	Nil	Nil	Nil

Driving Sustainability through Stakeholder Engagement and Governance

Our sustainability agenda is aligned with the United Nations Sustainable Development Goals. We recognise the interlinkages among the SDGs and work to embed them within operations and decision making. Two specialised committees provide governance and direction: the Board ESG Committee and the GHG Committee.

Political Contributions

For FY2024–25, the Company made no monetary contributions, whether financial or in kind, directly or indirectly, toward political activities. This position supports organisational impartiality and focus on core objectives. Source: internal records provided by the Company.

	FY 2024–25	FY 2023–24	FY 2022–23
Monetary value of financial and in-kind political contributions made directly and indirectly by us	Nil	Nil	Nil

Board ESG Committee: Enhancing Sustainable Performance and Governance

The Board ESG Committee strengthens oversight of environmental, social and governance priorities. Working in concert with other Board committees, it helps the Board consider the impact of material ESG issues on long-term value creation, monitor external trends, and incorporate stakeholder expectations into decisions. The committee supports the integration of SDG-aligned objectives into new business strategies and reviews outcomes from investor ESG initiatives and global benchmarks. It also assists the NRC Committee in evaluating senior management performance on agreed ESG deliverables. Source: internal committee charters.

Role	Name
Member	Ms. Divya Nandwana
Member	Mr. Vedant Nandwana
Member	Mr. Hari Chand Mittal

Factor	Responsibilities
Environmental factors	1) Supervise implementation of environmental sustainability initiatives and commitments, covering performance, challenges and opportunities. 2) Monitor dissemination of disclosures on climate-related matters and GHG emissions. 3) With the Board Risk Management Committee, evaluate the adequacy of Management's approach to identifying and managing environmental risks and opportunities, including climate topics.
Social factors	1) Oversee implementation of group social responsibility and sustainability initiatives or commitments, and analyse performance, challenges and opportunities to gauge social impact. 2) Monitor and oversee processes for fostering relationships with master franchisees, franchisees, customers, suppliers and other stakeholders, with the objective of understanding expectations. 3) Review the effectiveness of initiatives and policies that support human rights and diversity across operations and the supply chain. 4) Together with the Board Remuneration Committee, exercise oversight of the Company's inclusion, diversity and broader people and culture practices and related frameworks.
Governance factors	1) Oversee reputational impacts that may arise from business strategies and practices. 2) Monitor implementation of policies and initiatives to verify adequate safeguards for fair and ethical dealings with third-party capital partners, suppliers and other stakeholders. 3) Review and endorse to the Board the Group's Governance Management Framework. 4) Review and endorse to the Board the annual Sustainability Performance Pack, Corporate Governance Statement and the Company's ESG achievements, future commitments and targets.

Social & Relationship Capital (Contd.)

GHG Committee: Stakeholder Consultation and Governance

The GHG Committee leads the Company's programme to reduce greenhouse gas emissions. Its mandate includes setting measurable targets, monitoring progress and driving operational initiatives that lower the carbon footprint. Through continuous tracking and corrective action, the committee ensures alignment with recognised practices and industry standards. Source: internal committee mandate.

Responsibilities of the GHG Reduction Committee

Environmental considerations are integrated into business operations, including technology choices and process design, to conserve energy and reduce emissions. New IT infrastructure, data centres and facilities are planned with energy efficiency in mind. The programme emphasises increased use of renewable energy, circular waste management and resource efficiency across energy and water. Stakeholder expectations regarding infrastructure upgrades, process improvements and sustainability strategies are considered in planning. Green procurement is overseen to confirm the purchase of eco-friendly and sustainable products and services. Source: internal programme documentation.

ISO Certifications

Vakrangee views international standards as a practical framework for continuous improvement. The Company has adopted and maintains multiple ISO certifications, including ISO 26000:2010 for Social Responsibility, ISO 37001:2016 for Anti-Bribery Management, ISO 45001:2018 for Occupational Health and Safety and ISO 20400:2017 for Sustainable Procurement. These certifications reinforce ethical conduct, safe and healthy workplaces, responsible sourcing and social responsibility, and they support improved service delivery and organisational performance. Source: internal certification records.

Environmental Impact of Our Business Activities

Vakrangee supports environmental stewardship through service design and technology. Digital processes such as e-KYC, real-time transactions and biometric authentication reduce paper consumption and eliminate plastic-based artefacts such as printed receipts, with transaction acknowledgements delivered by SMS. The Kendra network enables customers to access banking, insurance, logistics, e-governance and commerce within walking distance of their homes, saving travel time and fuel and thereby lowering emissions relative to multiple separate trips. At the workplace, initiatives include solar power installations, daylight-optimised interior design using glass partitions and energy-efficient LED lighting. These measures, taken together, help reduce the environmental footprint while improving service reliability. Sources: internal operations notes and facility specifications.

Natural Capital

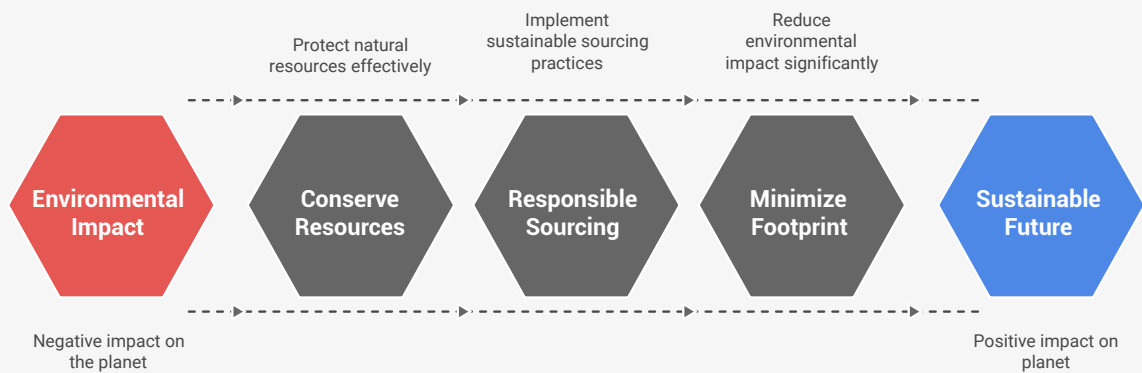
Greening Growth, Sustaining Future Impact

Our commitment to Natural Capital underscores Vakrangee Limited's vision for a dynamic future, where profitable growth is cultivated with environmental stewardship. Building on our foundational strength, we integrate sustainability as a core business imperative, recognising that our Company's health is inextricably linked to the well-being of the people and communities we serve. In FY2025, we continue to enhance our ESG commitments, focusing diligently on natural resource conservation,

responsible sourcing, and minimising our environmental footprint. As detailed in our previous annual reports, including the Integrated Annual Report for FY2023-24 and FY2022-23, our journey emphasises sustainable practices and environmental protection. Our sustainability initiatives, mapped directly to UN Sustainable Development Goals, ensure our growth journey has a lasting positive impact on the environment and society, fostering a greener, more sustainable future for all stakeholders.

GRI Standards	UNSDG Targets Addressed	Linked Capitals	Materiality Issues Addressed
GRI 302: Energy 2016	 	Natural, Manufactured	Energy management
GRI 303: Water & Effluents 2018		Natural Capital	Water conservation
GRI 305: Emissions 2016		Natural Capital	GHG reduction
GRI 306: Waste 2020		Natural, Manufactured	Waste & recycling
GRI 307: Environmental Compliance 2016		Natural, Financial	Compliance & permits
GRI 308: Supplier Environmental Assessment 2016	 	Natural, Social	Responsible sourcing

Achieving a Greener Future



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Our commitment to Natural Capital drives a greener, more sustainable future. In FY2025, we embed environmental stewardship into our core strategy, building on foundational strength and enhancing ESG commitments. We focus on conserving natural resources, implementing responsible sourcing, and minimising our environmental footprint. Our efforts, aligned with UN Sustainable Development Goals, cultivate profitable growth while ensuring a lasting positive impact on the planet and society for all stakeholders.

Natural Capital (Contd.)

Category	KPI Data	Description
Transportation Fuel Consumption	50 L Diesel	Diesel consumed by company in FY2024-25, down from 2,625.76 L in FY2023-24.
	Zero L Petrol	Petrol consumed by company-owned cars in FY2024-25, down from 473.36 L in FY2023-24.
Office Energy Consumption	351,239 kWh	Total electricity consumed by the corporate office & regional Offices in FY2024-25, a 5.2% decrease year-on-year.
	292,985 kWh (83.4 %)	Share of corporate-office power procured under green-grid contracts in FY2024-25.
	37,206 kWh (10.6 %)	Solar generation at the corporate office in FY2024-25.
	21,048 kWh (6.0 %)	Electricity is drawn from the conventional grid at the regional offices in FY2024-25.
Water Usage	1,855 m ³	Water consumed by the corporate office in FY2024-25, 7.1% lower than in FY2023- 24.
	141 m ³ (7.1%)	Reduction in annual office water use, equivalent to the volume of nearly 60 domestic water tanks.
Waste Generation & Diversion	Dry: 9,346 kg ~ 65 %*	Wet: 7,150 kg
		Estimated proportion of total office waste recycled or composted in FY2024-25.*
Energy Mix	Scope 1: 0.14 tCO ₂ e	Reflects direct emissions from owned operations, reduced by over 99% since FY2023-24 through electrification measures and fuel switching.
	Scope 2: 15.07 tCO ₂ e	Indicates indirect emissions from purchased electricity, improved by 49% since FY2023-24 through green-grid procurement and expanded on-site solar capacity.
Emission Intensity	0.000000008353 tCO ₂ e per Rupee of turnover	Indicates our Emission intensity for the scope 1 & scope 2.
Resource Savings	1,206.50 t	Total paper saved through paperless banking, ATM and digital-report initiatives in FY2024-25.
	21,690,000 lbs	Cumulative CO ₂ avoided across all paper-saving programmes in FY2024-25.
	2,58,34,000 gal	Total water saved through digital and operational efficiency measures in FY2024-25.
	30,802 MMBTU	Energy conserved via green-power and paperless initiatives in FY2024-25.
	28,916 trees	Number of trees preserved by paper-saving initiatives in FY2024-25.

*Estimated based on typical recycling and composting rates.

Sustainability Strategy & ESG Integration

Vakrangee Limited has embarked on a comprehensive sustainability journey, actively adopting global best practices to foster long-term value creation for all stakeholders. We passionately believe that our operational health is intrinsically linked to the health of the environment and the communities we aim to serve. Our approach extends beyond mere compliance with environmental regulations, actively seeking opportunities to integrate environmental considerations into our core business strategy and governance framework. We are committed to taking proactive measures and leveraging technology and innovation to conserve energy and reduce our environmental impact.

Vakrangee's Sustainability Strategy



ESG Ratings

Recognition from S&P Global



Environmental Considerations

Embedding environmental factors into business



Technology for Conservation

Using technology for environmental preservation



Alignment with NGRBC

Adhering to National Guidelines for Responsible Business Conduct



UN Global Compact Principles

Following UN's sustainability principles

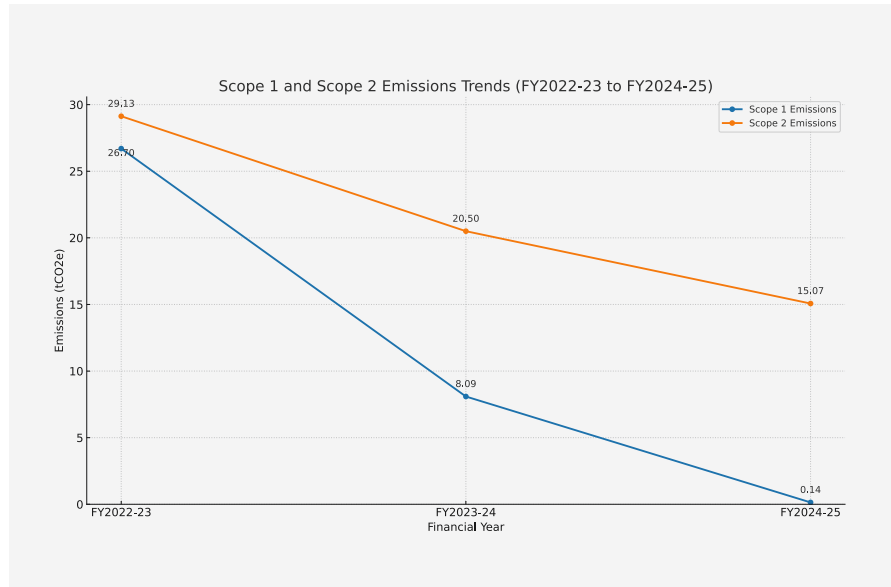
Our strengthened ESG commitments have garnered significant global recognition. For instance, Vakrangee Limited received a Sustainalytics ESG Risk Rating of 6.5, indicating "Negligible Risk," and was ranked 1st out of 934 companies in the Software & Services Industry Group, placing 30th out of 14,372 in the Global Universe as of last updated May 2024. We were also honoured with a "S&P Global Bronze Class" spot in the Sustainability Yearbook 2022, achieving an ESG Score of 60 in the Corporate Sustainability Assessment (CSA) survey. Furthermore, our Integrated Annual Report for FY2024 received Reasonable Assurance from Grant Thornton, underscoring our dedication to transparency and robust reporting. Our business strategy is also mapped with sustainability initiatives, aligning with the National Guidelines on Responsible Business Conduct (NGRBC) and our status as a signatory member of the United Nations Global Compact. Our Board of Directors plays a pivotal role in overseeing ESG-related challenges, targets, and achievements, reinforcing our commitment to sustainable and accountable operations.



Natural Capital (Contd.)

Emissions Intensity Reduction Trajectory

Our Scope 1 emissions intensity has declined markedly from 26.70 tCO₂e per ₹ of turnover in FY2024-25 to just 0.14 tCO₂e in FY2024-25, reflecting the nearly complete electrification of our direct operations and the elimination of on-site fossil-fuel combustion. Over the same period, Scope 2 emissions intensity decreased from 29.38 tCO₂e to 15.07 tCO₂e per ₹ of turnover, driven by our shift to green-grid procurement and expanded on-site solar capacity, underscoring sustained decarbonisation even as business volumes grew.



Our commitment to doing better goes beyond mere compliance with environmental regulations. We actively seek opportunities to implement sustainable practices, conserve resources, and protect the environment.

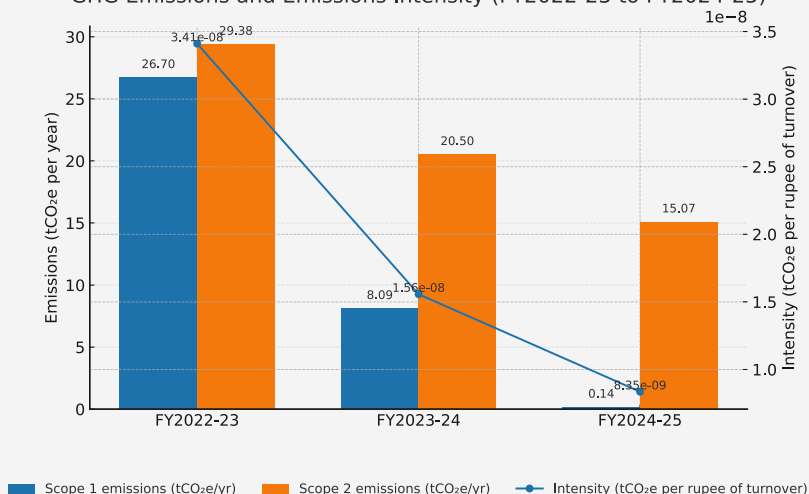
Vakrangee integrates sustainability as a core business imperative, recognised by top ESG ratings like Sustainalytics (Negligible Risk) and S&P Global. Our strategy embeds environmental considerations, leveraging technology for conservation, and aligning with NGRBC and UN Global Compact principles. This proactive approach underscores our commitment to a healthier planet and society.



Environmental Performance & Initiatives

At Vakrangee, natural capital encompasses the vital environmental resources and ecosystems that underpin our operations, including crucial elements like energy consumption, water usage, and waste generation across our data centres, office buildings, and transportation activities. Our commitment to environmental stewardship is reflected in our proactive initiatives, which emphasise natural resource conservation and the development of sustainable infrastructure. A key aspect of our environmental strategy is the active embracing of renewable energy sources and the integration of eco-friendly technologies to minimise our ecological impact.

GHG Emissions and Emissions Intensity (FY2022-23 to FY2024-25)



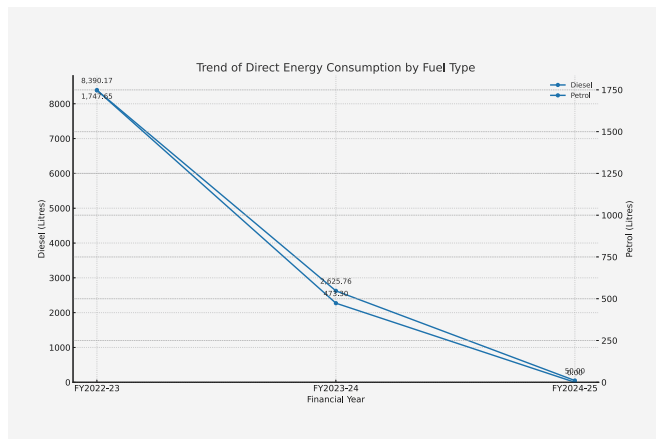
Electricity Consumption by Source and Location (kWh) - For FY2025



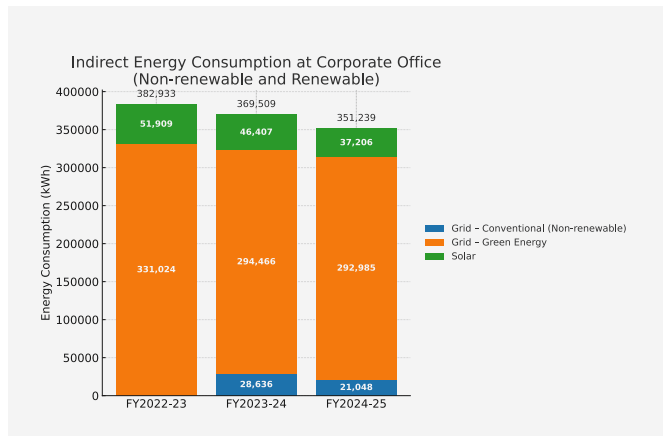
Natural Capital (Contd.)

Our key environmental initiatives for FY2025 include:

- Direct Energy Conservation:** In FY2025, we strengthened direct energy conservation across facilities by embedding environmental criteria into day-to-day operations and investing in technology with measurable efficiency impact. Key actions included LED retrofits and smart controls for lighting, HVAC optimisation through advanced metering and automated scheduling, and recovery of chiller waste heat to reduce cooling loads. We consolidated data-centre infrastructure and applied cold-aisle containment and server virtualisation to lower on-site energy intensity. At the corporate office, we supplemented these measures with rooftop solar generation and green wheeling to prioritise clean energy while maintaining reliability. Collectively, these initiatives institutionalised conservation as standard operating practice and reinforced a culture of continuous improvement.

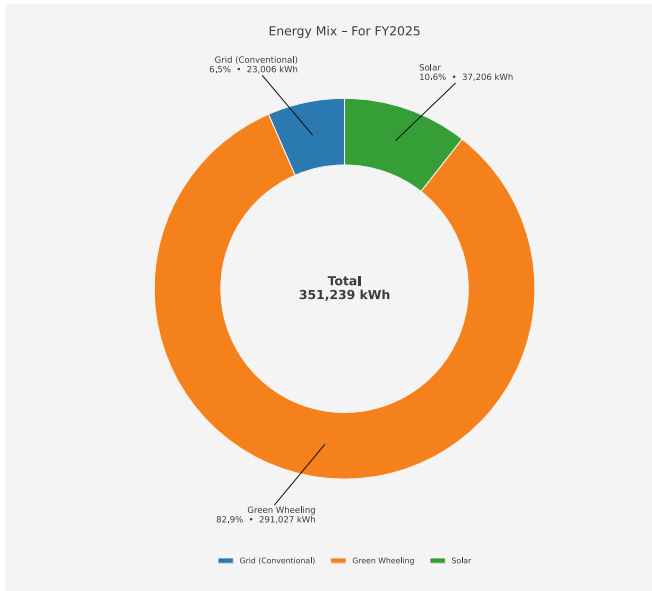


- Indirect Energy Consumption:** Vakrangee Limited demonstrates its strong commitment to environmental stewardship through diligent management of indirect energy consumption at its Corporate Office. We have achieved a progressive reduction in total indirect energy consumption, from 382,933 kWh in FY2022-23 to 369,509 kWh in FY2023-24, and further to 351,239 kWh in FY2024-25. This reduction underscores our dedication to fostering a more sustainable future. A significant aspect of our energy strategy is the prioritisation of renewable sources; in FY2022-23, our Corporate Office utilised 100% renewable energy, drawing solely from 331,024 kWh of Grid – Green Energy and 51,909 kWh of Solar



energy. While conventional grid energy was introduced in subsequent years, totalling 28,636 kWh in FY2023-24 and reducing to 21,048 kWh in FY2024-25, our primary reliance remains on green alternatives. Our commitment is further evidenced by substantial consumption from Grid – Green Energy, amounting to 294,466 kWh in FY2023-24 and 292,985 kWh in FY2024-25, alongside consistent contributions from Solar energy of 46,407 kWh and 37,206 kWh, respectively. This sustained focus on green power aligns with our 100% Green Consumer Certification from Tata Power, ensuring our corporate office's energy requirements are predominantly met through certified green sources. These efforts reflect our foundational strength and contribute significantly to our ESG commitments and the overarching goal of reducing our carbon footprint, ensuring that our profitable growth is cultivated with robust environmental stewardship and contributes to a dynamic future in alignment with the UN Sustainable Development Goals.

- Energy Mix at Vakrangee (kWh) :** The corporate office has delivered a clear year-on-year reduction in greenhouse gas emissions. Direct Scope 1 emissions have been reduced to de minimis levels, reflecting the phase-down of on-site fuel use and tighter operational controls. Indirect Scope 2 emissions have also declined consistently, attributable to a higher share of renewable electricity and continuous efficiency improvements. The emissions intensity metric shows a pronounced improvement across the period, confirming that the organisation is scaling activity while lowering carbon per unit of value created. These outcomes stem from structured renewable power procurement, on-site solar



generation, advanced metering and HVAC optimisation, and disciplined load management. The next phase prioritises full renewable coverage for office electricity, a rolling pipeline of efficiency projects, and periodic third-party verification to sustain and validate progress.

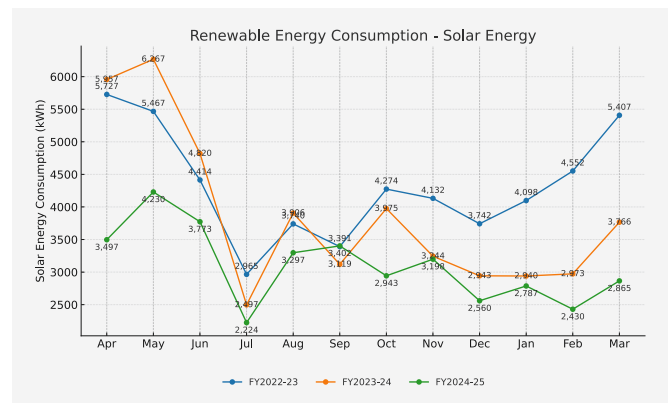
- **Solar Energy Deployment Trend:** The corporate office continues to draw a meaningful share of its electricity from rooftop solar, with a clear seasonal profile that peaks in early summer, softens through the monsoon months, and recovers thereafter. Across the period under review, renewable consumption remained consistent with our broader energy-efficiency programme and the progressive optimisation of our electricity mix.

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With near-zero Scope 1 emissions and a renewable roadmap ahead, we are building a climate-resilient workplace.

Renewable sourcing is embedded in operations, generation patterns are well understood and managed, and we will continue to strengthen asset performance through improved maintenance, analytics and targeted upgrades to support ongoing decarbonisation.

- **Green Building Offices:** Our corporate headquarters is designed and operated on green building principles that prioritise energy efficiency, renewable generation, and responsible resource use. The architecture harnesses abundant daylight through high-performance glazing to reduce electricity consumption, complemented by LED lighting and intelligent controls. The campus integrates rooftop solar for renewable power, solar thermal systems for process needs, chiller waste-heat recovery to improve cooling efficiency, and solar-powered peripheral illumination to lower auxiliary loads. All energy requirements for the office are met through green wheeling, ensuring that day-to-day operations align with our sustainability objectives and reinforce a low-carbon workplace.
- **Green Data Centres:** To support the organisation's expanding digital workloads while regulating energy consumption, we consolidated data-centre operations into a single, optimised facility. The design adopts high and medium server-density rooms, extensive virtualisation and consolidation to improve utilisation, cold-aisle containment for thermal discipline, and calibrated inlet-air temperatures to reduce cooling intensity. These measures strengthen reliability and materially improve energy performance, lowering the carbon footprint of information services and advancing the Company's environmental sustainability agenda.



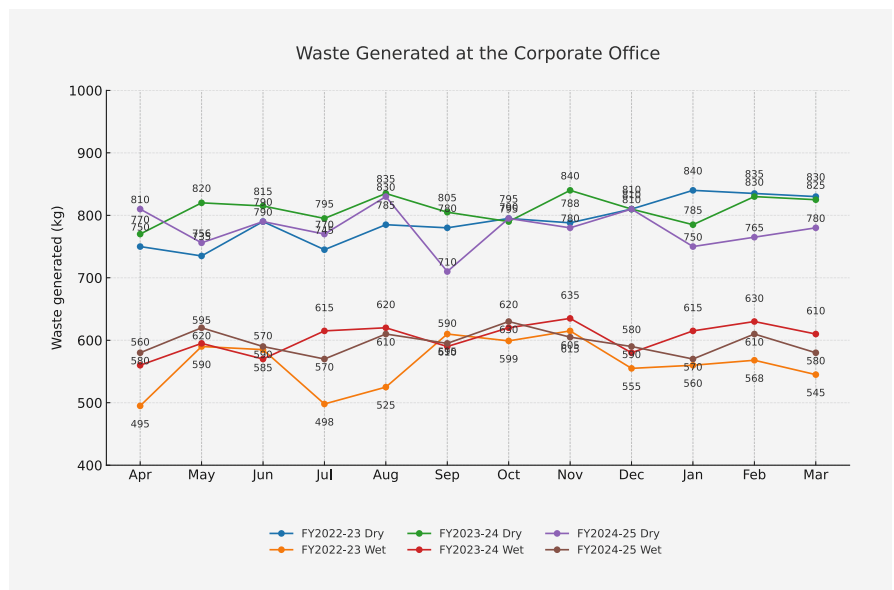
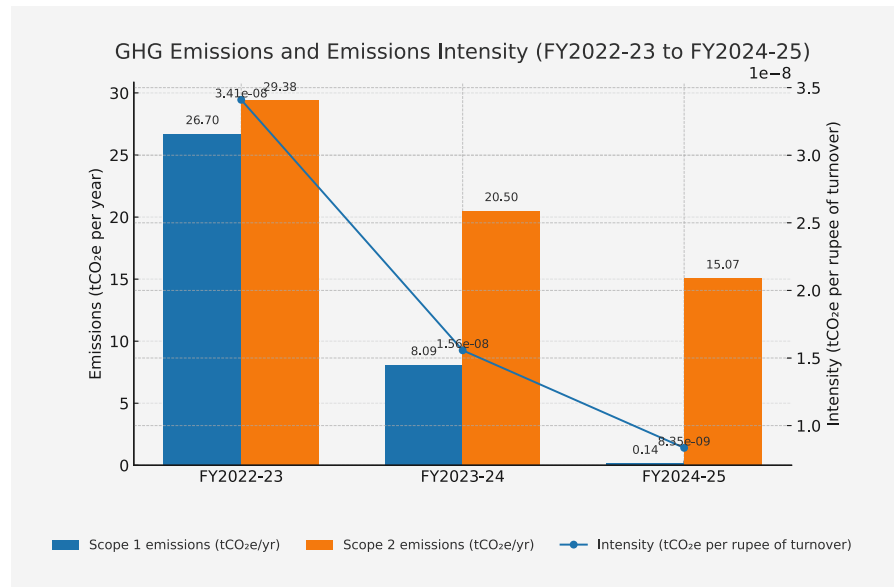
Natural Capital (Contd.)

GHG Emissions and Emissions Intensity

The chart shows a clear downward trajectory across all indicators, culminating in FY2025 with direct emissions reduced to residual levels, continued moderation in electricity-related emissions, and a marked improvement in emissions intensity. The pattern indicates that operational controls, higher renewable sourcing, and efficiency measures are translating into sustained decarbonisation, with growth being delivered at a lower carbon intensity than in prior years. In short, FY2025 consolidates multi-year progress and confirms that the reductions are structural rather than episodic.

Waste Management:

We operate a structured take-back and waste management framework that enables safe reclamation of products and materials for reuse, recycling, and responsible disposal across plastics (including packaging), e-waste, hazardous waste, and general waste. These processes are reviewed regularly to advance circular-economy outcomes. At the corporate office, waste generation remained steady with dry waste consistently exceeding wet waste and a seasonal pattern that eases during the monsoon and rises toward year-end. Strong segregation at source supported reliable collection, off-site recovery, and composting through established partners. The reduced month-to-month variability reflects stronger housekeeping, improved staff compliance, and tighter vendor oversight. Going forward, we



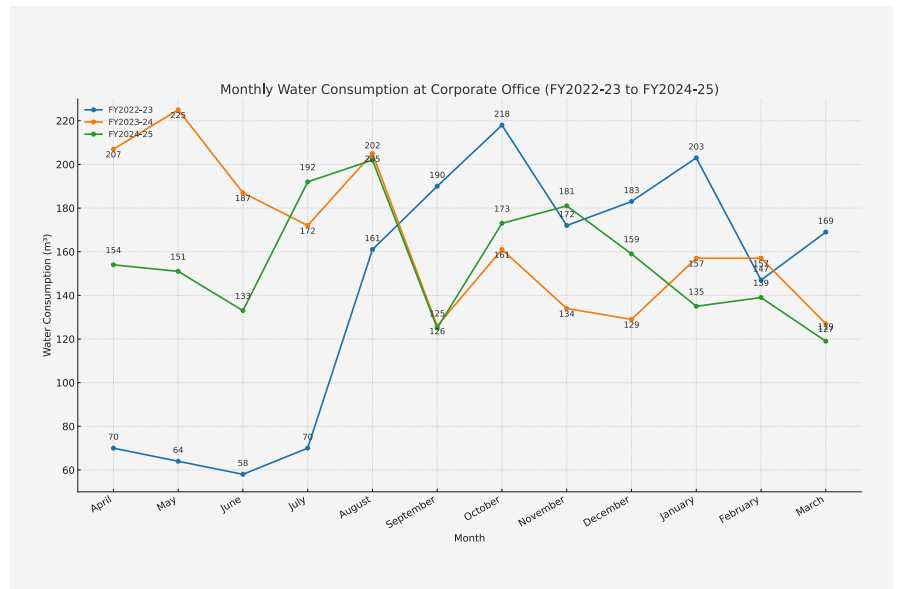
will prioritise upstream reduction through reusable alternatives, strengthened procurement standards, and periodic behaviour-change initiatives to avoid waste at source and maximise diversion from landfill.



A 7% cut in water usage reflects our disciplined approach to efficiency and our commitment to responsible resource management.

Water Consumption:

Over FY2024-25, our corporate office used 1,855 m³ of water—down 7 percent from the 1,996 m³ consumed in FY2023-24—reflecting deliberate efficiency measures and leak-detection programmes. To put this into perspective, the annual saving of 141 m³ is roughly equivalent to the volume of nearly 60 average domestic water tanks (2.5 m³ each), underscoring tangible progress in moderating our facility's water footprint while still accommodating seasonal operational peaks.



E-waste Recycling

Vakrangee manages all electrical and electronic waste through an authorised third-party recycler. The vendor is responsible for collection, transportation, material recovery, and environmentally sound disposal in line with applicable regulations and best practices. For each consignment handled, the vendor issues a certificate of recycling and safe disposal, evidencing compliant and responsible e-waste management for the reporting period.

No e-waste was generated during the reporting year. Consequently, there was no e-waste disposed of in the reporting year.

Natural Capital (Contd.)



From scorecards to site audits, our supplier framework promotes continuous improvement across environmental, social, and ethical dimensions.

Working with Our Suppliers

Expectations and Policy Framework

Under our Supplier Code of Conduct, we expect every supplier to uphold rigorous standards on social responsibility, business integrity, and environmental stewardship, and to adopt practices that minimise environmental impact. All suppliers are required to acknowledge and sign the Supplier Code of Conduct as evidence of commitment. Suppliers are also required to align with Vakrangee's Sustainable Procurement Policy to support the long-term sustainability of our value chain.

Our policy coverage extends to all workers involved in delivering our products and services. This includes Vakrangee employees, temporary and contract personnel, and employees of our suppliers and their agencies.

Due Diligence, Assessment, and Oversight

Vakrangee reserves the right to require comprehensive supply-chain mapping from suppliers, tracing materials and services back to their origin where relevant. Supplier relationships are

overseen by specialised contract managers who routinely assess adherence to our ESG requirements. Supplier practices are examined across social, ethical, and environmental dimensions to ensure informed, transparent, and independent evaluations. Risks and opportunities are identified and mapped by purchase category for all transactions.

Assurance and Performance Measurement

An assurance matrix is applied to classify the potential level of impact as low, medium, or high across society, environment, product and service use, supply-chain practices, and corporate ethics. Supplier performance is a critical selection and continuation criterion. We use a balanced scorecard built on four pillars:

1. Supply chain management
2. Labour standards
3. Environmental performance
4. Business ethics

Following each review, suppliers receive a scorecard benchmarking

their performance against peers and highlighting areas for improvement. Where gaps are identified, suppliers are expected to develop and implement a Corrective Action Plan to enhance performance.

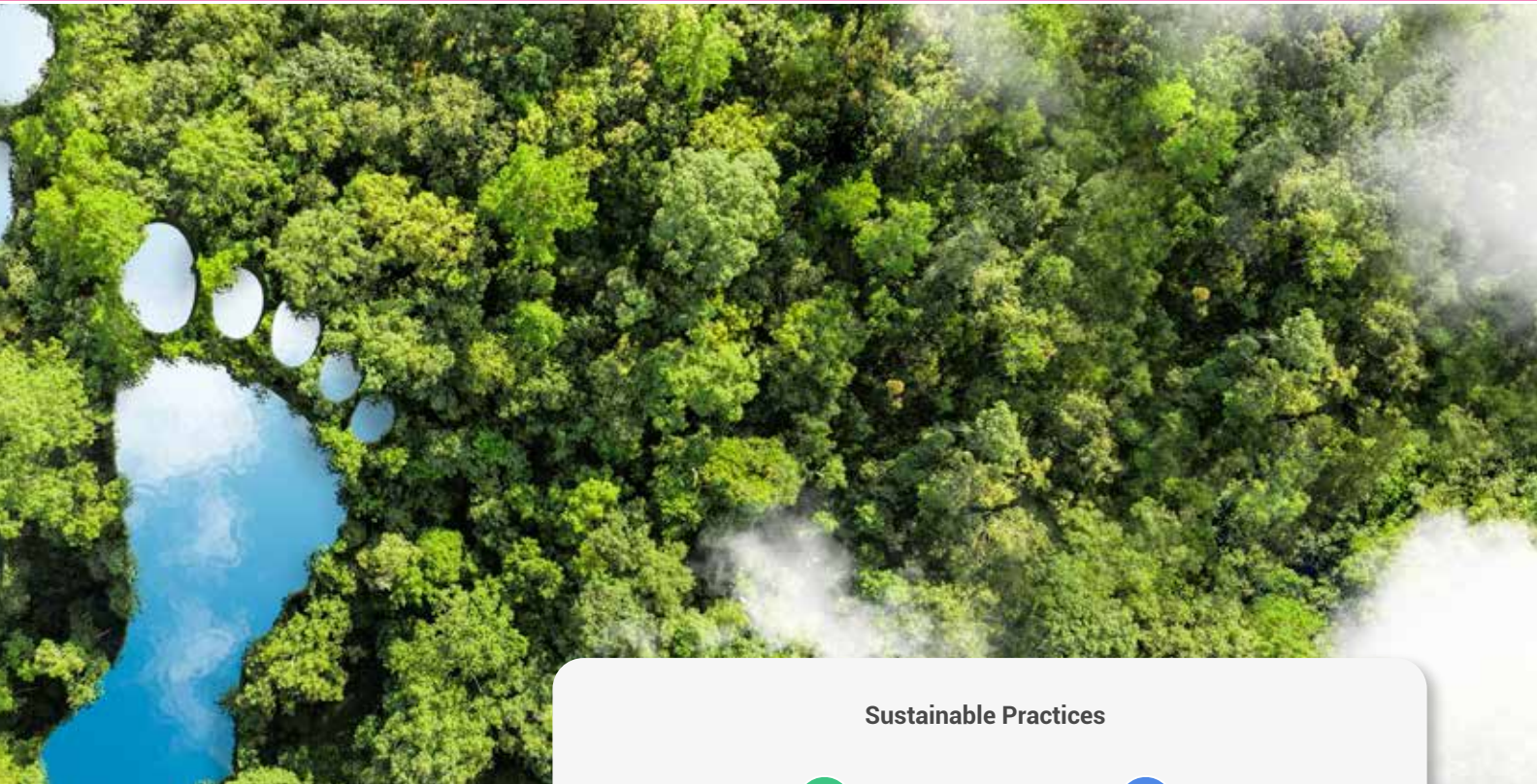
On-site Audits and Capacity Building

For suppliers with lower performance, our dedicated contract managers conduct on-site audits. These audits focus on strengthening environmental management systems and embedding energy-efficient and waste-management practices.

Reporting Year Activity

During the reporting year, supplier assessments were conducted for four suppliers. Our Sustainable Procurement Policy continues to guide the evaluation of environmental aspects at supplier operational sites and informs the improvement actions outlined through scorecards and Corrective Action Plans.





Environmental Stewardship and Resource Efficiency

Our primary objective is to establish and operate entities that advance environmental sustainability through disciplined energy-saving and waste-management practices.

Initiatives to Reduce Environmental Impact

The strain on finite natural resources and the urgency of climate change require decisive and coordinated action. We are committed to social and environmental responsibility and have translated this commitment into concrete initiatives across our operations and supply chain to mitigate adverse environmental impacts.

Training and Accountability

Sustainability begins with awareness and accountability. All employees are expected to understand their individual and collective environmental responsibilities as an integral part of their roles. We have instituted systems that guide employees and actively engage suppliers to improve their practices with demonstrable results.

Sustainable Practices

Green Initiatives

Adopting eco-friendly projects and practices



Environmental Management

Implementing eco-friendly practices in plants

Reduce, Reuse, Recycle

Applying the 3Rs to minimize waste



Emission Reduction

Lowering harmful gases in the atmosphere

This programme is embedded within our enterprise risk management framework.

Energy-Saving Technologies and Operational Measures

We focus on establishing outlets that support environmental sustainability and deploy energy-efficiency and waste-reduction measures. Our approach includes strategies to protect local ecology and implement solutions that reduce environmental externalities. Across offices and Vakrangee Kendras, we have integrated multiple energy-saving technologies that contribute to lower consumption, including sensor-based lighting, green data-centre

practices, and solar power installations. These measures have materially reduced energy use at both franchisee and corporate locations.

Focus Areas

- Environmental management principles at operations
- Reduction of greenhouse gas emissions and other harmful air emissions
- Application of the principles of Reduce, Reuse and Recycle
- Adoption of green initiatives and practices

Natural Capital
(Contd.)

Saving Paper through Biometric-enabled Paperless Banking

We continue to advance a paper-light operating model through interoperable, real-time digital banking and e-KYC. Our Kendras deploy paperless processes and biometric verification to reduce manual documentation and improve transaction efficiency. These measures are complemented by secure digital workflows that replace physical records across customer onboarding and day-to-day banking.

Since FY 2021–22, the use of e-KYC for account opening and Aadhaar-enabled Payment System (AePS) paperless services has been a central focus. On average, each new account opened



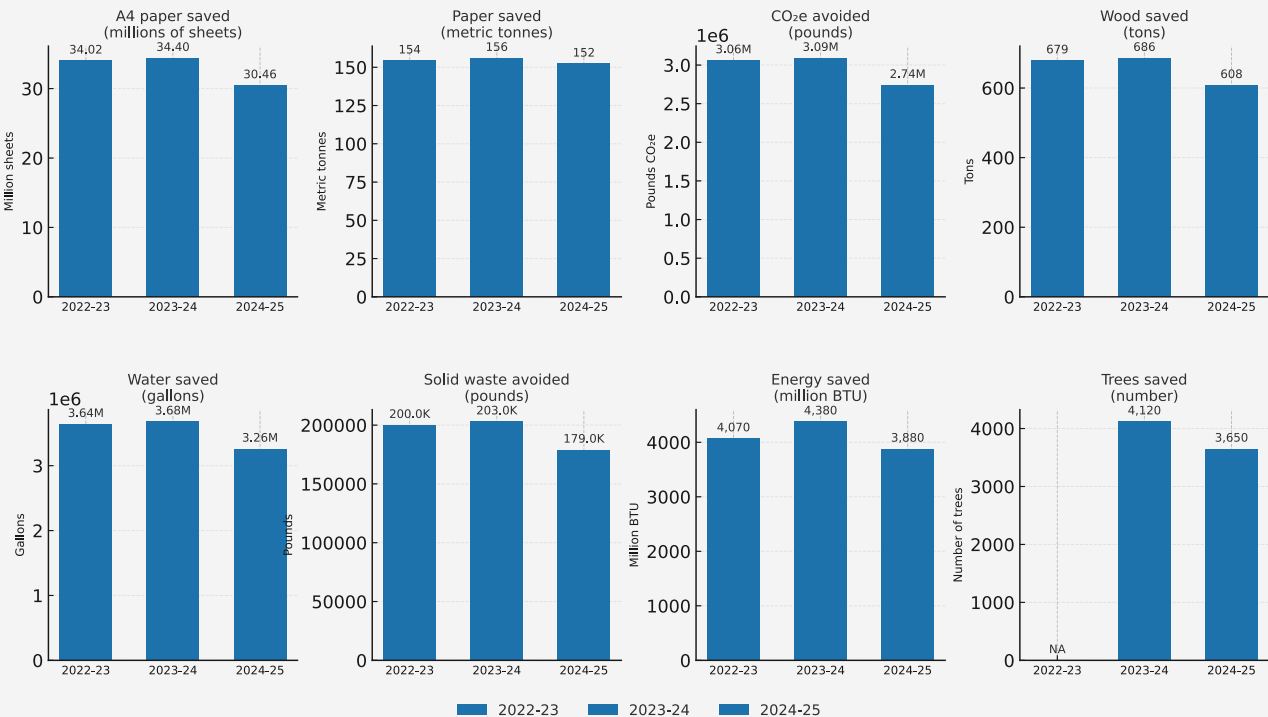
Biometric-enabled paperless banking is helping us eliminate millions of paper sheets every year, accelerating our shift to a more sustainable and efficient future.

through e-KYC avoids approximately five A4 sheets, and every three financial transactions conducted through biometric paperless banking avoid one A4 sheet. In FY 2024–25, these initiatives collectively eliminated the use of about 30.46 million A4 sheets across our outlets. The outcomes of saving A4-size paper are presented in the accompanying chart.

30.46 million

A4 sheets saved in FY2024–25 through e-KYC and paperless biometric transactions.

Saving Paper - Biometric-enabled Paperless Banking (Absolute Values)

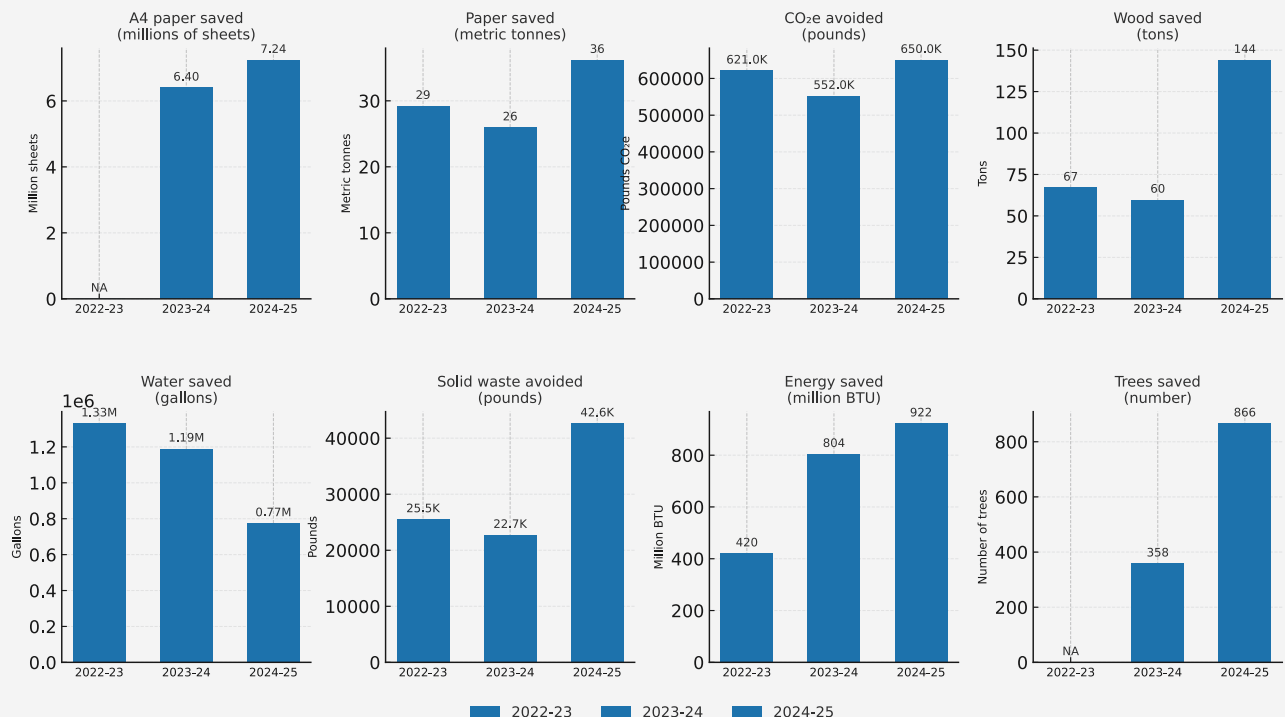




Save Paper through the Go-Green Initiative through our ATM Business

Through the Go Green campaign for ATM services in FY2025, we eliminated printed receipts and delivered transaction acknowledgements via SMS, materially reducing paper use at source. During the year, ATM operations avoided the use of 7.24 million A4 sheets, equal to 36.18 metric tonnes of paper. This translated into an estimated 650,000 pounds of CO₂e avoided, preservation of about 144 tons of wood, savings of roughly 774,000 gallons of water, diversion of 42,600 pounds of solid waste, and conservation of around 922 million BTU of energy, with an estimated 866 trees saved from felling. The programme underscores our focus on prevention, reduction, recycling, and reuse to minimise the environmental footprint of customer transactions.

Save Paper through Go-Green Initiative at ATM (Absolute Values)



Natural Capital
(Contd.)



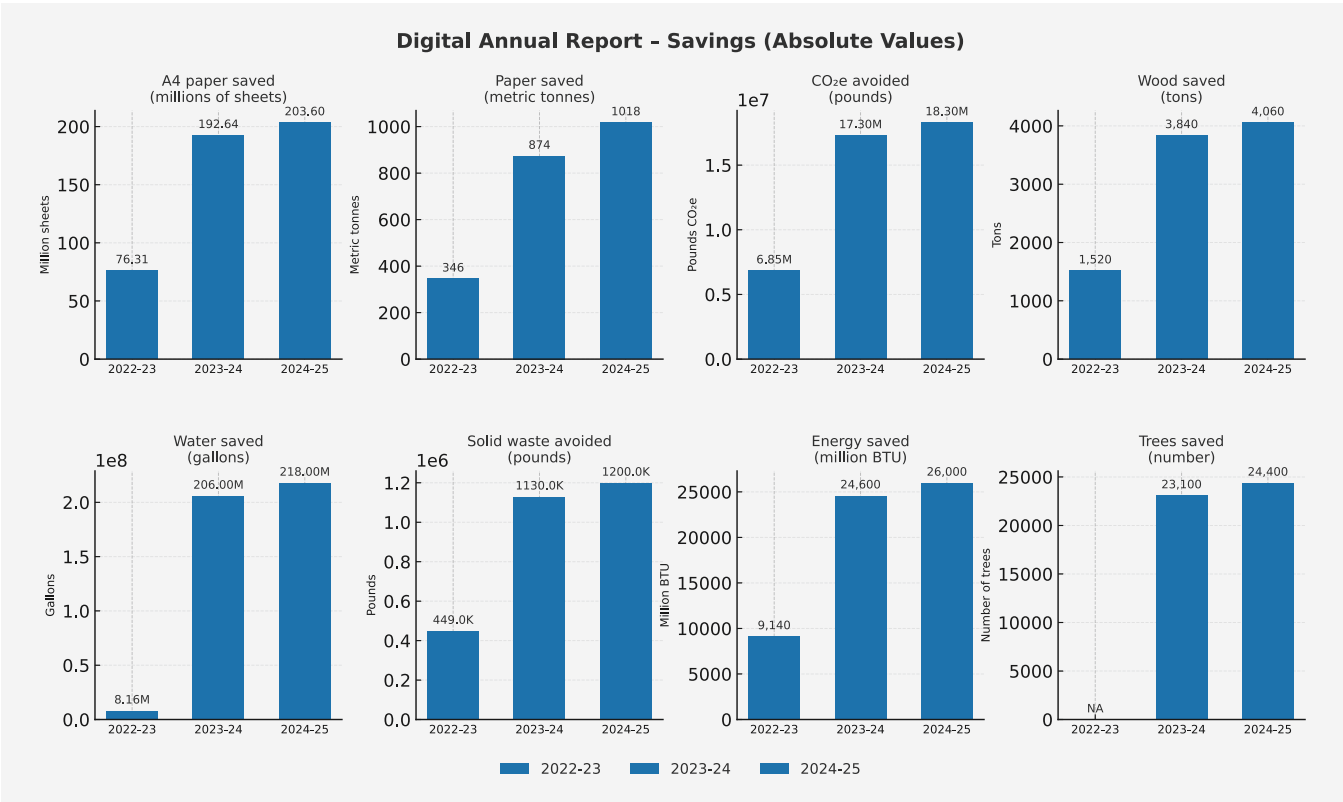
Our Digital Annual Report is more than just a format shift - it's a measurable climate action tool delivering impact across carbon, water, energy, and forest conservation.

Savings from Digital Annual Report

Our shift to a Digital Annual Report has delivered measurable environmental benefits. In FY2024-25, digital dissemination avoided the printing of 203.60 million A4 sheets and eliminated 1,018.02 metric tonnes of paper consumption. This prevention translated into an estimated 18.30 million pounds of avoided CO₂e, preservation of 4,060 tons of wood and 218.00 million gallons of water, diversion of 1.20 million pounds of solid waste from disposal, and conservation of 26,000 million BTU of energy. The initiative also protected an estimated 24,400 trees by removing

the need for physical copies. Together, these outcomes confirm that the Digital Annual Report is a high-impact, scalable lever in our decarbonisation and resource-conservation program.

4,060 tonnes
of wood saved through digital dissemination in FY2024-25





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Vakrangee is committed to creating unprecedented value for its stakeholders and contributing significantly to India's economic resurgence by harnessing the opportunities arising from this fintech revolution.

Capacity Building and Education

We recognise the importance of empowering individuals to contribute to a sustainable future. Therefore, we invest in capacity-building and education programs, organising workshops, training sessions, and awareness campaigns. These initiatives highlight sustainable practices and entrepreneurial opportunities in critical sectors such as renewable energy, waste management, and sustainable agriculture, equipping individuals with the necessary knowledge and skills to become sustainable entrepreneurs.

Natural Capital

(Contd.)

Addressing Environmental Risks

In an era marked by increasing environmental challenges, Vakrangee Limited recognises that addressing environmental degradation and climate change is not only a societal imperative but also crucial for our long-term sustainability and business resilience. We understand that proactive environmental risk management is integral to maintaining profitability and ensuring the continuity of our operations. Our Board of Directors has adopted a comprehensive Risk Management Policy, which provides a robust framework for identifying, assessing, and mitigating various risks, including those related to ESG factors.

We continuously monitor the evolving environmental landscape to anticipate

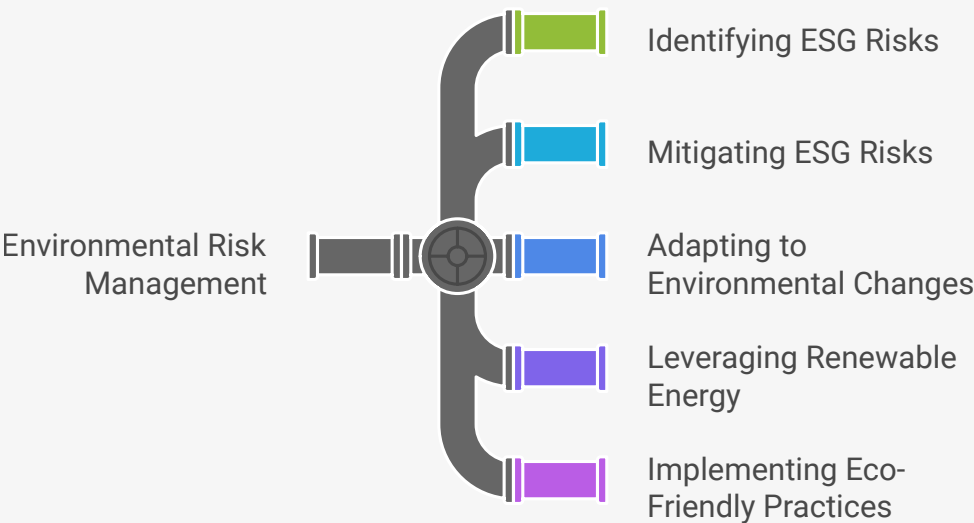


We view environmental risk not as a constraint, but as a catalyst for sustainable innovation and long-term resilience.

and adapt to potential disruptive changes that could impact our operations or financial performance. Our mitigation strategies are designed to proactively integrate environmental considerations into our business operations, ensuring that we are well-prepared to navigate challenges and leverage opportunities. This includes assessing the environmental impacts of our data centres, office buildings,

and transportation, and exploring solutions such as increased reliance on renewable energy and eco-friendly practices. By diligently adhering to regulatory expectations and fostering a culture of risk awareness, we reinforce our commitment to responsible stewardship of natural resources and mitigate potential negative financial implications arising from environmental factors.

Our Environmental Risk Management Strategy



Alignment with United Nations Sustainable Development Goals (SDGs)

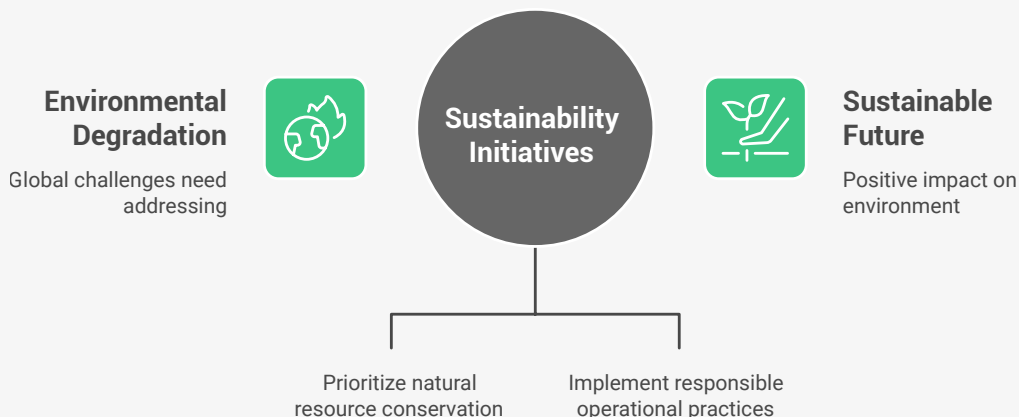
Vakrangee's commitment to sustainability is deeply intertwined with the United Nations Sustainable Development Goals (UN SDGs), which serve as a guiding framework for our initiatives aimed at fostering a greener, more sustainable future for all stakeholders. We actively map our sustainability initiatives to specific UN SDGs, demonstrating how our operations contribute to tackling global challenges such as poverty, inequality, climate change, environmental degradation, prosperity, peace, and justice.



Our commitment to the UN SDGs anchors every sustainability action, enabling us to address global challenges with local accountability.



Achieving Sustainability Through SDGs



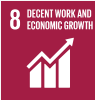
SDG Mapping

GRI Standard & Disclosure	Disclosure Title / Requirement	Report Section / Caster Name	Relevant UN SDGs
GRI 2: General Disclosures 2021			
2-1	Organisational details	Corporate Overview / About Us	 
2-2	Entities included in sustainability reporting	Consolidated Financials / Subsidiaries	
2-6	Activities, value chain, and other relationships	Business Model / Value Creation	 
2-7	Employees	Human Capital / HR Initiatives	 
2-9	Governance structure and composition	Board of Directors & Committees	
2-12	Role of highest governance body in sustainability	Corporate Governance Report	
2-22	Statement on sustainable development strategy	Chairperson / MD Letter	  
2-23	Policy commitments	ESG / CSR Policy Framework	 
2-27	Compliance with laws and regulations	Statutory Reports	

GRI Standard & Disclosure	Disclosure Title / Requirement	Report Section / Caster Name	Relevant UN SDGs
GRI 3: Material Topics 2021			
3-1	Process to determine material topics	Materiality Matrix	
3-2	List of material topics	Materiality Assessment	
GRI 200: Economic Topics			
201-1	Direct economic value generated & distributed	Financial Performance Highlights	
201-2	Climate-related financial risks	Risk Management / Sustainability	
203-1	Infrastructure investments & services supported	CSR – Rural Infrastructure / Digital Seva Kendras	 
205-2	Communication & training on anti-corruption	Governance / Code of Conduct	

SDG Mapping

(Contd.)

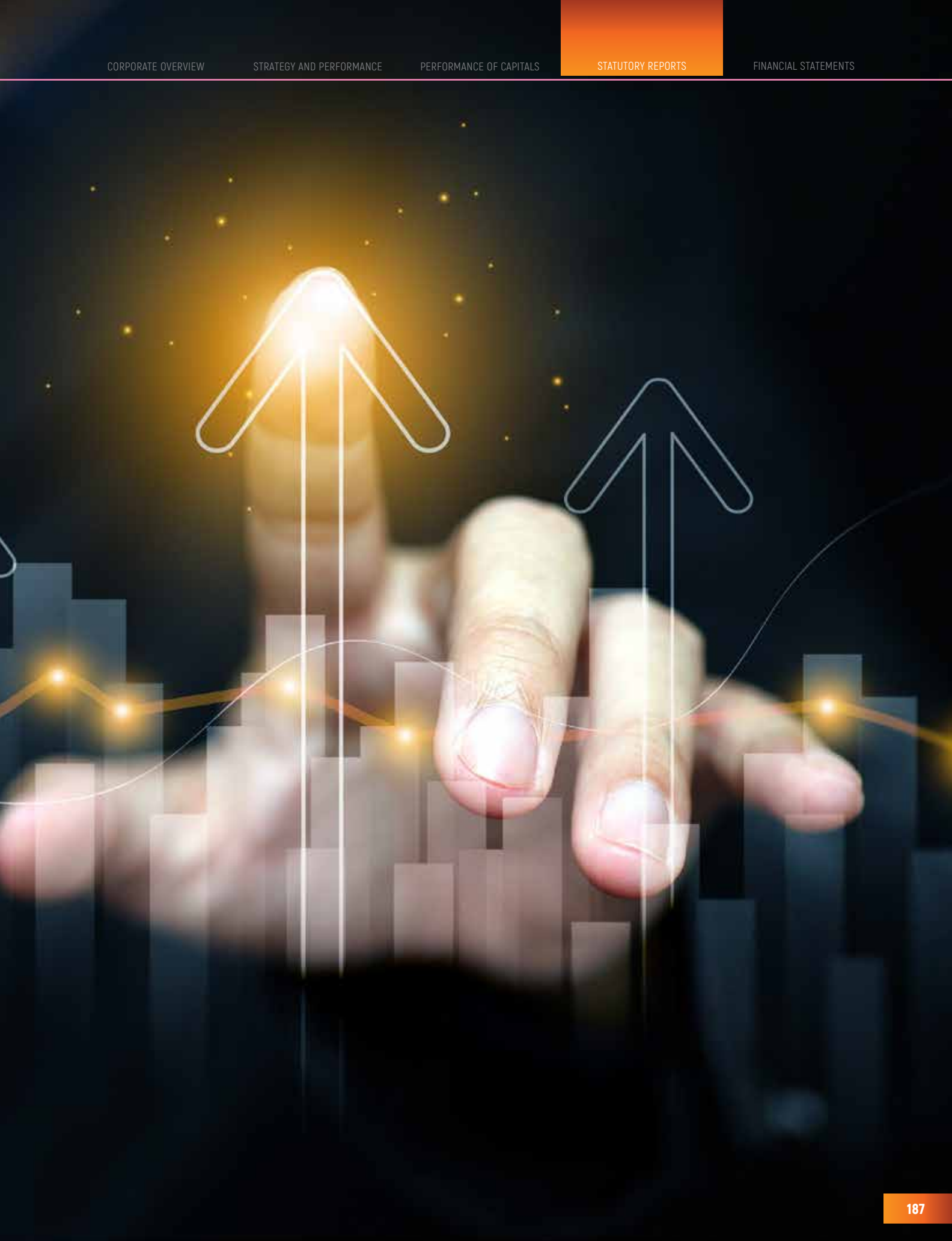
GRI Standard & Disclosure	Disclosure Title / Requirement	Report Section / Caster Name	Relevant UN SDGs
GRI 300: Environmental Topics			
302-1	Energy consumption within the organisation	Sustainability Initiatives	 
302-3	Energy intensity	ESG KPIs	
305-1	Direct GHG emissions (Scope 1)	Sustainability Data Tables	
305-2	Energy indirect GHG emissions (Scope 2)	ESG KPIs	
306-3	Waste generated	CSR / Environmental Initiatives	
GRI 400: Social Topics			
401-1	New employee hires & turnover	HR & People Practices	 
403-1	Occupational health & safety system	Workplace Safety Report	 
404-1	Average training hours per employee	HR Development Initiatives	

GRI Standard & Disclosure	Disclosure Title / Requirement	Report Section / Caster Name	Relevant UN SDGs
405-1	Diversity of governance bodies & employees	Board Diversity / HR	 
413-1	Local community engagement	CSR – Financial Inclusion, Digital Access	  
417-1	Marketing & labelling	Customer Centricity	
418-1	Data privacy breaches	Risk Factors / Data Security	

Statutory Reports

Statutory Reports present the Company's mandated disclosures and governance narratives in accordance with applicable law and listing regulations. They include the Board's Report with its prescribed statements and confirmations, prepared under Section 134 of the Companies Act, 2013. For listed entities, these disclosures are read with the Securities and Exchange Board of India's Listing Obligations and Disclosure Requirements, including Regulation 34 on the contents and submission of the annual report. Statutory sustainability disclosure is also provided through the Business Responsibility and Sustainability Report in the format specified by SEBI's circular of 10 May 2021. Together with the audited standalone and consolidated financial statements, the auditors' reports, the Corporate Governance Report, and the Management Discussion and Analysis, this section provides a complete, comparable, and compliance-led account of performance, risk, controls, and stewardship. It complements the integrated reporting narrative by grounding strategic commentary in assured and regulatory-compliant information, thereby enabling informed decision making by shareholders and other stakeholders.







Management Discussion and Analysis

Global Economic Overview

In 2024, global economic activity remained subdued, reflecting the cumulative impact of persistent inflation, tight monetary conditions, and rising geopolitical tensions. World GDP growth, which had held steady at around 3.3% in both 2023 and 2024, showed further signs of moderation. The economic landscape was particularly strained by renewed trade frictions, notably the United States' imposition of historic tariff increases, which disrupted cross-border trade flows and dampened investment sentiment. Considering these developments and the evolving global trade order, the World Trade Organisation (WTO) now projects a **0.2% decline** in global merchandise trade volume for 2025—a sharp reversal from earlier estimates of approximately 3% growth.¹

Inflation remained elevated globally, driven by sticky core prices and tight labour markets. In response, major central banks adopted a restrictive policy stance. Interest rates in advanced economies rose to multi-decade highs, such as the U.S. federal funds rate reaching 5.25–5.50% and the European Central Bank's deposit facility peaking at 4%. Although inflation began to ease by late 2024, central banks remained cautious, prioritising price stability over growth acceleration.

According to the IMF's April 2025 World Economic Outlook, global GDP is projected to grow by just 2.8% in 2025, a notable downgrade from earlier forecasts and below the historical average of ~3.7% (2000–2019). Growth in advanced economies is expected to slow to 1.4%, with the U.S. at 1.8%, the Euro Area at 0.8%, and other mature

3.3%

global GDP growth achieved in 2024.

2.8%

projected global GDP growth in 2025, according to the IMF.

¹ Global Trade Outlook and Statistics, WTO, April 2025

Global economic growth shows signs of moderation amid inflation, trade tensions, and geopolitical risks.

markets facing subdued momentum. High inflation, restrictive financial conditions, and limited fiscal space are key constraints.²

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Among emerging markets and developing economies (EMDEs), growth is estimated to ease to 3.7% in 2025, from 4.3% in 2024.

Among emerging markets and developing economies (EMDEs), growth is estimated to ease to 3.7% in 2025, from 4.3% in 2024. China's post-pandemic rebound has lost momentum amid weakening external demand and ongoing challenges in the property sector. Emerging Asia, while relatively resilient, faced pressure from elevated global interest rates and slower export activity. Commodity exporters experienced mixed fortunes, with prices remaining range-bound, impacting their revenues.

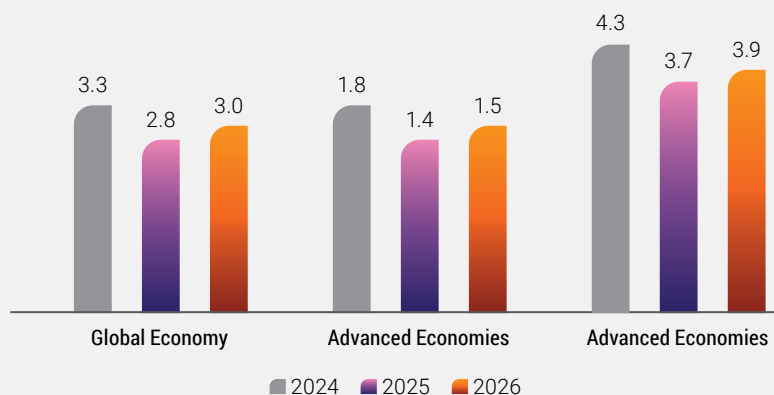
India remained a bright spot, with real GDP expanding 6.5% in 2024, driven by robust domestic demand, manufacturing, and infrastructure

investment. For 2025, India's growth is estimated at 6.2%, supported by public capex and steady private consumption. Central banks in many emerging market and developing economies (EMDEs) focused on preserving financial stability. A noteworthy trend was the continued accumulation of gold reserves, over 1,045 tonnes added globally in 2024, led by countries such as China, India, and Turkey. Gold prices surged over 27% during the year, reflecting safe-haven demand amid global uncertainty.

Even though the global economy entered FY2025–26 on a weaker footing, with lower trade momentum, sticky inflation, and tighter financial conditions weighing on growth, underlying resilience remains in specific segments, notably India and services trade. The overall outlook calls for cautious policy navigation and strategic risk management.

Growth Projections

(Real GDP Growth, Percent Change)



² World Economic Outlook Update, IMF, Apr 2025.

Management Discussion and Analysis (Contd.)

Indian Economic Overview

India's economy continued to demonstrate resilience in FY2024-25, achieving an estimated real GDP growth of 6.5%, following the remarkable 8.2% expansion recorded in the previous year. While growth moderated as the base normalised, the economy remained firmly on a high-growth trajectory, supported by robust domestic demand. Private consumption and public investment emerged as key pillars, offsetting the drag from global uncertainties and tepid export demand.

According to the National Statistics Office (NSO), the Sectoral performance remained broad-based. Agriculture and allied activities grew at a healthy 4-5%, aided by a normal monsoon and improved crop yields. The industrial sector reported a real Gross Value Added (GVA) growth of approximately 5.8%, driven by stable manufacturing activity and a notable increase in construction, which expanded by 8.6%. The services sector continued to drive overall economic momentum, growing by 7.3%. Financial, real estate, and professional services recorded a 7.2% growth, buoyed by sustained credit demand and urban infrastructure development.



India's economy remained resilient in FY2024-25, registering 6.5% real GDP growth after an impressive 8.2% expansion in the previous year.



Monetary Policy and Inflation

In FY2024-25, the Reserve Bank of India (RBI) maintained a cautious stance for most of the year, keeping the repo rate at 6.50% to anchor inflation expectations. As inflation eased and growth moderated, the RBI initiated a rate-cutting cycle. It delivered two 25-basis-point cuts in February and April 2025, followed by a surprise 50-basis-point cut in June, bringing the repo rate down to 5.50%. The Cash Reserve Ratio (CRR) was also reduced by 100 basis points to 3.00% to inject liquidity into the banking system. The policy stance was revised to "neutral," reflecting a shift to data-dependent decision-making.

Inflationary pressures receded sharply during the year. Headline CPI inflation averaged 5.0%, down from 6.7% in the previous year, and declined to 3.34% by March 2025, its lowest in over five years. Core inflation also eased to around 4%, aided by falling food prices and a favourable base. This decline in inflation created room for monetary easing to support growth amid global uncertainties.

Industrial Activity and Business Sentiment

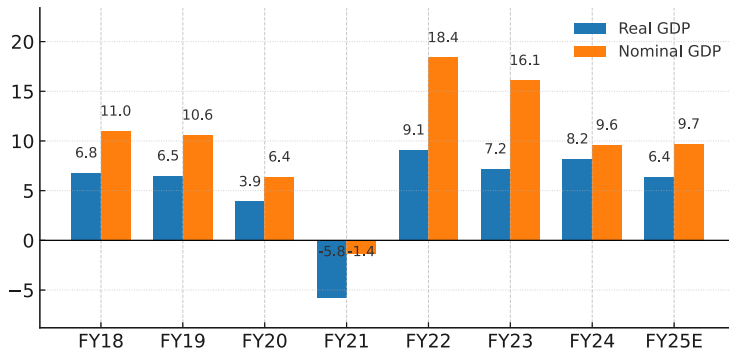
India's Index of Industrial Production (IIP) expanded by 4.0% in FY2025, down from 5.9% in FY2024. The moderation was partly due to normalising base effects and slower global demand. Manufacturing output remained steady, supported by consumer and investment demand. Electricity generation saw healthy gains, while mining activity was largely stagnant.



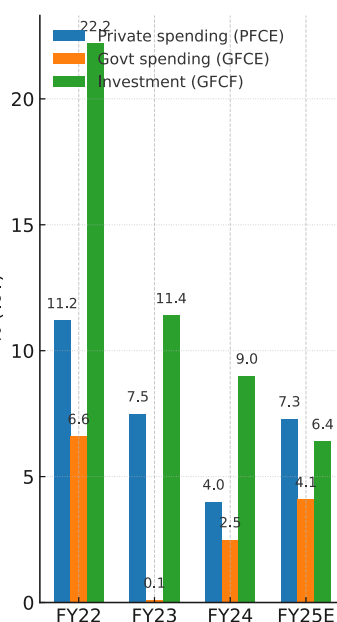
In a calibrated pivot, the RBI cut the repo rate by 100 basis points in FY2025, with a surprise 50-basis-point cut in June and reduced the CRR to 3% to support liquidity.

Losing Momentum

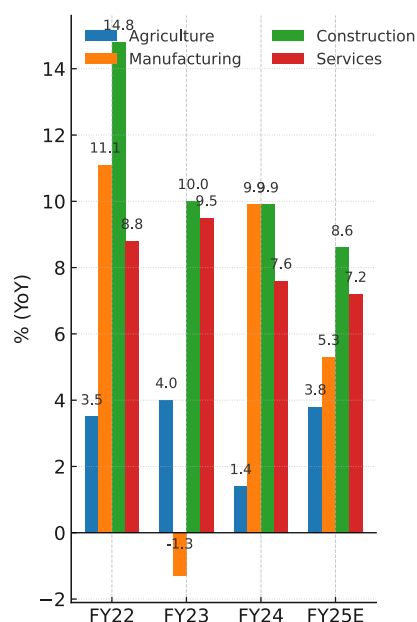
(All figures are YoY growth in %)



PVT SPENDING RISES



AGRI STAYS RESILIENT



Source: MOSPI

Despite some softness in headline IIP growth, forward-looking indicators remained strong. The Manufacturing PMI consistently stayed in expansionary territory, averaging in the mid-50s. It rose to 58.2 in April 2025, reflecting resilient domestic demand and rising export orders. The Services PMI also performed robustly, surpassing 60 in May 2025, underscoring broad strength in service-oriented industries. These metrics indicate continued business optimism and suggest that momentum in the industrial and service sectors is likely to remain strong in the quarters ahead.

Exchange Rate and External Position

The **Indian Rupee (INR)** depreciated against the U.S. dollar during the year, reflecting global currency dynamics and cautious investor sentiment. The exchange rate weakened from ₹82–83 at the beginning of the fiscal year to above ₹86 by March 2025, with the rupee briefly touching an all-time low of **₹87.4/USD** in February. This 4–5% annual depreciation made the rupee one of the underperformers in Asia.

A strong dollar, intermittent capital outflows, and expectations of domestic rate cuts drove the depreciation. Nonetheless, India's external sector remained stable. A narrower current account deficit, along with solid services exports and higher remittances, provided support. The RBI intervened selectively to manage excess volatility while allowing broad exchange rate flexibility. Foreign exchange reserves stayed comfortable, offering adequate buffers.

Management Discussion and Analysis (Contd.)

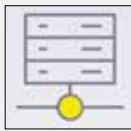
Indian Fintech Industry Overview

India's FinTech sector has emerged as a global powerhouse, ranking third worldwide, with over 10,000 active FinTech companies operating across diverse segments, including digital payments, lending, insurance, and wealth management. According to a joint report by FICCI and BCG, the industry's valuation is projected to reach USD 150–160 billion by 2025, underscoring its significant contribution to the nation's economic growth. The sector's rapid expansion is driven by a confluence of factors, including a large and growing internet user base, supportive government policies, and a robust regulatory framework that fosters innovation and financial inclusion.



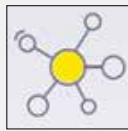
Digital public Infrastructure

- **Digital Public Infrastructure (DPI) integrated identity, payments, and data layers to enable secure, paperless, cashless, and presence-less transactions across India.**



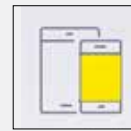
DATA

- Account aggregator framework
- GST
- Digilocker
- Public credit registry
- Public data protection
- Consent and data authentication layer



IDENTITY LAYER

- UID (Aadhaar)
- CKYC
- GSTN
- eSign



PAYMENT LAYER

- UPI
- UPI Life
- RuPay
- AePS
- APBS
- IMPS

Fin Techs in India have leveraged the digital Public Infrastructure for on-boarding customers at a reduced cost and acquiring new customers with robust checks

Enabler of Viksit Bharat

FinTech has played a critical role in advancing the vision of 'Viksit Bharat' by democratising access to finance. FinTech firms are facilitating financial inclusion, enabling underserved populations to access credit, savings, insurance, and investment services on a large scale. India has developed one of the most sophisticated digital public infrastructures (DPIs) globally, spearheaded by initiatives such as Aadhaar, Unified Payments Interface (UPI), DigiLocker, and Account Aggregators. These components have formed the foundation for FinTech-led innovation that bridges the financial divide.

According to the EY-DLAI report, FinTechs play a significant role in the Viksit Bharat 2047 vision, with over 63% of FinTechs in India focusing on Tier II and Tier III towns, illustrating a clear strategic pivot toward Bharat. Embedded finance and digital-first models have helped reduce customer acquisition costs and expand the reach of financial services beyond metro regions. The report also shows that nearly 50% of FinTech leaders view UPI and Aadhaar as the most transformative building blocks of India's digital economy.

USD 88 billion

the projected size of the Insurtech market by 2030, growing at a 57% CAGR.

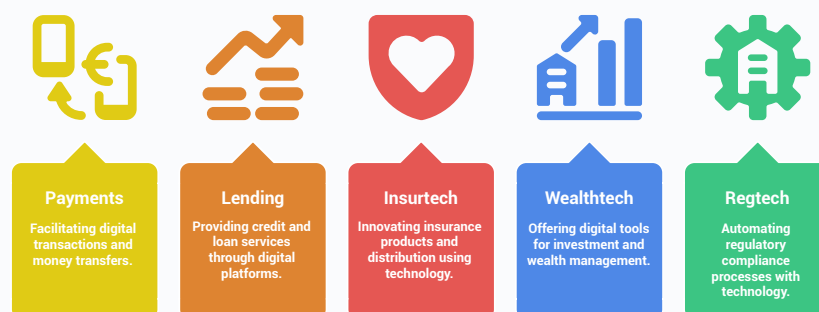
Sectoral Landscape and Contribution

India's FinTech ecosystem spans diverse sub-segments:

- **Payments:** India has become the world's largest real-time payments market. UPI processed 118 billion transactions in FY2024, with a transaction value exceeding INR 180 trillion, growing at over 60% CAGR over the past three years.
- **Lending:** The digital lending market reached approximately USD 45 billion in 2023, with FinTechs accounting for more than 30% of disbursements. Embedded lending, buy now, pay later (BNPL), and small and medium-sized enterprise (SME) lending are driving further expansion.
- **Insurtech:** Insurtechs are disrupting the traditional insurance model with AI-driven underwriting, digital distribution, and usage-based products. The Insurtech market is projected to grow at a 57% CAGR and reach USD 88 billion by 2030 [EY-DLAI].
- **Wealthtech:** FinTechs have opened retail participation in capital markets. The number of demat accounts in India crossed 140 million in FY2025, and over 25 million users now access wealth platforms, primarily through mobile-first models.
- **Regtech:** Regtech players are streamlining compliance through AI/ML-powered KYC, AML, and fraud detection solutions. Adoption is high among NBFCs and digital banks, as they seek to scale and achieve efficiency.

The FinTech sector contributes over USD 100 billion to India's digital economy, supporting millions of jobs, both directly and indirectly. Importantly, FinTech innovation aligns with national objectives such as financial inclusion, digital literacy, and MSME enablement.

FinTech ecosystem sub-segments



Management Discussion and Analysis (Contd.)

Driving Financial Inclusion

FinTechs have significantly enhanced access to credit for underserved populations. According to the EY-DLAI survey, over 55% of FinTech firms primarily serve first-time borrowers, including gig workers, micro-entrepreneurs, and rural women. Digital lending apps are using AI/ML-driven credit scoring to underwrite customers with thin or no credit histories. FinTechs have enabled loan ticket sizes as low as INR 500, making them suitable for micro-consumption and working capital needs.

In the insurance sector, micro-insurance products distributed through mobile apps and point-of-sale (POS) networks have enhanced penetration in rural markets. Several FinTechs have also partnered with government schemes, such as PMJAY and PMSBY, to offer affordable coverage. Similarly, in wealth management, digital platforms have enabled low-ticket SIPs, with investments starting at INR 100, thereby democratising access to mutual funds and the equity markets.

55%

of FinTech firms primarily serve first-time borrowers, including gig workers and rural women.

Regulatory and Policy Support

India's regulatory ecosystem has played a crucial role in fostering the growth of FinTech. The RBI, SEBI, IRDAI, and other regulators have progressively introduced frameworks to ensure responsible innovation. Regulatory sandboxes, guidelines for digital lending apps, and Account Aggregator (AA) norms have been important milestones. According to EY-DLAI, over 65% of FinTech founders regard regulatory clarity and sandbox models as enablers of innovation, though a demand remains for harmonisation across regulators.

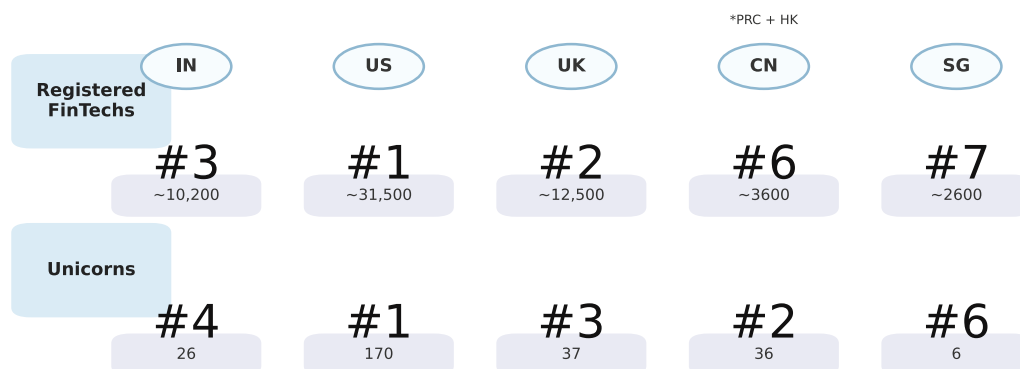
The government's emphasis on Digital Public Infrastructure (DPI) has also been pivotal. The India Stack and JAM trinity (Jan Dhan, Aadhaar, Mobile) have created rails that FinTechs can build upon. Initiatives like ONDC and OCEN are poised to open markets further and expand credit access. The DPI-first approach has helped India leapfrog in financial inclusion and transaction efficiency.



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FinTechs have enabled loan ticket sizes as low as INR 500, making them suitable for micro-consumption and working capital needs.

The number of registered FinTech start-ups has grown ~fivefold in the past three years, from 2,100 in 2021 to 10,200 in 2024



Source: Ministry of Finance; Tracxn

Global Attractiveness and Investment Trends

India remains a magnet for global FinTech capital. Between 2019 and 2024, the sector attracted over USD 37 billion in funding across more than 2,000 deals. Though funding moderated in FY2024 due to global macroeconomic factors, deal activity showed signs of revival in Q4. The EY-DLAI report identifies AI and embedded finance as the top investment themes for 2025, with investor interest shifting toward sustainable unit economics and profitable scale.

FinTechs are also expanding into global markets, particularly in the Middle East, Southeast Asia, and Africa, by exporting digital payment infrastructure (DPI) models and digital financial infrastructure. Several Indian players are participating in DPI-related projects globally, creating new growth avenues.

Innovation, Technology, and Future Trends

Innovation remains the core strength of Indian FinTechs. Key technology themes include:

- **AI/ML and analytics:** Used in underwriting, fraud detection, customer support, and personal finance management.
- **Open banking and AAs:** Enabling secure and consent-based financial data sharing.
- **Blockchain:** Gaining traction in KYC, cross-border remittances, and tokenised assets.
- **Embedded finance:** Integrating financial products into non-financial platforms (e.g. e-commerce, gig economy apps)

The EY-DLAI report reveals that more than 70% of FinTechs are leveraging AI/ML in at least one product or process, while 45% are actively exploring GenAI for customer engagement and automation. Looking forward, Open Finance, DPI exports, green finance, and decentralised identity are expected to shape the next wave of FinTech innovation.

Management Discussion and Analysis (Contd.)

Entrepreneurship and the FinTech Industry

India's FinTech sector has emerged as a vibrant hub for entrepreneurial activity, reflecting the dynamism of the nation's broader startup ecosystem. According to the EY-DLAI report, India ranks third globally in the number of FinTech companies, with over 10,000 firms operating across various segments, including digital payments, lending, insurtech, regtech, and wealthtech. This proliferation underscores the sector's role as a catalyst for innovation and economic empowerment.

Startup Surge and Innovation

Over the past five years, India has witnessed a significant surge in FinTech startups. As highlighted in the FICCI-BCG report, approximately 67% of the over 2,100 FinTech companies were established during this period, indicating robust entrepreneurial momentum. This growth is fuelled by factors such as increased digital adoption, supportive regulatory frameworks, and a burgeoning demand for accessible financial services.



FinTech firms are using digital public infrastructure like Aadhaar and UPI to reach underserved populations in Tier II and III cities.



Democratising Financial Services

Entrepreneurs in the FinTech sector play a crucial role in democratising access to financial services. The EY-DLAI report emphasises that FinTech firms are leveraging digital public infrastructure, like Aadhaar, UPI, and DigiLocker, to extend services to underserved populations, particularly in Tier II and Tier III cities. This approach not only fosters financial inclusion but also opens new markets for innovative financial products.

Investment and Economic Impact

The entrepreneurial vigour in India's FinTech sector has attracted substantial investment. According to the FICCI-BCG report, the industry has secured over USD 35 billion in funding between 2019 and 2023, across more than 2,000

deals. This influx of capital has enabled startups to scale their operations, innovate, and make significant contributions to the economy. The sector's valuation is projected to reach USD 150–160 billion by 2025, underscoring its economic significance.

Challenges and the Path Forward

Despite the impressive growth, FinTech entrepreneurs face challenges such as regulatory compliance, cybersecurity threats, and the need for sustainable business models. The EY-DLAI report notes that while regulatory sandboxes and guidelines have facilitated innovation, there is a call for greater harmonisation across regulatory bodies to streamline operations. Addressing these challenges is crucial for the continued success and stability of the sector.

Indian Banking Sector Overview

India's banking ecosystem is anchored by a diverse mix of institutions, comprising 13 public sector banks, 21 private sector banks, 44 foreign banks, 12 Small Finance Banks, and an extensive network of regional rural banks and urban cooperative banks. The Scheduled commercial banks operate a comprehensive network of more than 165,000 branches as of September 2024. Complementing this reach is a steadily growing base of over 255,000 ATMs. Together, this physical infrastructure, combined with rapid digital transformation and government-led financial inclusion initiatives, forms the backbone of a resilient and accessible banking sector in India. This network is further enhanced by the introduction of the India Post Payments Bank (IPPB), which has an extensive network of 650 branches and over 1.63 lakh access points through the post office network.

As every bank continues to expand its branch network and strengthen its physical footprint, the demand for new ATMs is expected to rise significantly along with the replacement cycle, despite the growing adoption of online and digital banking channels. Physical banking infrastructure remains critical, especially in semi-urban and rural areas where in-person services are still heavily relied upon. Moreover, a substantial portion of the existing ATM infrastructure is approaching the end of its operational life, creating an additional need for replacements and upgrades. Regional Rural Banks (RRBs) and Urban Cooperative Banks are actively expanding their operations by adding new branches and deploying more ATMs to extend their reach and enhance service delivery, thereby contributing to the surge in demand for ATM installations nationwide.



The Indian ATM market was valued at USD 1.82 billion in 2024 and is projected to grow at a CAGR of 6.80%, reaching USD 3.45 billion by 2033, according to IMARC Group.

Several structural and demographic factors underpin the sustained demand for ATMs in India. Despite the rapid rise of digital payments, a significant portion of the population, especially in rural and semi-urban areas, continues to rely on cash due to limited access to digital infrastructure and a preference for physical transactions. Government-led financial inclusion initiatives, growing banking penetration, and the push for 24/7 banking services are further reinforcing the need for widespread ATM deployment. Technological innovations, such as biometric-enabled ATMs and cash recyclers, are enhancing efficiency, while regulatory support for white-label ATMs is expanding market accessibility. Reflecting this strong foundation, the Indian ATM market was valued at USD 1.82 billion in 2024 and is projected to grow at a CAGR of 6.80%, reaching USD 3.45 billion by 2033, according to IMARC Group. Even non-traditional players are ramping up investment - for instance, India Post, which had 1,000 ATMs in operation as of January 2025, aims to double this number to 2,000 by the end of FY 2026, underscoring the continued relevance of physical cash access points across the country.

Management Discussion and Analysis

(Contd.)

Company Overview

About Vakrangee Limited

Incorporated in 1990, Vakrangee Limited is a technology-driven company headquartered in Mumbai, India. The Company has emerged as the “Go to Market Platform” for various Business verticals, including Fintech, E-Commerce and E-Health platforms. We are building India’s largest last-mile distribution Platform, emerging as a physical and digital ecosystem with a pan-India presence.

Vakrangee operates through its franchisee-based model of Vakrangee Kendras, which are ‘One Stop Shop’ assisted digital convenience stores offering a wide array of services, including banking, financial services, insurance, ATM, e-commerce, and logistics. These Kendras are designed to provide citizens with products and services at competitive prices, ensuring uniformity in service delivery.

The company’s operations are supported by a portfolio of key licenses and partnerships established over the past 25 years. Vakrangee’s asset-light, franchisee-based model enables scalability and efficient service delivery, with each Kendra equipped with advanced technological platforms to support multiple lines of services.

Vakrangee’s commitment to financial and digital inclusion is evident in its focus on serving India’s underbanked rural and semi-urban communities. By leveraging its extensive Kendra network and digital platforms, the company ensures broader access to essential financial products and services, empowering individuals in remote areas to participate more fully in the formal financial ecosystem.

Business Portfolio

Vakrangee Ltd. continues to accelerate its transformation into a tech-enabled platform focused on digital and financial inclusion, particularly in underserved rural and semi-urban areas. As of March 31, 2025, the company had established a physical presence across 609 districts and 5,835 postal codes in India, with services accessible through 22,986 operational Vakrangee Kendras and a digital footprint via the BharatEasy Super App.

22,986

Outlets

32

States & UTs Covered

609

District Covered

~83%

Presence in Tier IV & VI Cities

5,835

Postal Code Covered

6,098

Number of ATMS
operated by Vakrangee

1596

Vortex shipped ATMs
during the year.

5000

Vortex has a strong
order book for FY26.

546

District Level Master Franchisees

14,000+

Vortex has deployed ATMs across
diverse geographies till now.

15,000 +

Banking BC Points

Empowering Growth: A Strong and Scalable Last Mile Distribution Network Built through Master Franchisees & Franchisees

Our Company has emerged as the “Go to Market Platform” for various Business verticals, including Fintech, E-Commerce and E-Health. We are building India’s largest last-mile rural Distribution Platform, emerging as a physical and digital ecosystem with a pan-India presence.

Our distribution platform is driven by the Master Franchisee and Franchisee model, a cornerstone of our business strategy, which enables us to scale efficiently while delivering a diverse range of products and services across vast geographies. We are making steady progress towards establishing our last-mile presence across all postal codes, covering every Gram Panchayat in the country.

The Master Franchisee and Franchisee model is inherently scalable, allowing us to penetrate even the most remote and underserved regions. With a flexible, franchise-based approach, we can adapt to local market conditions while maintaining a unified operational standard across the entire network. This model provides the foundation for our ambitious growth plans, enabling nationwide coverage while minimising operational risks.

35 years

of building India’s largest last-mile platform.

“

Vakrangee has emerged as the “Go to Market Platform” for various Business verticals, including Fintech, E-Commerce and E-Health.

Together, master franchisees and franchisees create a seamless last-mile distribution network. This network is highly scalable because each franchise is an independent entity with a vested interest in success. Franchisee is a local village-level entrepreneur, taking ownership of day-to-day operations, customer satisfaction, and market penetration. Meanwhile, the master franchisee ensures they are fully supported with training, marketing, and operational guidance, creating a synergy that fuels growth.

We are delighted to announce the appointment of Master Franchisees in 546 districts across 32 States (as of March 31, 2025), marking a significant milestone in expanding our nationwide network coverage. Our ambitious goal for the end of this fiscal year is to achieve complete 100% district coverage through our master franchise network. By empowering local entrepreneurs, we not only drive our growth but also make a significant contribution to regional economic development and create opportunities for entrepreneurial success.



Management Discussion and Analysis (Contd.)

For FY2025, we have established a strong and expansive presence with a total of 22,986 Vakrangee Kendra outlets nationwide. This widespread coverage spans over 32 states and union territories, ensuring that our services are accessible to a broad customer base. Moreover, we have successfully established a presence in 546 districts and 5,835 postal codes, further strengthening our network. Notably, our commitment to serving underserved markets is evident as 83% of our outlets are in Tier 4-6 cities.

Furthermore, the Company has strategically ventured into sourcing and distributing private-label and white-label products. By leveraging the extensive Vakrangee Kendra network, which includes both Franchisee and Master Franchisee channels, we aim to distribute our proprietary, branded e-commerce products for consumers and retailers. Additionally, the Company has plans to diversify into other consumer and retail product categories, thereby expanding our footprint in the broader market.

Strategic partnerships also underpin Vakrangee's growth model. In FY2025, the company entered multiple collaborations, including those with Kotak Bank, Canara Bank, Central Bank of India, Bangiya Gramin Vikash Bank, Aditya Birla Health Insurance Company



Limited, Tata AIG General Insurance Company Limited, Star Health & Allied Insurance Co. Ltd., Future Generali India Insurance Company Limited, and Shriram Life Insurance Company Limited, Global One Enterprises Pvt Ltd (Max TV), thereby enhancing its offerings in banking, insurance, and e-Commerce services.

Vakrangee's entry into the apparel segment in October 2024 marks a strategic diversification, expanding its private-label offerings in key districts and semi-urban markets. Vakrangee offers affordable, quality clothing in ready-to-wear and customised formats. This initiative strengthens its Kendras

as multi-category rural commerce hubs, furthering its mission of financial and digital inclusion through diversified access.

Vakrangee's commitment to inclusive growth is deeply rooted in its franchising model, where local entrepreneurs—Master Franchisees and Kendra operators—are incentivised through structured commissions and performance bonuses. This ecosystem approach not only ensures scale and reach but also contributes to local economic development by empowering grassroots entrepreneurs.

As India progresses towards becoming a digitally empowered society, Vakrangee is strategically positioned to play a critical role. With an integrated phygital model, a robust technology backbone, and a growing portfolio of essential services, the company remains committed to bridging the urban-rural digital divide and achieving sustainable growth.



In October 2024, Vakrangee introduced its private-label Apparel Product Line, expanding retail reach into key districts and semi-urban markets.



New Horizons: Vakrangee's ATM Play

Vakrangee Limited's acquisition of Vortex Engineering Private Limited, now a subsidiary, is fully aligned with the company's long-term ambition to become a fully integrated, technology-enabled banking infrastructure provider. This strategic move supports backwards integration, creating new growth opportunities while tapping into cost synergies and leveraging advanced technological capabilities.

Vortex, an India-based technology pioneer incubated at IIT-Madras, is renowned for its expertise in low-power ATMs. The company operates from its Chennai headquarters, where it maintains an annual production capacity of over 12,000 ATMs and has successfully deployed over 14,000 ATMs across diverse geographies. It holds nine patents in the ATM and cash dispenser space under the 'Make in India' and 'Atmanirbhar Bharat' initiatives. It has developed its cash dispenser units, which deliver the lowest lifecycle cost among its competitors.



With Vortex's patented technology and remote monitoring software, Vakrangee is set to scale its digital financial infrastructure globally.

Additionally, Vortex has created 'PERFO,' a proprietary, advanced remote ATM monitoring software tool that is cross-platform and cross-vendor, strengthening its intellectual property portfolio.

This strategic acquisition enhances Vakrangee's operational oversight and cost efficiency while opening a new B2B growth channel in both domestic and global ATM markets. With rising demand for secure, energy-efficient, and advanced ATM solutions, Vakrangee is well-positioned to scale operations, improve profit margins, and diversify its revenue streams. This initiative further accelerates Vakrangee's transition from a distribution-focused service model to a comprehensive provider of digital financial infrastructure, expanding both its technological capability and geographic reach.

This strategic acquisition enhances Vakrangee's operational oversight and cost efficiency while opening a new B2B growth channel across domestic and international ATM markets. With rising demand for secure, energy-efficient, and advanced ATM solutions, Vakrangee is well-positioned to expand its scale, boost margins, and diversify its revenue base. The move also accelerates Vakrangee's evolution from a distribution-focused service

model to a holistic provider of digital financial infrastructure, extending its technological capabilities and geographic footprint.

The deal is especially timely given the optimistic outlook for the global ATM market, which was valued at USD 24.4 billion in 2024 and is expected to grow to USD 36.3 billion by 2033, registering a compound annual growth rate (CAGR) of 4.06% from 2025 to 2033. North America leads the market with a commanding 35.3% share in 2024; however, emerging economies in Asia and Africa offer high-growth opportunities, driven by expanding financial inclusion and the adoption of new technologies. Key global drivers include the rise of digital transformation, growing demand for accessible and convenient cash services, increased international tourism, and the integration of advanced features like biometric authentication. With Vortex's proven capabilities and Vakrangee's established distribution network, the acquisition opens the door for Vakrangee to enter global markets as a competitive supplier of ATMs. This positions the company to tap into a massive international opportunity, capitalising on both organic and inorganic growth in a rapidly evolving financial infrastructure landscape.

Management Discussion and Analysis (Contd.)

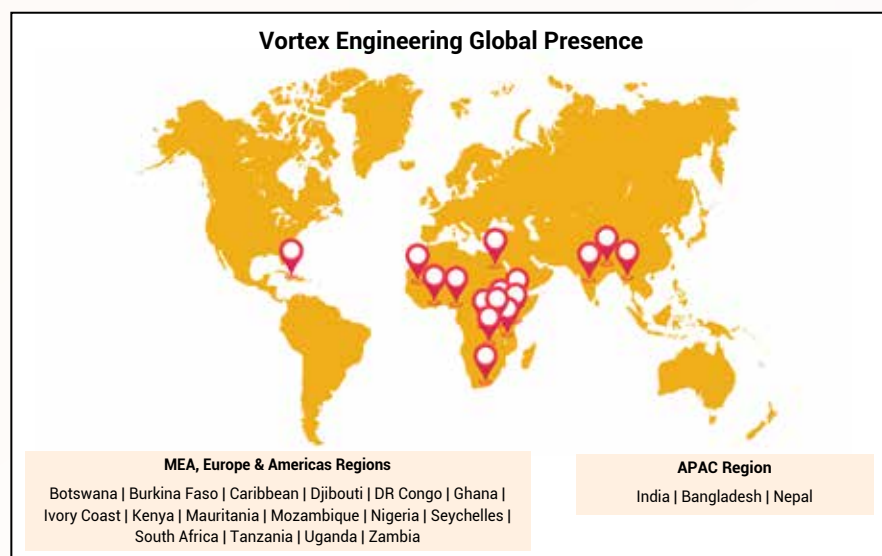
In FY2024–25, Vortex demonstrated strong operational momentum, achieving 26.3% year-over-year revenue growth and shipping 1,596 ATMs. The company closed the year with a robust order pipeline of 5,000 ATMs scheduled for delivery in FY2025–26, laying the groundwork for an aggressive scale-up. With strategic capital support from Vakrangee, Vortex—currently holding a market share of around 2% in the Indian ATM industry—is aiming to increase this to 5% in the near term. Historically, capital constraints limited Vortex's ability to bid for large-scale tenders and expand marketing efforts. However, Vakrangee's backing and its strong relationships with major banking institutions now enable Vortex to pursue opportunities more proactively across both domestic and international markets. Notably, Vortex is making inroads into the MENA region, Africa (including South Africa), and select Caribbean countries, aligning its go-to-market strategy to meet the growing global demand for reliable and affordable ATM solutions. FY2025–26 will witness a renewed commercial thrust, focused on strategic partnerships, international tender participation, and deeper integration with the Vakrangee Kendra network, unlocking meaningful synergies and future revenue potential.

26.3%

year-over-year revenue growth of Vortex with 1,596 ATMs shipped in FY2024–25.



Vortex drives growth through innovative Android-based ATMs and Mini ATMs with advanced digital features, plus upcoming Digital Banking Unit kiosks.



Business Opportunity

Vakrangee sees a promising growth horizon driven by multiple market tailwinds. India's domestic ATM base is projected to expand from approximately 250,000 to over 365,000 units by FY27, providing significant annuity revenue opportunities through the annual maintenance contract (AMC) business, ensuring a steady cash flow. Additionally, a large domestic ATM replacement cycle is underway, with over 100,000 machines expected to be upgraded in the next 24–36 months as banks refresh their infrastructure and transition from Windows 7 to Windows 10 systems.

Internationally, the global ATM market is growing at a CAGR of about 8.1% through 2027, with emerging markets demonstrating strong demand. Vortex is already an approved supplier in Africa and plans to expand further into Latin America and the Asia-Pacific region, tapping into high-potential geographies.

Product innovation is another growth lever, with Vortex launching Android-based ATMs and Mini ATMs equipped with advanced digital banking features, as well as plans for Digital Banking Unit (DBU) kiosks that serve as an alternative to physical bank branches. Furthermore, the multi-vendor ATM software segment, estimated to grow from approximately \$1.1 billion in 2018 to \$6 billion by 2026, presents significant opportunities for growth. The company's proprietary PERFO software is well-positioned to capture this high-margin, fast-growing market.

Vakrangee's revenue outlook is robust, supported by the successful supply of 1,596 ATMs in FY2025 and a solid order book exceeding 5,000 ATMs for FY2026, providing clear visibility and predictability for future revenue growth.

Driving Financial, Digital and Social Inclusion across India

Vakrangee continues to serve as a vital enabler of financial, digital, and social inclusion in India. Through its extensive network of Vakrangee Kendras (VKs) across the country, the Company plays a crucial role in supporting financial inclusion by serving as the last-mile delivery point for various products & services. These Kendras are often the only accessible touchpoints for citizens in remote and underserved regions, helping bridge the gap between public services and rural communities.

By facilitating access to essential services, Vakrangee enhances transparency, efficiency, and inclusivity in governance. The Company's role aligns closely with the Government of India's unwavering commitment to expanding financial and social inclusion. In recent years, various flagship schemes have been launched to address the needs of low-income and informal sector populations, thereby creating significant opportunities for Vakrangee to expand its outreach.



The Company's role aligns closely with the Government of India's unwavering commitment to expanding financial and social inclusion.

a) Pradhan Mantri Jan Dhan Yojana (PMJDY)

The Pradhan Mantri Jan Dhan Yojana (PMJDY), launched in 2014, has been pivotal in transforming India's financial landscape. This ambitious initiative aims to provide every household with at least one basic savings bank account while also promoting access to credit, insurance, remittances, and pension products. The scheme allows zero-balance accounts and provides a RuPay debit card, encouraging secure transactions. Eligible account holders may also access overdraft facilities and insurance benefits, supporting their financial security.

Vakrangee Kendras serve as key facilitation points for PMJDY, helping millions in rural and semi-urban areas open bank accounts, understand basic banking operations, and connect with the formal financial ecosystem. The scheme has been a game-changer in improving financial literacy and inclusion, particularly through the seamless delivery of Direct Benefit Transfers (DBT), which reduce leakage and enhance transparency.

The Company's reach also supports other essential welfare schemes, such as the Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Pradhan Mantri Suraksha Bima Yojana (PMSBY) - insurance schemes targeting unorganised workers - and the Atal Pension Yojana (APY), designed to provide retirement security for economically vulnerable individuals.

As these government initiatives continue to evolve and expand, Vakrangee remains uniquely positioned to amplify their impact. The alignment between the government's mission of inclusive growth and Vakrangee's ground-level presence creates a strong foundation for sustained socioeconomic transformation. Through its integrated service delivery model, the Company empowers individuals and makes meaningful contributions to India's journey towards a more inclusive and digitally enabled economy.

Beneficiaries of Pradhan Mantri Jan-Dhan Yojana as on 28/05/2025

Bank Name / Type	Number of Total Beneficiaries	Deposits in Accounts (In Crore)
Public Sector Banks	43.03	1,99,341.46
Regional Rural Banks	10.45	49,790.23
Private Sector Banks	1.81	7,625.98
Rural Cooperative Banks	0.19	0.01
Grand Total	55.48	2,56,757.68

Source: PMJDY Website.

Management Discussion and Analysis (Contd.)

b) Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY)

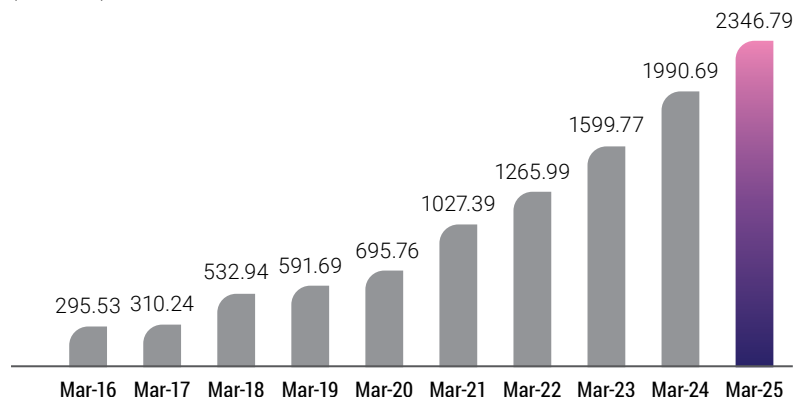
Launched in 2015, the Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) is a government-backed, one-year renewable term life insurance scheme aimed at enhancing life insurance penetration across India. Designed to provide financial protection to economically vulnerable families, the scheme offers a life cover of ₹2 lakh in the event of the policyholder's death, regardless of cause, for a modest annual premium of ₹436.



As of 23 April 2025, cumulative enrolments under PMJJBY have exceeded 23.63 crore, with total claim payouts amounting to approximately ₹18,397.92 crore.

Cumulative Enrolments PMJJBY

(₹ in Lakhs)



Source: Ministry of Finance.

The premium is automatically debited from the subscriber's bank account each year, ensuring easy participation. The scheme is available to individuals aged 18 to 50 years with a savings bank account, and Aadhaar serves as the primary Know Your Customer (KYC) document. The coverage period runs from June 1st to May 31st, with annual renewal options.

PMJJBY is administered by both public and private life insurance companies in partnership with scheduled commercial banks, regional rural banks, and cooperative banks. Its simplicity, affordability, and broad accessibility have made it particularly effective in reaching the underbanked and low-income segments. By reducing barriers to life insurance, PMJJBY promotes financial inclusion and provides a critical safety net to millions of families across the country.

c) Pradhan Mantri Suraksha Bima Yojana (PMSBY)

Launched in 2015, the Pradhan Mantri Suraksha Bima Yojana (PMSBY) is an affordable accident insurance scheme designed to provide financial protection to low-income and vulnerable populations in India. For an annual premium of just ₹20, automatically debited from the subscriber's bank account, individuals aged 18 to 70 years receive a coverage of ₹2 lakh in the event of accidental death or total permanent disability, and ₹1 lakh for partial permanent disability.

The scheme is simple, accessible, and easily renewable, making it a vital social security tool for individuals with limited access to traditional insurance. Though the coverage is modest, PMSBY plays a crucial role in mitigating the financial impact of accidents on economically weaker families. By offering essential risk protection at an extremely low cost, PMSBY supports the government's broader financial inclusion and social welfare agenda.



As of the same period, cumulative enrolments under PMSBY have surpassed 51.06 crore, with over ₹3,121.02 crore disbursed against 1,57,155 claims.

Cumulative Enrolments PMSBY

(₹ in Lakhs)



Source: Ministry of Finance.



Management Discussion and Analysis

(Contd.)

d) Atal Pension Yojana (APY)

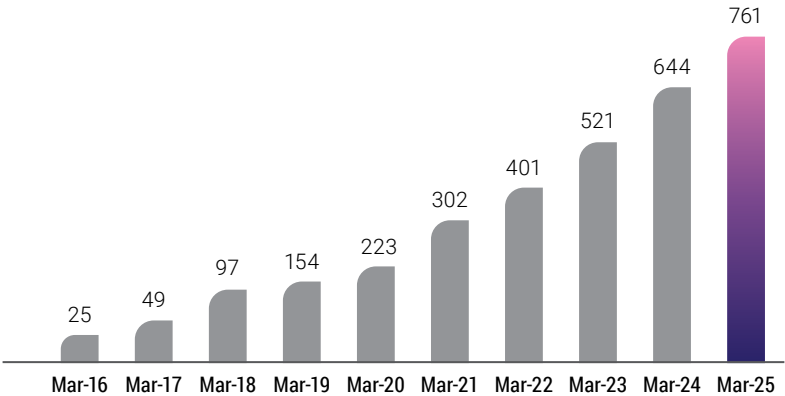
Launched in 2015, the Atal Pension Yojana (APY) is a flagship government initiative aimed at providing retirement income security for India’s vast unorganised workforce. The scheme aims to foster a culture of long-term financial planning among low-income earners, particularly younger gig and informal sector workers, by promoting early enrolment.

To improve participation, the scheme continues to explore flexible contribution models that reflect the variable income patterns common in informal employment. Technology integration is also a key enabler: digital platforms and mobile applications are simplifying enrolment, enabling real-time contribution tracking, and supporting seamless payments through digital wallets. These enhancements are expected to make APY more accessible, particularly in rural and semi-urban areas.

Looking ahead, policy-level innovations such as inflation-linked returns and expanded spousal benefits could further strengthen the scheme’s impact by offering more comprehensive retirement coverage. Such features would help address rising living costs while supporting broader financial security for beneficiaries’ families.

Cumulative Enrolments APY

(₹ in Lakhs)



Source: Ministry of Finance.

6.44 crore

enrolments under APY as of March 2025, showing widespread adoption.

As of March 2025, APY enrolments crossed 6.44 crore, with over 1.23 crore new subscribers added during the current financial year. This impressive outreach reflects the collective efforts of banks and financial institutions across India in promoting pension inclusion among economically vulnerable populations.



Flexible contributions and digital platforms make APY more accessible, especially in rural and semi-urban communities.

Vakrangee's Role:

Vakrangee plays a pivotal role in advancing the APY mission by bridging the last-mile gap in pension access. Through its extensive nationwide network of Vakrangee Kendras, the Company helps individuals enrol in essential social security schemes such as APY, PMJJBY, and PMSBY. These Kendras specialise in delivering convenient, assisted services, offering instant policy issuance with zero waiting periods. In FY2025, Vakrangee sold more than 14.8 Lakh Insurance and Pension Schemes. Vakrangee further simplifies the process by utilising digital transactions to eliminate paperwork and reduce friction for first-time users.

By bringing pension and insurance coverage to underserved and remote regions, Vakrangee is enabling millions of Indians to plan for a dignified and secure retirement, in line with the government's broader agenda for financial inclusion and social protection.

Inclusive Growth Through Digital Banking

As of June 2024, India's banking system comprises 13 public sector banks, 21 private sector banks, 44 foreign banks, and 12 small finance banks, supported by a rapidly expanding digital infrastructure. The number of on-site ATMs and Cash Recycling Machines (CRMs) totalled 1,26,772. In the first four months of FY23 alone, banks installed 2,796 new ATMs, representing a notable increase over the 1,486

installed in FY22 and the 2,815 installed in FY21. Notably, 100% of new bank account openings in rural India are now conducted digitally, underscoring the sector's transformation.

According to BCG, digital payments are projected to account for 65% of all transactions by 2026. In 2024, total banking assets stood at ₹16,12,808 crore (US\$1,861.72 billion) in the public sector and ₹10,95,245.8 crore (US\$1,264.28 billion) in the private sector, with public sector banks commanding a 59.53% share of the total banking assets, including those of foreign banks. Interest income in 2024 reached ₹11,09,730 crore (approximately US\$128.1 billion) for public banks and ₹8,29,049 crore (approximately US\$95.7 billion) for private banks, reflecting healthy credit growth. Digital transactions, particularly those conducted through Unified Payments Interface (UPI), have experienced exponential growth.

By FY25 (up to June), UPI volumes stood at 2,762 crores, with 602 banks actively participating as of July 2024. Notably, India accounted for nearly 46% of the world's digital transactions in 2022. According to the RBI's Scheduled Banks' Statement, total deposits across all scheduled banks soared to ₹2,28,91,936 crore (US\$2,626.13 billion)

In 2024, public sector banks held 59.5% of total assets, totalling ₹16.13 lakh crore, versus ₹10.95 lakh crore in the private sector.



By FY25 (up to June), UPI volumes stood at 2,762 crores, with 602 banks actively participating as of July 2024.

Management Discussion and Analysis (Contd.)

as on January 10, 2025, signalling robust financial intermediation and depositor confidence.

Over the last decade, India's banking industry has undergone a profound transformation. Technological innovations, regulatory reforms, and an inclusive growth agenda have reshaped the sector, making it more accessible, efficient, and innovation driven. The proliferation of smartphones and rising internet penetration have accelerated the adoption of digital banking, even in remote regions. Services like AI-powered chatbots, cloud computing, and data analytics have enabled banks to personalise offerings, scale cost-effectively, and improve customer engagement.

In parallel, the rise of FinTechs has disrupted traditional banking models by introducing agile and innovative solutions across lending, wealth management, insurance, and payments. As a result, incumbent banks have intensified their digital transformation efforts to remain competitive and relevant.

Financial inclusion has been a core national priority. Government-led initiatives in partnership with banks have brought millions of unbanked and underbanked citizens into the formal financial system. However, the shift to digital also brings new challenges. Cybersecurity risks are escalating, necessitating more robust data



Our diversified phygital model offers a broad range of services, reducing dependency on any single product and driving inclusive growth.



protection frameworks. At the same time, financial literacy gaps—particularly in rural India—must be addressed to ensure users can engage safely and confidently with the growing array of financial tools.

Vakrangee's Strategic Positioning

Vakrangee is well-positioned to align with the evolving banking landscape. Our phygital model integrates both physical infrastructure and digital platforms to deliver a broad portfolio of banking and financial services. We are not dependent on a single revenue stream, such as ATMs or banking products. Instead, we offer a diversified suite of services, including account opening, micro-loans, insurance products, fixed deposits, bill payments, demat account opening, loan recovery, healthcare, and e-commerce - all accessible through Vakrangee Kendras and the BharatEasy App.

The Company offers a wide array of services designed to enhance customer convenience and reduce dependency on any single product category. Its diversified non-cash banking portfolio includes account opening, loan facilitation, insurance distribution, fixed deposit mobilisation, and NPA recovery services. By maintaining a

65%

of all transactions are projected to be digital by 2026, according to BCG.

balanced mix, the Company effectively mitigates concentration risk traditionally associated with ATM- or banking-exclusive models. Beyond banking, Vakrangee offers an extensive suite of value-added services, including e-commerce, comprehensive healthcare solutions, utility and bill payments, travel bookings, mobile recharges, PAN card assistance, and online demat and trading account openings. Notably, the Company offers one of the most attractive commission structures in the industry, further incentivising participation and driving sustained partner engagement.

Our franchise-based model ensures entrepreneurial participation at the grassroots level, while our industry-best commission structure incentivises superior service delivery. By embracing next-gen technologies and building strategic partnerships, we are not only future-ready but also equipped to play a vital role in India's digital and financial inclusion journey.

Expanding Horizons: Vakrangee's Foray into Credit Enablement and Loan Recovery

Vakrangee is strategically expanding its role within the banking ecosystem by moving beyond liabilities facilitation, traditionally focused on aiding banks with Current and Savings Account (CASA) deposit mobilisation, towards active participation in the asset side of the business. In alignment with the Reserve Bank of India's regulatory framework for Banking Correspondents (BCs) and Loan Service Providers (LSPs), Vakrangee is positioning itself as a key enabler in the credit value chain.

Leveraging its extensive physical network of Vakrangee Kendras and its digital super-app, BharatEasy, the Company is now poised to act as a digital loan aggregator—connecting borrowers, especially from underserved and rural geographies, with suitable lending institutions. The BharatEasy App will play a pivotal role in digital loan

sourcing, enabling real-time discovery, application, and approval processes across a broad suite of loan products, including personal, MSME, education, and agri-credit. Vakrangee will generate commission-based income from successful loan disbursements, creating a scalable, high-margin revenue opportunity.

Furthermore, Vakrangee plans to expand its service suite to support loan collections and facilitate the recovery of delinquent and non-performing assets (NPAs) on behalf of partner banks and NBFCs. Its trusted presence in Tier IV–VI markets offers a strategic advantage in last-mile recoveries and financial counselling. This comprehensive approach to credit distribution and lifecycle management strengthens Vakrangee's position as an integrated financial intermediary, empowering India's financially excluded segments with better access to formal credit systems.



Management Discussion and Analysis (Contd.)



Despite digital payment growth, ATMs and cash remain vital for India's lower-income and rural communities.

India's ATM and WLA Landscape: Strengthening Banking Infrastructure

India's ATM industry remains a critical pillar of the country's financial infrastructure, providing vital access to cash and banking services for millions, particularly in semi-urban and rural regions. As of FY2024, India has an installed ATM base of approximately 250,000, which is expected to grow to over 365,000 by FY2027, reflecting strong demand for banking touchpoints in underserved areas. White Label ATMs (WLAs), operated by non-banking entities in accordance with RBI guidelines, play a crucial role in expanding financial inclusion by complementing bank-owned networks and bridging last-mile banking gaps.

With a growing emphasis on cash recyclers, energy-efficient designs, and advanced security features, the Indian

ATM industry is undergoing a significant technology refresh. Over the next 24–36 months, an estimated 100,000 ATMs are projected to be replaced, driven by upgrades from Windows 7 to Windows 10 systems as well as enhanced compliance and security requirements. At the global level, the ATM market is forecast to expand at a CAGR of around 8.1% until 2027, supported by rising financial penetration in emerging markets across Africa, Asia-Pacific, and Latin America.

Despite the growth of digital payments, ATMs and cash infrastructure remain highly relevant in India's socio-economic context, particularly for lower-income and rural segments that still rely on cash-based transactions. Maintaining and upgrading this ATM ecosystem is vital to ensuring uninterrupted access to financial services for all citizens.

Our Role

The strategic acquisition of Vortex Engineering positions Vakrangee firmly within this evolving landscape. Vortex, an industry pioneer in low-power and cost-efficient ATMs with proprietary cash dispensers and nine patents, brings substantial technological and manufacturing capabilities to the table. The company recorded 1,596 ATM shipments in FY2024–25 and has an order pipeline exceeding 5,000 ATMs for FY2025–26. With Vakrangee's financial backing, Vortex is now poised to aggressively expand its participation in large-scale tenders, domestic replacement cycles, and international opportunities, including markets in MENA, Africa, and the Caribbean.

By integrating Vortex's ATM solutions into our vast Vakrangee Kendra network, we aim to deliver a comprehensive and modern banking infrastructure that enhances customer access while improving operational efficiencies and margins. Furthermore, our presence in both cash-based and digital financial services enables us to offer a comprehensive suite of banking solutions, thereby strengthening our position as a one-stop provider of financial empowerment.

Through this synergy, Vakrangee is poised to make a meaningful contribution to India's mission of financial inclusion while simultaneously tapping into global ATM demand, unlocking sustainable growth opportunities well into the future.

8.1 % CAGR
projected for the global ATM market
until 2027, fuelled by growing financial
inclusion in emerging economies.

Driving Insurance Inclusion Across Bharat

India's insurance industry is one of the most dynamic sectors in the country's financial ecosystem, ranking 10th globally and 2nd among emerging markets in terms of total premium volume. As of March 2023, the sector includes 57 insurers, comprising 24 life insurers, general insurers, standalone health insurers, and reinsurers, all overseen by the Insurance Regulatory and Development Authority of India.

Market Landscape and Growth Momentum

Amid evolving regulatory developments in FY2024–25, life insurers reported a 5.13% year-on-year increase in new business premiums (NBPs), reaching ₹3.97 trillion. This marks an improvement over the 2% growth recorded in the previous fiscal year, when NBPs stood at ₹3.77 trillion, as per data from the Life Insurance Council.



Life insurers' new business premiums grew 5.13% in FY2024–25, reaching ₹3.97 trillion, up from 2% growth in the previous year.

In March 2025, public sector general insurers reported a 5.5% year-over-year increase in gross direct premiums, primarily driven by growth in retail health insurance, which offset the weakness in commercial lines. In contrast, private sector general insurers saw a decline during the same period. Specialised insurers reported a sharp 36.2% decline in premiums in March 2025. However, for the full fiscal year (FY25), the segment saw only a marginal contraction of 0.7%, a notable improvement from the steep 29.3% drop in FY24, primarily due to a shift in crop insurance premiums away from the Agriculture Insurance Company of India Ltd. Standalone Health Insurers (SAHIs) experienced moderated growth of 11.1% in March 2025, down from the previous year, mainly due to regulatory changes such as the implementation of the 1/n rule in the latter half of the fiscal year. Despite this slowdown, SAHIs continued to gain market share, even as private general insurers experienced a decline in market share.



“Retail health insurance drove a 5.5% rise in premiums for public sector general insurers in March 2025, while private players saw a decline.”



Technology as a Key Enabler

The next decade, coined the “techade” by McKinsey, is set to redefine the Indian insurance industry. With smartphone penetration exceeding 70% and digital literacy improving even in rural belts, technology is no longer a differentiator but a necessity. Insurers are now integrating AI/ML algorithms to streamline underwriting, personalise product recommendations, and reduce fraud risk.

Digital transformation is also driving customer acquisition. Over 90% of policy purchases among new-age customers are now initiated online. McKinsey estimates that 40–50% of insurance distribution will be digital by 2030, with embedded insurance, digital platforms, and InsurTech partnerships playing a key role.

Management Discussion and Analysis (Contd.)



McKinsey estimates that 40-50% of insurance distribution will be digital by 2030.

Innovation and the Role of Ecosystems

The industry is shifting focus from mere scale to value-driven growth. New business models are emerging that are built around digital ecosystems, offering a mix of insurance, wellness, and financial services. For example, health insurers are combining wearable tech and preventive care platforms to create integrated wellness packages. This customer-centric approach aims to increase stickiness and unlock lifetime value beyond premium collections.

India's regulatory environment is also supporting innovation. The IRDAI's "sandbox approach", which allows companies to pilot new products and technologies with limited regulatory compliance, is helping startups and incumbents alike to test and scale innovative models without regulatory burden.

Future Outlook

By 2030, India's insurance market is projected to become the world's sixth largest. This journey will be led by digitally native insurers, tech-powered customer journeys, and integrated service ecosystems. However, challenges remain, including low financial literacy, trust gaps, and the need to ensure data privacy and cyber resilience in the face of rising digital transactions.

Nevertheless, with concerted efforts from the government, regulators, and the private sector, India's insurance industry is well-positioned to become not only larger but also more innovative, inclusive, and customer centric.



By 2030, India's insurance market is projected to become the world's sixth largest.



Our Role:

Vakrangee has partnered with leading insurance providers to bring simplified, accessible, and reliable insurance solutions to underserved segments of the population. By digitising the entire insurance journey - from paperless onboarding to instant policy issuance - the Company has positioned itself as a key enabler of insurance inclusion in rural and semi-urban India. With its widespread Vakrangee Kendra network and technology-driven approach, Vakrangee continues to bridge the protection gap, ensuring last-mile delivery of critical risk mitigation tools to millions of Indians.

During FY2024-25, Vakrangee strategically expanded its insurance portfolio by strengthening tie-ups with leading life, general and health insurance companies. These partnerships enabled the Company to offer a broader range of affordable, paperless insurance products across its pan-India Vakrangee Kendra network. By integrating with established insurers, Vakrangee ensured faster policy issuance, improved customer trust, and enhanced access to critical insurance services for underserved rural and semi-urban populations.

E-commerce: Bridging Urban-Rural Divide

India's e-commerce landscape is undergoing a transformative evolution, driven by increasing internet penetration, widespread smartphone usage, and the availability of low-cost data. Online shopping has become a widely adopted behaviour across demographics, with platforms now offering an expansive range of goods - from groceries and electronics to fashion and home essentials - delivered to even the remotest parts of the country. Flexible payment options, including digital wallets and cash-on-delivery, have further broadened the appeal of e-commerce by catering to diverse user preferences.

The emergence of social media commerce through platforms like Instagram and Facebook Marketplace is expanding access for small businesses and individual entrepreneurs, stimulating grassroots-level innovation and expanding reach. Government-led initiatives, such as Digital India, have played a catalytic role in narrowing the digital divide and fostering broader participation in the online economy.

Yet, challenges remain. Strengthening last-mile delivery infrastructure in rural India is crucial, as are continued efforts to mitigate risks such as counterfeit products and cybersecurity threats. Promoting digital literacy is equally

important to empower consumers to navigate online marketplaces with confidence and awareness.

The Open Network for Digital Commerce (ONDC), a government-backed initiative, is poised to be a game-changer in India's digital retail ecosystem. By unbundling traditional e-commerce models and allowing small sellers direct access to customers without reliance on dominant platforms, ONDC aims to democratise online commerce. It promises increased



competition, wider product availability, and better prices for consumers.

India's e-commerce industry, valued at Rs. 10,82,875 crore (US\$125 billion) in FY24, is projected to grow to Rs. 29,88,735 crore (US\$345 billion) by FY30, reflecting a compound annual growth rate (CAGR) of 15%. According

US\$ 345 billion
expected value of India's e-commerce industry by FY30, highlighting rapid expansion ahead.

to a joint report by real estate consulting firm ANAROCK and retail news platform ETRetail, the sector is further expected to reach Rs. 47,64,650 crore (US\$550 billion) by FY35, driven by increasing digital adoption and evolving consumer behaviour.

The Indian Beauty and Personal Care (BPC) market is experiencing rapid growth, projected to reach a Gross Merchandise Value (GMV) of Rs. 2,60,610 crore (approximately US\$30 billion) by CY27. This represents 5% of the global beauty industry. The market is expanding at an annual growth rate of around 10%, making it the fastest-growing BPC market among major economies.



India's e-commerce market is poised to triple by FY30, reaching ₹29.88 lakh crore (US\$345 billion) at a 15% CAGR.

Management Discussion and Analysis (Contd.)



India is home to the fastest-growing beauty and personal care market among major economies, projected to reach ₹2.60 lakh crore (approximately US\$30 billion) by 2027.

Our Role in India's E-commerce Journey

Vakrangee is actively empowering rural and underserved communities by enabling seamless e-commerce participation through its extensive network of Vakrangee Kendras. These Kendras offer assisted online shopping services, effectively bridging the digital divide and helping customers in remote regions to access a diverse portfolio of branded products and services.

Through partnerships with major players like Amazon, Decathlon, and

Digify on the BharatEasy Mobile Super App, customers can conveniently shop for goods online. Additionally, Vakrangee Kendras facilitate access to telemedicine and online pharmacy services via DocOnline, ensuring affordable healthcare reaches the last mile. Customers can also use these Kendras for bill payments, mobile/DTH recharges, and subscription-based OTT plans through MAX TV and Bharat BillPay, streamlining their essential financial transactions.

Vakrangee has strengthened its travel services offerings by collaborating with

partners like Yatra and RedBus, enabling assisted bookings for bus, flight, and hotel reservations. In the agri-services segment, alliances with platforms such as BigHaat provide farmers access to quality agricultural products and solutions.

In addition to enabling these third-party partnerships, Vakrangee has strategically moved into sourcing and distributing its private label and white-label consumer and retail products. The Company has started with the Apparel Segment, leveraging its pan-India franchise and master franchise network. The company is well-positioned to distribute these offerings efficiently and at scale.

Collectively, these initiatives are transforming Vakrangee Kendras into truly comprehensive, multi-category commerce hubs, advancing the company's mission of financial, digital, and social inclusion across India.

Empowering Bharat with Accessible E-Health Solutions

India's e-health sector is experiencing accelerated growth, driven by rising internet penetration and widespread smartphone adoption. Digital healthcare services are gaining momentum, especially in remote and underserved regions, where telemedicine is bridging the gap between patients and healthcare professionals. Virtual consultations enable timely medical advice, while e-pharmacies offer

the convenience of home-delivered medications, enhancing both accessibility and efficiency.

Nonetheless, challenges persist, including ensuring quality and affordability of care, safeguarding patient data, and closing the digital divide in rural areas. Government-led initiatives focusing on digital health literacy and telemedicine infrastructure are pivotal in fostering a more inclusive and robust healthcare ecosystem.



With a 24.4% compound annual growth rate (CAGR) projected through 2030, India is emerging as one of the world's fastest-growing digital health markets.



In 2024, tele-healthcare emerged as the dominant segment, accounting for approximately 58% of total market revenue.

India's digital health sector is undergoing a remarkable transformation, driven by a convergence of technology, government initiatives, and growing healthcare demands. As of 2024, the market is valued at USD 14.33 billion and is projected to grow significantly, reaching USD 52.40 billion by 2030. This reflects an impressive compound annual growth rate (CAGR) of 24.4% from 2025 to 2030, positioning India as one of the fastest-growing markets globally.



Management Discussion and Analysis (Contd.)



In 2024, tele-healthcare emerged as the dominant segment, accounting for approximately 58% of total market revenue. It also stands as the fastest-growing area within the digital health space. Other vital segments include:

- mHealth (mobile health applications and services),
- Healthcare analytics (data-driven insights and diagnostics), and
- Digital health systems (electronic health records and connected infrastructure)

On a global scale, the digital health market was valued at USD 285 billion in 2024 and is projected to grow to

USD 937 billion by 2030, at a CAGR of 22.3%. India currently represents around 5% of the global digital health market, and its rapid growth rate highlights its increasing influence, particularly within the Asia-Pacific region.

Our Role:

Vakrangee has proactively responded to the growing demand for digital health services by forging strategic partnerships with trusted names, including DocOnline and Corival Lifesciences/Biogetica. Through our assisted total healthcare services model, we offer customers access to virtual consultations with qualified medical professionals, including doctors, nurses, dietitians, and behavioural health experts, at affordable prices.

Leveraging our extensive Vakrangee Kendra network, we enable customers to order, pay for, and collect both prescription and over-the-counter medicines with ease. Additionally, we facilitate home-based blood testing and doorstep delivery of essential healthcare products through our partner ecosystem.

Expanding further, Vakrangee has collaborated with Biogetica to deliver a unique blend of traditional and modern healing solutions, offering a holistic approach to wellness. This integration of technology with comprehensive healthcare services positions us to empower millions of Indians with reliable and accessible health support.



Partnering with leading healthcare providers, Vakrangee empowers Indians with seamless access to modern and traditional health support.

India's Logistics Landscape: Driving Growth and Connectivity

India's logistics market in 2024 is characterised by strong momentum, driven by rapid economic growth and digital transformation. The surge in e-commerce has intensified the demand for swift and reliable logistics, catalysing the development of an extensive last-mile delivery ecosystem.

The country's growing stature as a manufacturing hub further reinforces the need for seamless domestic and international freight movement. Strategic infrastructure initiatives, such as the Dedicated Freight Corridors (DFCs) and the Baramulla project, are enhancing connectivity and are expected to significantly reduce transport costs, providing a solid foundation for sustained growth in the logistics sector.

Technological integration is reshaping operations, with automated warehousing, innovative inventory systems, and advancements in route optimisation and real-time tracking enhancing supply chain efficiency and visibility. The sector is also exploring emerging technologies, such as drones and electric vehicles, for sustainable and accelerated urban deliveries.

To fully realise its potential, the Indian logistics industry must address key challenges such as infrastructure deficits, workforce skilling, and greater formalisation. Achieving these goals will not only strengthen logistics capabilities but also make a meaningful contribution to India's economic advancement.

According to IMARC, the Indian logistics market was valued at USD 228.4 billion in 2024 and is projected to grow to USD 428.7 billion by 2033, expanding at a compound annual growth rate (CAGR) of 6.50% between 2025 and 2033. The rapid expansion of the e-commerce sector, combined with supportive government policies and a growing manufacturing base, drives this robust growth. Among the various modes of transportation, roadways continue to dominate the market due to their extensive reach and flexibility. Regionally, West and Central India account for the largest market share, reflecting their strong industrial and infrastructural presence.



Leveraging our vast Kendra network, we deliver trusted last-mile logistics that enhance convenience for millions nationwide.

Our Role:

Vakrangee has partnered with Delhivery to scale its courier and last-mile delivery services, leveraging the extensive Vakrangee Kendra network across India. This collaboration ensures reliable and cost-effective service delivery to both urban and rural customers. With a reputation built on trust and consistency, our logistics operations are enhancing accessibility and convenience for millions across the country.

USD 428.7 billion

projected size of India's logistics market by 2033, signalling vast growth opportunities.



Management Discussion and Analysis (Contd.)

Business Risks and Opportunities



A Board-led Risk Management Committee ensures proactive identification, evaluation, and mitigation of risks across Vakrangee's operations.

Risk Management Framework

In compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, our Board of Directors has adopted a comprehensive Risk Management Policy. This policy is designed to establish a robust framework for identifying, assessing, and mitigating risks in alignment with regulatory expectations, with the overarching goal of ensuring sustainable business growth and organisational stability.

To operationalise this vision, Vakrangee has instituted a systematic, structured, and proactive approach to risk management. This includes the implementation of robust decision-

making processes related to risk identification, analysis, and mitigation.

A dedicated Risk Management Committee, comprising primarily members of the Board of Directors, has been formed to oversee and evaluate the Company's risk management practices. This Committee holds overall responsibility for supervising risk mitigation efforts across the organisation.

Our risk assessment methodology follows a structured process that considers threats, vulnerabilities, likelihood of occurrence, severity of impact, and exposure across various scenarios. These protocols also comply with the Reserve Bank of India's guidelines on risk management for

banking correspondents and white-label ATM operations, as well as Regulation 21 of the Securities and Exchange Board of India's Listing of Securities (LODR).

The Board ensures the continued effectiveness of the risk management framework through ongoing evaluation and assessment. Department heads are accountable for implementing the risk management framework within their functions and report regularly to the Board and Audit Committee.

Vakrangee integrates forward-looking insights with a comprehensive risk strategy to identify and manage potential business risks, thereby supporting resilient and sustainable growth.

Roles and Responsibilities of the Board in Risk Management

To ensure a holistic and practical risk management approach, our Board of Directors assumes the following responsibilities:

- Accountable for establishing, overseeing, and ensuring the implementation of the risk management plan.
- Ensuring that all departments and business verticals adopt globally recognised best practices in their standard operating procedures (SOPs), align with ESG principles and UN Sustainable Development Goals (SDGs), and effectively address both business and legal risks.
- Defining the roles and responsibilities of the Risk Management Committee, delegating monitoring and evaluation functions, and allocating additional duties as needed.
- Implementing appropriate risk management mechanisms organisation wide.
- Engaging Independent Directors to provide unbiased perspectives during Board discussions, thereby strengthening the defensibility of the Company's risk profile.
- Maintaining a high level of awareness regarding strategic risk management and ensuring continuous monitoring.
- Establishing systems and controls to mitigate less significant risks, creating clear accountability structures, and embedding risk management into Board-level reporting and disclosures.
- Convening specific Board Committees as required to address particular risk concerns.

Composition of the Risk Management Committee

The Risk Management Committee is composed primarily of members from the Board of Directors. The composition and roles of this Committee are disclosed in the Corporate Governance section of this Annual Report.

Through this structured approach, Vakrangee aims to build a resilient, agile, and forward-thinking risk management ecosystem that supports long-term business continuity and value creation.

Risk Management Committee

Mr. Hari Chand Mittal - Chairman

Ms. Divya Dinesh Nandwana - Member

Mr. Sandeep Gaware - Member

Ms. Savita Keni - Member

The Committee has easy access to management and pertinent management information. It is mandated to meet at least once a year and may reach out to external experts or consultants as needed.

Furthermore, the Committee annually assesses all policies to verify their alignment with legislative mandates and organisational requisites. Information is officially communicated to all stakeholders once the risk management committee has assessed risks.



Management Discussion and Analysis (Contd.)

Driving Economic Empowerment

At Vakrangee, we not only work towards proactively mitigating risks but also strive to transform them into economic opportunities that drive profitability and deliver societal value. Our commitment

to national development is evident through the deployment of essential services, such as banking and ATM access, across more than 22,900 locations via our Vakrangee Kendras. These centres serve as vital last-mile

business correspondents, particularly instrumental in facilitating the distribution of government subsidies to Jan Dhan account holders in rural and underserved areas across India.

Embedding Sustainability into Risk Management

Sustainability is a foundational pillar of our risk management philosophy. Our framework has been designed to provide a structured and forward-looking approach to identifying, assessing, and mitigating risks while supporting sustainable and stable business growth.

To institutionalise this approach, our Board of Directors, along with Business and Department Heads, ensure that every business vertical develops Standard Operating Procedures (SOPs) that reflect global best practices. These SOPs are aligned with Environmental, Social, and Governance (ESG) standards and the United Nations Sustainable Development Goals (UN-SDGs), enabling the efficient mitigation of sustainability-related operational and legal risks.

We have also established a dedicated ESG Committee at the Board level to focus on key environmental, social, and governance issues relevant to our operations. This Committee plays a central role in strengthening our ESG credentials and guiding the Company toward leadership in responsible business practices.

Quarterly reviews are conducted to ensure continuous monitoring and evaluation of key strategic decisions and ESG-related initiatives. The ESG Committee is entrusted with the following responsibilities:

- **Review ESG Initiatives and Benchmarks:** Evaluate outcomes from ESG investor initiatives, global benchmarks, and surveys; oversee the implementation of recommended improvements.
- **Monitor Emerging ESG Risks:** Track and assess new ESG-related developments that may impact long-term value creation, ensuring organisational preparedness.



- **Evaluate Strategic ESG Alignment:** Examine business strategies through an ESG lens to ensure alignment with our sustainable development agenda.
- **Support SDG Integration:** Oversee the incorporation of Sustainable Development Goals into new initiatives, ensuring a positive contribution to global sustainability efforts.
- **ESG-linked Performance Review:** Assist the Nomination and Remuneration Committee in assessing senior management performance based on ESG deliverables.
- **Track GHG Reduction Efforts:** Monitor the execution and progress of the Company's greenhouse gas (GHG) reduction strategies, reinforcing our commitment to climate action.

Through this integrated and accountable approach, Vakrangee continues to uphold its commitment to economic inclusion, environmental stewardship, and long-term value creation for all stakeholders.

Pillar	Responsibilities
Environment	- Oversee implementation of environmental sustainability initiatives, monitor performance, identify challenges, and explore opportunities. - Supervise disclosures related to climate change and greenhouse gas (GHG) carbon emissions. - Collaborate with the Board Risk Management Committee to assess the adequacy of strategies for identifying and mitigating environmental and climate-related risks.
Social	- Monitor execution of social sustainability commitments across the Company, assess outcomes, address challenges, and explore avenues for positive social impact. - Oversee strategies and procedures for stakeholder engagement, ensuring alignment with the expectations of franchisees, customers, and suppliers. - Evaluate the effectiveness of programmes supporting human rights and diversity within operations and the supply chain. - Collaborate with the Board Remuneration Committee to oversee the inclusion, diversity, and cultural practices, including relevant frameworks.
Governance	- Evaluate the reputational impact of the Company's strategies and operational decisions. - Ensure policies and initiatives include appropriate safeguards for ethical and fair dealings with external stakeholders, including capital partners and suppliers. - Review and approve the Governance Management Framework for submission to the Board. - Annually assess and endorse the Sustainability Performance Pack, Corporate Governance Statement, and ESG achievements and goals for Board presentation.

By carrying out these duties, the Board ESG Committee plays a pivotal role in steering the Company towards sustainable and responsible practices that align with investors' expectations and global ESG benchmarks.

Business Risks

Risk is defined as the effect of uncertainty on objectives, measured by its potential consequences and the likelihood of those consequences occurring. It is an intrinsic aspect of all internal and external business operations and administrative activities.

As such, managing risk is a continuous responsibility shared across all levels of the organisation. Today, structured and formalised risk management has become an essential component of business best practices.

At Vakrangee, we take a proactive approach to navigating a dynamic



Strong governance and focused environmental and social strategies underpin our commitment to ethical, inclusive, and sustainable business.

environment by turning potential risks into opportunities for sustainable value creation. Our risk mitigation strategies are based on disciplined, methodical processes designed to address both developmental and stakeholder-related risks.

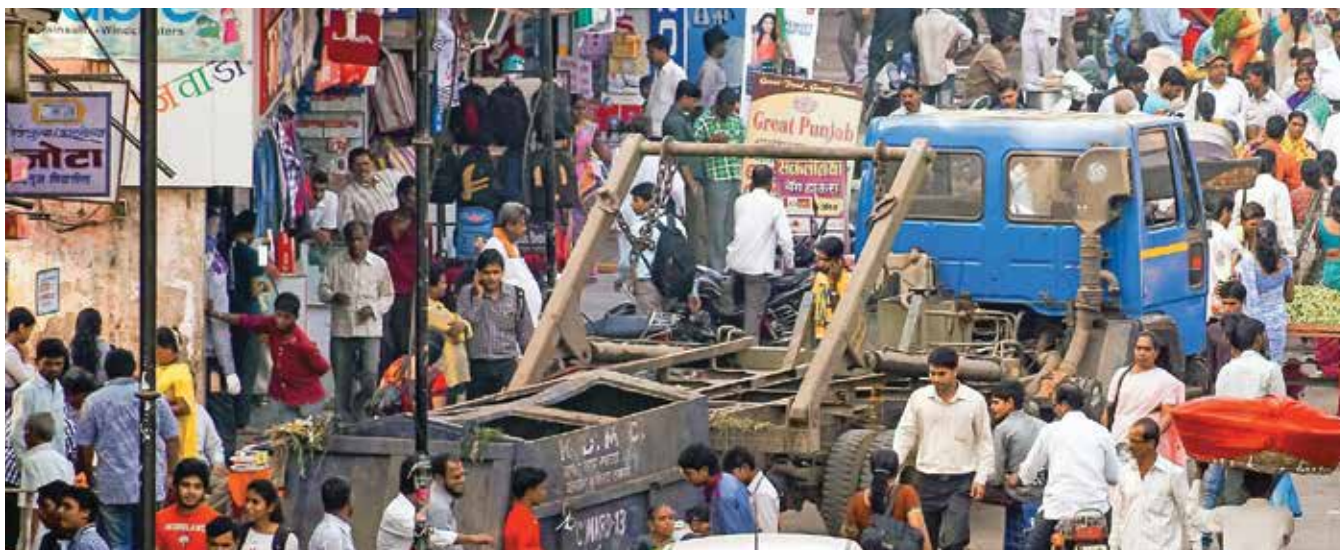
Our risk management framework includes detailed assessments aimed at identifying, analysing, and mitigating threats, vulnerabilities, and exposures that may impact the organisation. The process is structured into the following key steps:

Management Discussion and Analysis (Contd.)

- **Risk Identification:** This foundational step involves detecting and recognising potential risks, understanding their nature, and outlining the possible impact on the organisation.
 - **Risk Analysis:** Once risks are identified, a detailed analysis is conducted to evaluate the likelihood of occurrence and the potential extent of consequences. This provides a deeper understanding of the risk's possible influence on organisational goals.
 - **Risk Evaluation:** In this phase, the significance of each risk is assessed by weighing its likelihood against the severity of its outcomes. Risks deemed unacceptable are escalated for mitigation through suitable strategies.
 - **Risk Treatment:** Appropriate responses are developed and implemented to reduce identified risks to tolerable levels. These may include measures to eliminate or minimise risks, while also leveraging opportunities that may arise in the process.
 - **Risk Monitoring and Review:** Following the implementation of treatment plans, the Company continually monitors risks and the effectiveness of mitigation strategies in place. Regular evaluations ensure adaptability to evolving scenarios and reinforce the effectiveness of the risk management system.
- Through this comprehensive and iterative approach, Vakrangee maintains a resilient operational foundation, supporting sustainable business growth while safeguarding the interests of its stakeholders.

Risk Identification and Mitigation

Risk	Significance	Mitigation Measures	Linkages with Capital
Changes in Government Policies	Our business is closely aligned with government policies related to financial inclusion in semi-urban and rural India. Any change in these policies may significantly affect our operations.	We maintain a proactive stance by engaging with stakeholders, monitoring government policy changes, and participating in trade bodies.	Financial, Social and Relationship
Rapid Technological Transformation	Our operations rely on technologies such as the Internet of Things (IoT) and biometric systems. Disruptive innovations could affect profit margins.	We have adopted a next-generation digital model, implemented a unified payment platform, and continue to invest in advanced technologies, including digital and mobile platforms such as BharatEasy Super Mobile App.	Intellectual, Natural, Financial
Rise in Digital Payments and Cashless Economy	As India becomes increasingly cashless, traditional services such as ATMs and AEPS may face declining relevance.	We have diversified our offerings beyond cash-based services, including loans, insurance, e-commerce, and bill payments, to ensure long-term sustainability.	Intellectual, Financial
Heavy Dependence on Franchisee Model	Franchise expansion increases scale but may expose the brand to operational or reputational risks.	We may explore revenue-sharing models and alternatives, such as White Label ATMs, to mitigate risk.	Human, Manufactured, Social and Relationship, Financial



Risk	Significance	Mitigation Measures	Linkages with Capital
Legal Risk	Non-compliance with laws and regulations could expose the Company to legal liabilities.	Contractual compliance is ensured by experts who identify and effectively mitigate risks.	All Capitals
Financial Reporting Risk	Frequent regulatory changes can lead to ambiguity and compliance challenges.	We maintain high governance and transparency standards to navigate evolving norms.	Financial, Social and Relationship, Human
Corporate Accounting Fraud	Fraud risks include fund misuse, revenue misstatement, and expense suppression.	Measures include adherence to legal requirements, risk assessment, a whistleblower policy, internal controls, and the auditor's independence.	Financial, Social and Relationship, Human
Cyber Security Risk	Cyber threats, such as data breaches and hacking, can compromise stakeholder trust.	Security practices include endpoint validation, encryption, digital signatures, MAC, audits, and anti-skimming.	Financial, Social and Relationship, Human, Intellectual
Theft of Physical Assets	Franchise outlets and ATMs face risks of theft and damage, which can impact company assets.	We provide comprehensive insurance for assets and offer bundled ATM maintenance and insurance services.	Financial, Social and Relationship, Human, Manufactured

Management Discussion and Analysis (Contd.)

Risk Identified	Mitigation Strategy
Adapting to the evolving landscapes in the post-pandemic world and sustaining visibility with the customers	Launched BharatEasy Mobile Super App (Hybrid O2O), combining physical Kendras with online services; continued franchisee training and support; implemented CCTV, helpdesks, and offered doorstep banking during lockdowns.
Ensuring the security and safety of franchisees and their outlets, including ATM maintenance	A comprehensive insurance policy covers ATM and cash transactions up to ₹ 10 lakhs; ATM maintenance is supported through bundled services.
Incomplete activation of digital payment mechanisms such as QR code and UPI in Kendras	A Unified Payment Platform has been introduced to support card, UPI, AEPS, Aadhaar Pay, and QR payments. Kendras can now accept multiple payment methods, making them pioneers in AEPS banking along with UPI-enabled features in ATMs for Cash Withdrawal.
Dependency on government policies for financial inclusion in semi-urban and rural areas	Proactive stakeholder engagement, policy monitoring, and trade body representation; risk deemed low due to the government's push for inclusion.
India's transition to a cashless economy and reduced reliance on cash transactions	Diversified offerings beyond cash transactions: insurance, loans, healthcare, shopping, bill payment, trading accounts; highest commissions in the sector.
Rapid technological advancements are disrupting existing business models	Continuous tech evaluation and investment in cutting-edge systems; procurement aligned with regulations and upgrade readiness.
Risks arising from a franchisee-based business model	Option to shift to revenue-based models or integrate White Label ATMs if required.
Legal risks from non-compliance with laws and regulations	Team of experts ensures compliance, assesses contract risks, and limits liabilities to mitigate legal exposure.
Uncertainties due to evolving accounting and governance regulations	Strict corporate governance standards; regular compliance with SEBI and listing rules to mitigate ambiguity and cost.
Corporate accounting fraud involving misstatement or misdirection of financial data	Enforced code of conduct, risk assessments, whistle-blower system, internal controls, and cross-verification of key transactions.
Cybersecurity risks, including data leakage and privacy breaches	MAC, encryption, real-time monitoring, SSL, endpoint validation, key management through HSMs; compliance with ISO and PCI DSS.
ATM skimming attacks	Installed anti-skimming card readers on all ATMs to safeguard user data from fraud.

Risk Monitoring & Mitigation Framework

We have established a robust system to identify and monitor emerging risks proactively:

- **Risk Monitoring Tool:** We conduct detailed audits of network logs to identify and mitigate cyber threats. Data classification and provenance help ensure authenticity and access control.
- **Periodic Audits:** Regular audits ensure operational compliance with policies and regulatory standards.
- **Training Programmes:** Ongoing training for staff, ATM custodians, and operators promotes operational efficiency and risk awareness.
- **Surveillance:** CCTV systems at all Kendras provide 24/7 monitoring, supported by staffed outlets during business hours for added security.

Upon detection of risks, the Risk Management Committee escalates findings to the Managing Director or Compliance Officer, with critical issues reported directly to the Board for prompt action.



Proactive risk monitoring and ongoing training ensure security, compliance, and swift action across all Kendras.

Business Opportunities

Vakrangee Kendra: A Sustainable and Profitable Model

As India transitions toward a cashless economy, cash-dependent services, such as ATMs, face limitations on their growth. Vakrangee is well-positioned with a diversified, digital-first model that offers non-cash banking services (e.g., loans, insurance, deposits), as well as essential services such as healthcare, online shopping, PAN card applications, bill payments, and more, all supported by the industry's highest commission rates.

Digital Vakrangee Kendra – BharatEasy App

We launched the BharatEasy App, a mobile super app that integrates our broad service suite and leverages our strong Kendra network. This "phygital" (physical + digital) model enhances customer engagement, lowers acquisition costs, and supports scalable, last-mile service delivery in rural and semi-urban areas.



ONDC Integration

We are developing a buyer app on the ONDC platform to provide rural users with a seamless e-commerce experience and plan to list our services through the ONDC seller app. A dedicated seller app for local vendors near our Kendras is also in progress to improve visibility and service reach.

Vortex Acquisition: Strategic Entry into ATM Manufacturing

Our acquisition of Vortex Engineering, a Swadeshi 'Make in India' Company, unlocks a timely opportunity amid industry-wide ATM supply disruptions caused by import restrictions under India's 'Make in India' policy. With banks and financial institutions struggling to source ATMs, Vortex strengthens our vertical integration by enabling in-house manufacturing capabilities, cost efficiency, and faster deployment. This complements our Vakrangee Kendras, supports our expansion into underserved regions, and positions us as a key player in bridging the nation's ATM gap, with global scalability and revenue growth potential.

Management Discussion and Analysis (Contd.)

Financial Performance

(₹ in Lakhs except as stated)

Particulars	FY24	FY25	Change
Total Income	21492.1	25902.6	20.52%
EBITDA	2872.1	2812.3	-2.08%
EBITDA Margin (%)	13.36%	10.86%	- 250 bps
Profit Before Tax	586.3	959.9	63.72%
PBT Margin (%)	2.73%	3.71%	98 bps
Profit After Tax	435.3	639.0	46.80%
PAT Margin (%)	2.03%	2.47%	44 bps

Financial Analysis

Vakrangee Ltd. demonstrated a strong topline performance in FY2024–25, with total income rising by 20.52% from ₹21,492.1 Lakhs in FY2023–24 to ₹25,902.6 Lakhs in FY2024–25. This growth reflects the continued expansion of its service offerings and geographic footprint, driven by deeper rural penetration. We expect this trend to continue due to the introduction of new services, new verticals, including apparel retail and Vortex ATM manufacturing.

However, EBITDA witnessed a marginal decline of 2.08%, reducing from ₹2,872.1 Lakhs to ₹2,812.3 Lakhs. This decline, despite higher revenues, suggests an increase in operating expenses due to investments in new initiatives, network expansion, technology enhancements, and marketing efforts. Consequently, the EBITDA margin contracted by 250 basis points, from 13.36% in FY24 to 10.86% in FY25, pointing to the transitional phase of scaling operations and onboarding new business verticals.

Notwithstanding the decline in operating margins, the Company delivered a strong recovery in profitability. Profit Before Tax (PBT) increased by 63.72%, rising from ₹586.3 Lakhs to ₹959.9 Lakhs. The corresponding PBT margin improved by 98 basis points, from 2.73% to 3.71%, driven by better control over non-operational costs and possible gains from optimising resource utilisation and revenue diversification.

In line with the PBT trend, Profit After Tax (PAT) rose by 46.80%, increasing from ₹435.3 Lakhs in FY24 to ₹639.0 Lakhs in FY25. PAT margin improved by 44 basis points, reaching 2.47%, as the Company benefited from better fiscal discipline and tax management.

Vortex Engineering delivered a strong operational performance in FY2024–25, achieving 26.3% year-on-year revenue growth. The company shipped 1,596 ATMs, marking a 36.6% increase over the previous year. This surge highlights the rising demand and Vortex's increasing role in bolstering Vakrangee's ATM-led service portfolio.

Strong Balance Sheet and Robust Liquidity Position

Vakrangee Ltd. concluded FY2024–25 with a strong and resilient balance sheet, underscoring its ability to pursue strategic expansion while maintaining financial discipline. The Company reported a net worth of ₹21,166.9 lakh, reflecting a robust 30.6% year-on-year growth over FY2023–24 (₹16,211.1 lakh).

Notably, Vakrangee is now completely debt-free, having fully repaid its total debt of ₹1,205.7 lakh from the previous year. This positions the Company with a clean capital structure, providing greater financial flexibility and lowering interest burden, which is crucial for sustaining long-term profitability and navigating macroeconomic uncertainties.

₹ 25,902.6 Lakhs
in total income, reflecting a robust
20.5% growth year-on-year.

The Company's liquidity position remains solid, with cash and cash equivalents rising to ₹8,188.2 lakh, a significant increase from ₹4,868.0 lakh in FY2023–24. Coupled with an improvement in net current assets to ₹8,435.9 lakh (up from ₹4,947.8 lakh), Vakrangee has ample internal resources to fund its upcoming growth initiatives, including deeper rural penetration, digital transformation through the BharatEasy Super App, the apparel and ONDC retail push, and scaling up its ATM and technology operations via the Vortex acquisition.

Ratio Analysis

S. No.	Particulars	FY 2024–25 (%)	Remarks
1	Debtors Turnover (%)	1.03	Indicates the number of times we collect our average accounts receivable during the year. Based on the ratio between average trade receivables and revenue from operations (assumed to be all credit sales net of returns).
2	Inventory Turnover (%)	0.42	Measures how often inventory is sold and replenished during the year and is calculated as the ratio of revenue from operations to average inventory for FY 2024–25.
3	Interest Coverage Ratio (%)	3.95	Reflects our ability to cover interest expenses with operating earnings.
4	Current Ratio (%)	0.96	Measures our ability to meet short-term obligations with short-term assets, indicating strong liquidity.
5	Debt Equity Ratio (%)	0.00	Debt free Company. Compares total debt with shareholders' equity, indicating the leverage level.
6	Operating Profit Margin (%)	15.21	Computed using EBIT (excluding exceptional items), indicating core profitability.
7	Net Profit Margin (%)	4.48	Shows the percentage of revenue remaining as net profit after all expenses and taxes.
8	Return on Net Worth (%)	4.97	Measures profitability to shareholders' equity; improvement is driven by higher net profit.

* The above figures and calculations are on a standalone basis.



Through our scalable franchise network and hybrid model, we are transforming service delivery across 32 states and Union Territories.

Manufactured Capital

We have made significant headway in realising our vision of delivering essential services across every corner of the country, ensuring accessibility and inclusion for all. Our widespread presence in remote and underserved regions, coupled with the continuous evolution of our service offerings, has played a pivotal role in advancing financial, digital, and social inclusion. By embracing a distinctive hybrid model that blends physical outlets with digital platforms, we have enhanced our service delivery, enabling greater convenience and reach.

As of FY2025, we operate 22,986 active transacting Vakrangee Kendras across 32 States and Union Territories. To support and expand this growing network, we have appointed Master Franchisees in 546 districts. These franchisees play a crucial role in supporting existing outlets and driving new franchise acquisitions, thereby enhancing operational scalability and efficiency.

Management Discussion and Analysis (Contd.)

Our network also extends into some of India's most underserved geographies, including Left-Wing Extremist (LWE) regions, tribal areas, and Aspirational Districts. Within these regions, we have established 5,648 Kendras, ensuring access to high-quality services in deeply rural and economically marginalised zones. Notably, more than 83% of our centres are in Tier IV, Tier V, and Tier VI towns and villages, spanning 32 states, 609 districts, and 5,835 postal codes—reinforcing our commitment to inclusive, last-mile service delivery.

Our dedication to quality and continuous improvement is reflected in our ISO 19600:2014 certification. This globally recognised standard underscores our implementation of practical Compliance Management Systems (CMS) and our unwavering focus on compliance management and operational excellence.

Furthermore, we are aligned with ISO 20400 standards, which guide sustainable procurement practices. As an ISO 20400-compliant organisation, we follow a structured, internationally recognised framework to integrate environmental, social, and ethical

considerations into our procurement processes. While the standard does not impose direct requirements on suppliers, it empowers us to enhance our internal sustainability practices and contribute meaningfully to the development of a responsible and transparent supply chain.

Human Capital

At Vakrangee, we are committed to fostering a culture that is rooted in inclusivity, continuous improvement, and equal opportunities for all employees. By encouraging collaboration, teamwork, and entrepreneurial thinking, we empower our workforce



to leverage their strengths, pursue innovation, and access the resources needed to excel in their roles.

Recognising our employees as key stakeholders, we place a high priority on their professional development and growth by continually investing in skill enhancement and knowledge-building initiatives. With a dedicated workforce of over 555 individuals across Vakrangee Group, we demonstrate an unwavering commitment to nurturing talent.

Our sustained investment in human capital has yielded higher productivity, enhanced employee loyalty, and a more motivated workforce. By valuing and empowering our people, we cultivate an environment that enables them to reach their full potential and contribute to our shared vision.

We uphold ten principles of United Nations Global Compact (UNGC), which cover human rights, labour, environment, and anti-corruption, integrating these values into our culture, strategy, and daily operations.



By valuing talent, nurturing skills, and fostering a culture of fairness, Vakrangee is creating a workplace where every employee can thrive.



With over 555 dedicated employees and a focus on equality, innovation, and growth, we are building a resilient and future-ready organisation.



The key drivers of our human capital approach include:

1. **Organisational Culture:** We cultivate a meaningful workplace through continuous engagement, merit-based decision-making, equal treatment, and transparent processes.
2. **Technological Leverage:** We prioritise digital innovation, process automation, and advanced tools to manage field operations and business activities efficiently.
3. **Human Rights:** We strictly adhere to labour laws, promote awareness, ensure equal opportunities, maintain a harassment-free environment, and operate a robust grievance redressal mechanism.
4. **Diversity and Inclusion:** We prohibit discrimination on any grounds and actively foster diversity through inclusive recruitment, mentorship, and retention programmes.
5. **Gender Equality:** We support gender equity through initiatives focused on pay parity, transparency, bonuses, flexible work options, and fair increment practices.
6. **Targeted Recruitment:** We aim to recruit top talent from diverse backgrounds nationwide, reinforcing our commitment to inclusivity.
7. **Mentorship:** We offer structured mentorship to support professional growth, complemented by training in ISO standards and behavioural skills.
8. **Training and Development:** Our comprehensive programmes cover technical skills, induction, and behavioural training to upskill employees.
9. **Talent Retention:** Our low voluntary attrition rate of 2.80% in FY 2024–25 reflects our efforts to retain skilled employees.
10. **Employee Satisfaction:** We conduct surveys and engagement activities and provide in-house support to maintain high employee satisfaction levels.
11. **Health and Safety:** We prioritise well-being through the Employee Assistance Program, wellness initiatives, yoga, fire safety training, and regular emergency drills.
12. **Grievance Redressal:** A dedicated team of qualified professionals ensures effective resolution of stakeholder concerns.

Together, these initiatives strengthen Vakrangee's commitment to creating a resilient, engaged, and high-performing workforce.

Management Discussion and Analysis (Contd.)

Social and Relationship Capital

At Vakrangee, we place high importance on cultivating strong and transparent relationships with our stakeholders. Our approach to Social and Relationship Capital centres around consistent engagement and mutual trust. By actively listening to the expectations of our stakeholders, including franchisees, customers, business partners, suppliers, shareholders, and local communities, we aim to build long-term, meaningful partnerships.

Transparency forms the foundation of our interactions with stakeholders. We foster collaboration through well-defined communication channels and engagement strategies tailored to each group's specific needs. To reinforce this commitment, we have implemented a range of policies, including the Sustainable Sourcing Policy, the Green Procurement Policy, the Corporate Social Responsibility (CSR) Policy, the Political Involvement Policy, and the Shareholder Engagement Policy. These frameworks guide our actions and help align our operations with the evolving needs of stakeholders.

Shareholders

We maintain active communication with our shareholders through investor presentations, press releases, roadshows, and General Meetings. These sessions are recorded and made available on our website to ensure transparency and accessibility.

Franchisees

Our franchise partners are the backbone of our service delivery model. We support them through initiatives that promote rural entrepreneurship, employment generation, and skill development. We have also introduced doorstep banking services, specifically designed to assist senior citizens and pensioners. Additionally, telemedicine services included in our Total Healthcare offering allow patients to consult with qualified doctors remotely, eliminating the need for in-person visits.

Suppliers and Vendors

We work closely with our suppliers to uphold social and environmental standards. During the year, we assessed four vendors for their ESG performance and conducted regular meetings and internal audits to monitor compliance with our sustainability guidelines.

Customers

Our core mission is centred on enabling inclusive growth through a sustainable business model. We aim to bridge the gap in financial, digital, and social access for underserved populations, offering them an integrated suite of services through our Vakrangee Kendras and digital platforms.



Government and Regulatory Authorities

While we do not engage directly with government entities, we operate under a licence from the Reserve Bank of India (RBI) to deploy and manage White Label ATMs. We are currently the third-largest operator of rural ATMs in India. We also serve as a Corporate Business Correspondent to several nationalised banks. We are active members of recognised industry associations, including the Confederation of ATM Industry (CATMi), Business Correspondent Federation of India (BCFI), and National Payments Corporation of India (NPCI).

Local Communities

We contribute to the well-being of the local community through our CSR initiatives. These include sponsoring events, such as marathons, to promote active lifestyles among employees and the broader community. We also operate a multi-speciality hospital in Kota, offering a wide range of treatments—such as cardiology, neurology, and general surgery—on a no-profit, no-loss basis, ensuring accessible healthcare for all.

To demonstrate our commitment to responsible business practices and stakeholder well-being, we have attained multiple ISO certifications that reflect our adherence to quality, sustainability, and ethical conduct.

Intellectual Capital

At Vakrangee, growth and innovation remain at the core of our strategy. Despite the challenges posed by the pandemic, we continued to enhance our service delivery. We remained steadfast in our mission to bridge the urban-rural divide through robust last-mile connectivity. Our investments in advanced technologies have not only improved operational efficiency but also empowered our franchise network, enabling both new and existing partners to elevate their service levels.

During FY2024–25, we achieved several key milestones that reflect our commitment to technological excellence, operational resilience, and customer trust.



Our focus on technology and resilience has fuelled smarter operations and deeper reach across India's urban and rural landscapes.

Management Discussion and Analysis (Contd.)

We have obtained multiple ISO certifications that establish our adherence to internationally recognised standards for process management, data security, and business continuity:

- ISO/IEC 27001:2013 – Information Security Management System: This certification ensures the protection of sensitive corporate and customer data, reinforcing our cybersecurity posture.
- ISO 27701 – Privacy Information Management System: It supports compliance with regulatory, legal, and ethical requirements for privacy and risk management.
- ISO 22301 – Business Continuity Management System: This framework equips us to prepare for, respond to, and recover from disruptive events, ensuring service continuity.

In line with our digital-first strategy:

- All 22,986 franchisees and employees have been trained in advanced technology tools, building a digitally competent workforce.
- Zero data breaches were recorded across corporate offices and retail outlets, underscoring the robustness of our cybersecurity practices.
- 100% of our franchisees, including all 6,000+ ATM partners, are now equipped with IoT-enabled systems and electronic surveillance tools for improved security and performance monitoring.
- We introduced contactless payment options at Next-Gen outlets to improve convenience and hygiene.

To further enhance customer interaction and efficiency, we integrated emerging technologies:

- Our AI-powered Chatbot Interface, supported by Natural Language Processing (NLP), enables contextual and intuitive customer conversations, streamlining communication and service delivery.
- We deployed Virtual Assistants to provide an immersive and spatial service experience, simulating physical interactions remotely.
- Through the Internet of Things (IoT), we offer remote device control and monitoring, enhancing convenience and efficiency.
- By implementing Blockchain technology, we ensure secure, transparent, and traceable transactions within our operational network.
- With the use of Big Data analytics, we extract actionable insights from large datasets to support strategic decision-making.
- Our adoption of Augmented Reality (AR) and Virtual Reality (VR) solutions allows customers to preview products and services virtually, enriching the pre-purchase experience.

These initiatives reflect our unwavering commitment to building a future-ready enterprise that leverages digital innovation to deliver inclusive, secure, and high-quality services nationwide.



22,986

franchisees and employees trained in advanced tech, building a digitally skilled workforce nationwide.



At Vakrangee, sustainability isn't a choice, it's a commitment to protect natural capital while driving inclusive growth.

Natural Capital

At Vakrangee, we believe that true success extends beyond financial performance—it is equally defined by the positive environmental and social impact we create. As part of our commitment to sustainable development and responsible business practices, we have launched initiatives that reflect our dedication to environmental stewardship.

We go beyond regulatory compliance, actively seeking ways to conserve resources, adopt cleaner technologies, and reduce our ecological footprint. Our sustainability efforts are spearheaded through focused programmes such as the National Capital Chapter, which champions initiatives that benefit both our organisation and the environment.

We continuously integrate renewable energy, efficient waste management, and eco-friendly technologies across operations to foster a greener future. These efforts are deeply embedded in our business model, supported by well-defined corporate policies that provide direction on conducting business responsibly.

Key Impact Highlights

- **Paperless Transactions:** We have introduced paperless ATMs under our Go-Green Initiatives, reducing the need for physical receipts and minimising waste.
- **Biometric-enabled Banking:** Our biometric-based, paperless banking services at Vakrangee Kendras significantly reduce paper usage and streamline eco-friendly financial inclusion.
- **Rural Expansion & Carbon Reduction:** By expanding our Kendra network in remote areas, we reduce the need for long-distance travel, thereby cutting down on fuel use and greenhouse gas emissions.
- **Sustainable Office Infrastructure:** Our corporate offices are designed in line with Green Building standards, featuring energy-efficient layouts, rooftop solar installations, and the use of recycled materials.
- **Green Mobility Practices:** We encourage employees to use carpools, vanpools, bicycles, and public transport to lower transportation-related emissions.
- **Minimal Ecological Disruption:** By leveraging existing structures for our Kendras, we avoid land clearing and reduce disturbances to biodiversity, conserving both water and energy resources.
- **Clean Water Access:** All Kendras are equipped with clean drinking water facilities, which primarily benefit rural populations and reduce dependence on single-use plastic bottles.
- **Waste Circularity & Reduction:** We adopt circular waste management systems by recycling and promoting eco-friendly disposal methods, including replacing plastic bottles with reusable glass alternatives in offices.
- **Emission Reduction & Energy Efficiency:** We are committed to reducing our carbon footprint through renewable energy adoption, digitisation of services, and promotion of energy-saving practices.
- **Certified Environmental Management:** Our ISO certifications in Environmental Management, Sustainable Procurement, Energy Management Systems demonstrate our alignment with global environmental standards and reinforce our commitment to responsible growth.

Through these comprehensive efforts, Vakrangee continues to make strides towards sustainable progress, ensuring that environmental responsibility remains integral to our growth journey.

Management Discussion and Analysis (Contd.)

Driving Inclusive Growth through ESG

We have aligned our sustainability initiatives with the United Nations Sustainable Development Goals (UN SDGs), which serve as a global framework for building a better and more inclusive future. By integrating digital transformation with physical infrastructure, we aim to address critical global challenges, including poverty, inequality, climate change, and environmental degradation, while promoting peace, justice, and economic prosperity.

Our Environmental, Social and Governance (ESG) framework is built on

the principles of holistic development. ESG considerations are embedded into our core business processes, enabling us to drive sustainable growth while promoting financial, digital, and social inclusion across India. Through both physical outreach and digital platforms, we empower underserved communities, bridging the urban-rural divide in terms of access to essential services.

We support national financial inclusion efforts through initiatives such as the Pradhan Mantri Jan-Dhan Yojana (PMJDY) and other social security schemes, facilitating access to banking, insurance, pensions, and government subsidies via Direct Benefit Transfers (DBT).

Beyond inclusion, we are committed to fostering entrepreneurship and innovation. Our goal is to establish a presence in every district and postal code across India, making essential services accessible within proximity or via digital means. Our “phygital” approach—blending physical presence with digital capabilities—enables entrepreneurs to offer a diverse suite of services under one roof, transforming each outlet into a hub of economic activity.

By empowering franchisees and local entrepreneurs with training, tools, and technology, we aim to build a vibrant entrepreneurial ecosystem. Through our flagship motto “Sab Kaam Ek Dukaan” (Now, the Whole World is Nearby), we inspire innovation, drive employment, and unlock nationwide economic development.

Our strategic focus is clear: to deliver impact at scale by combining sustainability, inclusivity, and entrepreneurship, creating a truly transformative business model for India’s future.



With a strong focus on holistic development, Vakrangee is transforming underserved communities into centres of opportunity, progress, and sustainable economic activity.



The Vakrangee Effect

At Vakrangee, we have pioneered a transformative model, “The Vakrangee Effect,” that combines economic, social, and governance principles to deliver sustainable growth and inclusive development. By embracing a unique phygital model—integrating physical and digital infrastructure—we have successfully empowered large sections of society that were previously excluded from mainstream economic activity.

Our business strategy is fully aligned with the United Nations’ Sustainable Development Goals (SDGs). Through strategic partnerships with government bodies and the corporate sector, we strive for financial, digital, and social inclusion, particularly in rural India. Our mission is deeply rooted in addressing pressing global challenges, including poverty, inequality, environmental degradation, and climate change, while promoting peace, prosperity, and justice.

Our efforts aim to foster stronger community participation, which in turn fuels industrial growth, agricultural development, and market expansion for essential products and services. This, in turn, amplifies the contribution of rural India, representing more than half of the nation’s GDP, towards national economic progress.

A cornerstone of our strategy is the Master Franchisee Model, currently operational in 546 districts across 32 states and UTs, which provides vital on-the-ground operational support and



drives franchise expansion. Our goal is to achieve 100% district coverage by March 2026. This decentralised approach strengthens our support system, enhances service delivery, and ensures deeper rural penetration.

Fuelling Growth through Entrepreneurship

In FY2025, we are placing a greater emphasis on entrepreneurship as a key driver of growth. By empowering master franchisees and local Kendra operators, we foster a scalable and resilient distribution model. These entrepreneurs bring local insight, ownership, and agility to our operations, ensuring customised service delivery and sustainable network expansion.

We incentivise performance through structured commissions and rewards, nurturing a culture of excellence and continuous improvement. Master franchisees play a pivotal role in ensuring compliance, supporting franchisee operations, and accelerating network growth across regions.

This entrepreneurial ecosystem not only propels our business objectives but also generates socio-economic benefits for the communities we serve. By enabling local businesses, promoting digital access, and delivering government services, we are laying the foundation for a more inclusive, connected, and economically vibrant India.

Vakrangee’s long-term vision is to ensure universal access to essential services—both physical and digital—across every district and postal code in India. As we continue to evolve into India’s leading retail access platform, our focus remains on innovation, sustainability, and inclusive progress.

100%

district reach by 2026, scaling impact through our Master Franchisee Model.

Management Discussion and Analysis (Contd.)

Bridging India's Socio-Economic Divide through Vakrangee Kendras

At Vakrangee, our commitment to inclusive development extends across every dimension of social, financial, and digital empowerment. Through our innovative phygital (physical + digital) model and Next-Gen Kendras, we are bridging the gap between urban and rural India, bringing opportunity, convenience, and essential services to the most remote corners of the country.

- Enhancing Skills and Employment:** Our inclusive approach prioritises skill development, hiring individuals from diverse socio-economic backgrounds and equipping them with comprehensive training and certifications in Aadhaar and banking services. With every Kendra, we are mandated to employ at least 1–2 local staff. Our franchise-led model generates significant employment at the grassroots level, amplifying economic security in underserved regions.
- Strengthening E-Governance:** We empower citizens with identity recognition and access to government welfare schemes by facilitating e-governance services. Our Kendras act as direct touchpoints for Aadhaar enrolments, benefit transfers, and other welfare programmes, significantly improving service delivery and public reach.
- Advancing Financial Inclusion:** Through biometric-enabled banking, insurance, and pension services, we bring formal financial systems to those who are unbanked. Direct Benefit Transfers (DBT) are streamlined through our infrastructure, ensuring last-mile delivery of subsidies and fostering participation in India's economic progress.
- Driving Digital Empowerment:** Vakrangee Kendras are transforming digital accessibility. Our real-time interoperable banking, e-commerce solutions, and assisted digital services extend digital literacy and access to marginalised populations, enabling participation in the digital economy.



“

At Vakrangee, we're not just delivering services, we're unlocking opportunity, building skills, and connecting rural India to the nation's digital and financial future.

5. **Reducing Urban-Rural Disparities:** With our “Ab Poori Duniya Pados Mein” concept, we deliver equal service quality, pricing, and access in both rural and urban markets. Our One-Stop Digital Convenience Stores ensure that people in LWE-affected regions, tribal belts, and aspirational districts receive the same services as those in metropolitan areas.
6. **Promoting Economic Growth through Local Entrepreneurship:** Franchise-led operations are a central component of our model. By training and empowering local entrepreneurs, we not only create jobs but also enable them to run their successful businesses. These franchisees gain access to digital and financial infrastructure that would otherwise be out of reach, propelling economic mobility.
7. **Supporting Rural India with Seamless Services:** Serving the 1.3 billion people in rural India, we tailor our service delivery to local needs. From banking and e-commerce to healthcare, insurance, and travel bookings, our Kendras are at the forefront of bringing convenience to rural doorsteps, supported by government incentives promoting digital payment systems.
8. **Building a Self-Sustaining Financial Ecosystem:** With our expanding ATM network, AePS infrastructure, and insurance partnerships, we create a holistic ecosystem for financial empowerment. Our Kendras reduce the need for long-distance travel and deliver a comprehensive range of products and services under one roof.

Through this integrative model, we are not just bridging gaps - we are transforming rural India into a digitally and financially included society, empowered by local entrepreneurship. Vakrangee is building a future where every Indian, regardless of their geographical location, enjoys equitable access to services, opportunities, and growth.



Cautionary Statement

The statements in the Management Discussion and Analysis that describe the Company's objectives, projections, estimates, and expectations are “forward-looking” as defined by applicable securities laws and regulations. These projections are not guarantees of future performance and are subject to risks, uncertainties, and other factors that could cause actual results to differ materially from those contemplated by the forward-looking statements. Key factors that could influence the Company's operational results include varying economic conditions that impact demand, supply, and prices in domestic and international markets where the Company operates, changes in government regulations, tax laws, and other statutory modifications, as well as other incidental factors.

Directors' Report

Dear Shareholders,

The Board of Directors ('Board') of Vakrangee Limited ('Company') expresses profound grief on the sad demise of Mr. Dinesh Ji Nandwana – the Chairman Emeritus of the Company. The Board places on record its deep respect and enduring gratitude to Mr. Dinesh ji and praises his contribution as a first-generation entrepreneur who played an important role in bringing the company to its present level based on very strong fundamentals and further conveyed the heartfelt condolence to the bereaved family. Mr. Dinesh Ji's legacy of innovation, philanthropy, and commitment to excellence will continue to inspire us in times to come.

The directors take pleasure in presenting 35th Annual Report on the affairs of the Company together with the Audited Statement of Accounts for the financial year ended March 31, 2025.

1. Performance of the Company

The Company's performance is summarized below:

Financial results

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2024-2025	2023-2024	2024-2025	2023-2024
Revenue from Operations	18,206.50	18,363.66	25,500.74	21,258.21
Other Income	287.72	187.65	401.88	233.89
Profit / Loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	2,769.21	2805.61	2,812.34	2872.08
Less: Depreciation/ Amortisation/ Impairment	1,532.47	1569.08	1,669.69	1569.08
Profit/Loss before Finance Costs, Exceptional items and Tax Expense	1,236.74	1236.53	1,142.65	1303.00
Less: Finance Costs	109.35	771.17	182.76	771.17
Profit /Loss before Exceptional items and Tax Expense	1,127.39	465.36	959.89	531.83
Add/(Less): Exceptional Expense	-	54.44	-	54.44
Profit /Loss before Tax Expense	1,127.39	519.80	959.89	586.27
Less: Tax Expense (Current & Deferred)	311.78	133.14	320.88	151.01
Profit /Loss for the year (1)	815.61	386.66	639.01	435.26
Total Comprehensive Income/Loss (2)	(64.86)	(11.46)	1.88	(3.98)
Total (1+2)	750.75	375.20	640.89	431.28
Balance of profit /loss for earlier years	5,899.65	6,042.75	10082.73	10,177.23
Less: Transfer to Reserves	-	-	-	-
Less: Dividend paid on Equity Shares	(540.34)	(529.76)	(540.34)	(529.76)
Less: Dividend Distribution Tax	-	-	-	-
Add: Derecognition of subsidiary	-	-	-	-
Less: Transfer on Demerge	-	-	-	-
Balance carried forward	6174.92	5,899.65	10,201.71	10,082.73

PERFORMANCE

Standalone:

Your Company's total income during the year under review was ₹ 18,494.22 Lakhs as compared to ₹ 18,551.31 Lakhs in the previous year. The Profit after tax was ₹ 815.61 Lakhs as compared to ₹ 386.66 Lakhs in the previous year.

Consolidated:

Your Company's total income during the year under review was ₹ 25,902.62 Lakhs as compared to ₹ 21,492.10 Lakhs in the previous year. The Profit after tax was ₹ 639.01 Lakhs as compared to ₹ 435.26 Lakhs in the previous year.

2. State of Company's Affairs

Vakrangee Limited continues to evolve as the "Go-To Market Platform" for Rural India, leveraging its extensive reach and robust infrastructure across its various business verticals, including new-age Fintech and Digital platforms. The Company is steadfast in its mission to build one of India's largest last-mile rural distribution network, integrating both physical and digital touchpoints with a PAN India presence.

Vakrangee operates one of the largest franchisee-based, multi-service retail networks in the country, with a core objective of establishing a retail outlet in every postal code of India. Our efforts are centered around facilitating financial, social, and digital inclusion, particularly in under-served and unserved regions.

At the heart of Vakrangee's purpose is a deep commitment to ensuring that every Indian citizen has access to essential financial services and the broader digital economy. Through our enhanced Vakrangee Kendra franchise model, we have bundled a comprehensive suite of modern-day services, including:

- Banking and ATM access
- Financial and investment services (including online Demat & trading accounts)
- E-commerce and online shopping
- Total healthcare solutions – encompassing tele/video consultations with doctors, home diagnostic services, and medicine delivery
- PAN card services & other services

These services have enabled us to bridge the rural-urban divide, ensuring equitable access to basic services while also safeguarding the health and well-being of

customers and franchisees in remote locations.

In addition, Vakrangee has its own mobile digital platform – the BharatEasy Super App, envisioned as "India ka Super App", focused on addressing the unique needs of Rural India. The platform hosts a growing bouquet of services such as:

- Online shopping & agricultural products
- Healthcare services
- PAN card services

This integrated Physical + Digital (Phygital) approach positions Vakrangee as a key enabler in empowering rural communities and driving inclusive growth by providing access to a wide range of essential services at the customer's doorstep.

Our distribution platform is driven by the Master Franchisee and Franchisee model, a cornerstone of our business strategy, which enables us to scale efficiently while delivering a diverse range of products and services across vast geographies. We are making steady progress towards establishing our last-mile presence across all postal codes, covering every Gram Panchayat in the country.

The Master Franchisee and Franchisee model is inherently scalable, allowing us to penetrate even the most remote and underserved regions. With a flexible, franchise-based approach, we can adapt to local market conditions while maintaining a unified operational standard across the entire network. This model provides the foundation for our ambitious growth plans, enabling nationwide coverage while minimising operational risks.

Together, master franchisees and franchisees create a seamless last-mile distribution network. This network is highly scalable because each franchise is an independent entity with a vested interest in success. Franchisee is a local village-level entrepreneur, taking ownership of day-to-day operations, customer satisfaction, and market penetration. Meanwhile, the master franchisee ensures they are fully supported with training, marketing, and operational guidance, creating a synergy that fuels growth.

We are delighted to announce the appointment of Master Franchisees in 546 districts across 32 States (as of March 31, 2025), marking a significant milestone in expanding our nationwide network coverage. Our ambitious goal for the end of this fiscal year is to achieve complete 100% district coverage through our master franchise network. By empowering local entrepreneurs, we not only drive our growth

but also make a significant contribution to regional economic development and create opportunities for entrepreneurial success.

For FY2025, we have established a strong and expansive presence with a total of 22,986 Vakrangee Kendra outlets nationwide. This widespread coverage spans over 32 states and union territories, ensuring that our services are accessible to a broad customer base. Moreover, we have successfully established a presence in 546 districts and 5,835 postal codes, further strengthening our network. Notably, our commitment to serving underserved markets is evident as 83% of our outlets are located in Tier 4-6 cities.

Furthermore, the Company has strategically ventured into sourcing and distributing private-label and white-label products. By leveraging the extensive Vakrangee Kendra network, which includes both Franchisee and Master Franchisee channels, we aim to distribute our proprietary, branded e-commerce products for consumers and retailers. Additionally, the Company has plans to diversify into other consumer and retail product categories, thereby expanding our footprint in the broader market.

Strategic partnerships also underpin Vakrangee's growth model. In FY2025, the company entered into multiple collaborations, including those with Kotak Bank, Canara Bank, Central Bank of India, Bangiya Gramin Vikash Bank, Aditya Birla Health Insurance Company Limited, Future Generali India Insurance Company Limited, and Shriram Life Insurance Company Limited, thereby enhancing its offerings in banking and insurance services.

Vakrangee's entry into the apparel segment in October 2024 marks a strategic diversification, expanding its private-label offerings in key districts and semi-urban markets. Vakrangee offers affordable, quality clothing in ready-to-wear and made-to-order formats. This initiative strengthens its Kendras as multi-category rural commerce hubs, furthering its mission of financial and digital inclusion through diversified access.

Vakrangee's commitment to inclusive growth is deeply rooted in its franchising model, where local entrepreneurs—Master Franchisees and Kendra operators—are incentivised through structured commissions and performance bonuses. This ecosystem approach not only ensures scale and reach but also contributes to local economic development by empowering grassroots entrepreneurs.

As India progresses towards becoming a digitally empowered society, Vakrangee is strategically positioned to play a critical role. With an integrated phygital model, a robust technology backbone, and a growing portfolio of essential services, the company remains committed to bridging the urban-rural digital divide and achieving sustainable growth.

Further, your Company has been successful in benchmarking Company's performance on a wide range of industry specific economic, environmental, governance and social criteria that are relevant to the growing focus on Business sustainability and financially relevant to the corporate success. Global recognition reflects company's commitment to further enhance its corporate governance and transparency standards. Company has achieved Global recognition across various platforms for its superior ESG performance and long-term Business sustainability.

At Vakrangee, we have always attempted to be a Responsible and Socially Conscious company. This rating is a validation of our belief and commitment to our Business model of Nextgen Vakrangee Kendras. Through our network of kendras, we are taking the financial and digital literacy to the bottom of the socioeconomic pyramid and serving as the last-mile link to connect India's unserved and underserved rural and urban citizens by offering them the same products and services at the same time, competitive price and same service levels. We are acting as the biggest equaliser by bridging the gap between the urban and rural population in India.

We have mapped our sustainability initiatives with the United Nation's Sustainable Development Goals. The goals are a blueprint to achieve a better tomorrow. Our aim is to efficiently adopt these goals and address the global challenges, which includes poverty, inequality, climate, environmental degradation, prosperity, and peace and justice.

The UN SDG goals are interconnected, and we intend to implement them in order to make the world a better place. We believe that businesses can have a positive impact on the societies they serve. Our principles of sustainability define how Vakrangee delivers responsible and sustainable growth.

Update on Business Operations

Vakrangee Ltd. demonstrated a strong topline performance in FY2024–25, with total income rising by 20.52% from ₹21,492.1 Lakhs in FY2023–24 to

₹25,902.6 Lakhs in FY2024–25. This growth reflects the continued expansion of its service offerings and geographic footprint, driven by deeper rural penetration. We expect this trend to continue due to the introduction of new services, new verticals, including apparel retail and Vortex ATM manufacturing.

However, EBITDA witnessed a marginal decline of 2.08%, reducing from ₹2,872.1 Lakhs to ₹2,812.3 Lakhs. This decline, despite higher revenues, suggests an increase in operating expenses due to investments in new initiatives, network expansion, technology enhancements, and marketing efforts. Consequently, the EBITDA margin contracted by 250 basis points, from 13.36% in FY24 to 10.86% in FY25, pointing to the transitional phase of scaling operations and onboarding new business verticals.

Profit Before Tax (PBT) increased by 63.72%, rising from ₹586.3 Lakhs to ₹959.9 Lakhs. The corresponding PBT margin improved by 98 basis points, from 2.73% to 3.71%, driven by better control over non-operational costs and possible gains from optimising resource utilisation and revenue diversification.

In line with the PBT trend, Profit After Tax (PAT) rose by 46.80%, increasing from ₹435.3 Lakhs in FY24 to ₹639.0 Lakhs in FY25. PAT margin improved by 44 basis points, reaching 2.47%, as the Company benefited from better fiscal discipline and tax management.

Our Full Year GTV (Gross Transaction value) crossed ₹ 54,000+ crores and Total number of Transactions crossed 12.6 crores.

Our Current Focus has been on Expanding our Presence through Building Master Franchisee network & to Strengthen our First Mover Advantage. We are currently Building a Pan India District level Master franchise network which would result in strong on-ground operational management as well as better scalability in future.

With the development of the Digital Economy, India is fastly moving towards Digital Payment Mechanisms and Emerging as a Cashless Society. With the fast pace of digital payment penetration, Cash transactions such as ATM & Banking transactions are expected to witness slow down. Therefore, there would be profitability & viability challenges for standalone business models such as only White Label ATMs, only Banking (AEPS) provider, only Money Transfer providers which are dependent on cash transactions.

Vakrangee is future ready with a clear focus on building long term sustainable & profitable business model with focus on Non-Cash based Banking Offering such as Account Opening, Loan Product, Insurance Services, Fixed Deposits & NPA Recovery Further, we have No dependency on single line of product or services and have a Wide portfolio of product & services such as Online Shopping, Total Healthcare Services, Bill Payments, Online Travel Services, Mobile Recharges, CIBIL Score services, Pan Card Services, Online Opening of Demat & Trading Account Opening Services and many more.

Further, we have a strong foothold & Brand presence in Rural India and our customers trust us with their day to day Banking needs. During FY2025, we opened ~12.9 lakh bank accounts, 14.8 lakh+ Insurance / Pension policies and did more than 8.8 crore banking transactions with a Gross Transaction value of ₹ 44,354 crores. There is a huge Underpenetrated Rural market with huge Retail & MSME Customer Base. Further, there is Lack of trust within the current Rural Customer base. Therefore, Physical Presence & Assistance is a Key Differentiator.

Update on Business Strategy: Update on acquisition of Vortex Engineering Private Limited

Vakrangee Limited's acquisition of Vortex Engineering Private Limited, now a subsidiary, is fully aligned with the company's long-term ambition to become a fully integrated, technology-enabled banking infrastructure provider. This strategic move supports backwards integration, creating new growth opportunities while tapping into cost synergies and leveraging advanced technological capabilities.

Vortex, an India-based technology pioneer incubated at IIT-Madras, is renowned for its expertise in low-power ATMs. The company operates from its Chennai headquarters, where it maintains an annual production capacity of over 12,000 ATMs and has successfully deployed over 14,000 ATMs across diverse geographies. It holds nine patents in the ATM and cash dispenser space under the Make in India and Atma Nirbhar Bharat initiatives. It has developed its cash dispenser units, which deliver the lowest lifecycle cost among its competitors.

Additionally, Vortex has created 'PERFO', a proprietary, advanced remote ATM monitoring software tool that is cross-platform and cross-vendor, strengthening its intellectual property portfolio.

This strategic acquisition enhances Vakrangee's operational oversight and cost efficiency while opening a new B2B growth channel in both domestic and global ATM markets. With rising demand for secure, energy-efficient, and advanced ATM solutions, Vakrangee is well-positioned to scale operations, improve profit margins, and diversify its revenue streams. This initiative further accelerates Vakrangee's transition from a distribution-focused service model to a comprehensive provider of digital financial infrastructure, expanding both its technological capability and geographic reach.

In FY2024-25, Vortex demonstrated strong operational momentum, achieving 26.3% year-over-year revenue growth and shipping 1,596 ATMs. The company closed the year with a robust order pipeline of 5,000 ATMs scheduled for delivery in FY2025-26, laying the groundwork for an aggressive scale-up. With strategic capital support from Vakrangee, Vortex—currently plans to expend its production capacity and market share.

3. Dividend

The Board of Directors has not recommended any dividend on the equity shares of the Company for the financial year ended March 31, 2025, in order to conserve resources for future business requirements and growth. Further, no amount has been transferred to the general reserve during the year under review.

The dividend payout is in accordance with company's Dividend Distribution Policy. The Dividend Distribution Policy as adopted by the Company is annexed herewith as "Annexure 1". The policy is also available on the website of the Company, <https://vakrangee.in/pdf/Policies-PDF/Dividend%20Distribution%20Policy.pdf>.

4. Share Capital

The Paid-up Equity Share Capital of the Company as on March 31, 2025 was ₹ 1,08,31,91,807/- comprising of 1,08,31,91,807 equity shares of Re. 1/- each.

The members of the Company on March 9, 2024, through the postal ballot, approved the preferential allotment of 4,00,00,000 warrants convertible into equity shares of face value of ₹1, for cash, by way of a private placement, at an issue price of ₹27 per warrant in the Non-Promoter Category and 2,00,00,000 warrants convertible into equity shares of face value of ₹1, for cash, by way of a private placement, at an issue price of ₹27 per warrant in the Promoter Category, by passing a Special Resolution.

The Company has received consideration from the

warrant holder in Non-Promoter Category during the year ended March 31, 2025, on various dates. Consequently, the Board of Directors approved the allotment of 2,36,66,567 equity shares. Further, Company has also allotted 11,950 equity shares to its eligible employee under the ESOP Scheme in place.

5. Public Deposits

During the year under review, the Company has not accepted or renewed any deposits falling within the purview of provisions of Section 73 of the Companies Act, 2013 read with The Companies (Acceptance of Deposits) Rules, 2014.

6. Cash Flow Statement

In conformity with the provisions of regulation 34(2)(c) of SEBI Listing Obligations and Disclosure Requirements Regulations, 2015 the cash flow statement for the financial year ended March 31, 2025 is annexed hereto.

7. Corporate Governance

The Report on Corporate Governance as per the requirement of SEBI Listing Obligations and Disclosure Requirements Regulations, 2015 forms part of this Annual Report.

The requisite certificate from Mr. Mehul Raval, Practicing Company Secretary, confirming compliance with the conditions of Corporate Governance has been included in the said Report.

A Certificate from the Managing Director and CFO of the Company in terms of SEBI Listing Obligations and Disclosure Requirements Regulations, 2015, inter alia, confirming the correctness of the Financial Statements and Cash Flow Statements, adequacy of the internal control for financial reporting, and reporting of matters to the Audit Committee, is also forming part of this Annual Report.

8. Disclosures Related to Board, Committees and Policies

A. Board Meetings

The Board met at least once in each quarter and 6 meetings of the Board were held during the year and the maximum time gap between two Board meetings did not exceed the time limit prescribed in the Act and SEBI Listing Obligations and Disclosure Requirements Regulations, 2015.

The details viz, Composition, number of meetings,

dates of meetings and attendance of Directors at such meeting are included in the Corporate Governance Report.

b. Reconstitution of Board of Directors

During the financial year, the Board of Directors of the Company was reconstituted to strengthen governance and align with the Company's long-term strategic objectives. At the Board meeting held on August 12, 2024, the following resignations were considered and accepted:

- Mr. Dinesh Nandwana – Managing Director and Group CEO
- Dr. Nishikant Hayatnagarkar – Executive Director
- Mr. Ramesh Joshi - Independent Director
- Mr. B L Meena - Independent Director
- Mr. Avinash Vyas - Independent Director
- Mr. Sunil Agarwal – Independent Director

The Board places on record its deepest appreciation for their invaluable contributions, leadership, and commitment to the Company during their tenure.

To ensure continued strategic leadership and effective governance, the Board also approved the appointment of new Directors.

- Ms. Divya Dinesh Nandwana – Executive Chairperson
- Mr. Vedant Dinesh Nandwana – Managing Director
- Mr. Amit Sabarwal – Executive Director & Group CEO
- Mr. S N Kaushik – Independent Director
- Ms. Savita Dattatray Keni – Independent Director

With these changes, the Board has been reconstituted with a balanced mix of executive and independent leadership to effectively guide the Company's growth journey. The reconstituted Board is well-positioned to steer the Company with a renewed focus on value creation, compliance, and stakeholder interests.

c. Familiarisation Programme for Independent Directors

As a practice, all the Independent Directors inducted to the Board go through a structured orientation programme. Presentations are made by Senior Management giving an overview of the operations, to familiarise the new Directors with the Company's business operations. The new Directors are given an orientation on the products of the business, group structure and subsidiaries, Board constitution and procedures, matters reserved for the Board, and the major risks and risk management strategy of the Company.

Details of Familiarization Programme for Independent Director Policy is available on the website of the Company at – <https://vakrangee.in/pdf/Policies-PDF/Familiarization%20Programme%20for%20Independent%20Director.pdf>

d. Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Obligations and Disclosure Requirements Regulations, 2015, the Nomination and Remuneration and Compensation Committee (NRC) has carried out Board Evaluation of the performance of:

- (i) the Board as a whole and its Committees, and
- (ii) individual directors (including independent directors).

The performance evaluation of the Independent Directors was carried out by the entire Board excluding the Directors being evaluated.

The performance evaluation of the Chairman, Non-Independent Directors and the Board as a whole was carried out by the Independent Directors at their separate meeting.

The evaluation has been done as per the process laid in the "Policy for Evaluation of performance of the Board of Directors of Vakrangee Limited" (herein after referred to as "Charter") adopted by the Board, based on structured questionnaires for performance evaluation.

e. Audit Committee

The Board has well-qualified Audit Committee, the composition of which is in line with the requirements of Section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI Listing Obligations and Disclosure Requirements Regulations, 2015. All the Members, including the Chairman of the Audit Committee are Independent. They possess sound knowledge on Accounts, Audit, Finance, Taxation, Internal Controls etc. The details viz, Composition, number of meetings, dates of meetings and attendance of Directors at such meeting are included in the Corporate Governance Report.

During the year under review, the Board has accepted all the recommendations of the Audit Committee.

The Company Secretary of the Company acts as Secretary of the Committee.

The details viz, Composition, number of meetings, dates of meetings and attendance of Directors at such meeting are given in the Corporate Governance Report.

f. Nomination & Remuneration and Compensation Committee

The Company has duly constituted the Nomination, Remuneration and Compensation Committee in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board has formulated a comprehensive Nomination, Remuneration and Compensation Policy, which outlines the criteria for selection, appointment, and evaluation of Directors, Key Managerial Personnel (KMP), and Senior Management Personnel. The said policy is annexed to this Report as "Annexure 4" and is also available on the Company's website at: https://vakrangee.in/policies_and_guidelines.html.

Further details regarding the Committee's composition, number of meetings held, dates of meetings, and attendance of the Directors are provided in the Corporate Governance Report.

g. Risk Management Committee

In compliance with Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015, the Company has constituted a Risk Management Committee to proactively review and mitigate key risk factors.

The Company has established formal procedures to inform the Board about risk assessment and minimization measures. A comprehensive Risk Management Policy has been formulated, ensuring that the Board, Audit Committee, and Executive Management collectively identify, assess, and manage risks that could impact the Company's operations. This policy outlines the framework for risk identification, minimization, and optimization, thereby supporting a structured approach to enterprise risk management.

Key risks identified by the Company include:

- Rapid technological advancements
- Heavy reliance on the franchisee model
- Legal and regulatory risks
- Financial reporting risks
- Risks related to corporate accounting fraud
- Cybersecurity threats and data leakage

Further details, including the Committee's composition, number of meetings held, meeting dates, and attendance of members, are provided in the Corporate Governance Report.

h. Corporate Social Responsibility Committee (CSR)

In accordance with the provisions of Section 135 read with Schedule VII of the Companies Act, 2013, the Company has adopted a comprehensive Corporate Social Responsibility (CSR) Policy, outlining the CSR activities to be undertaken. During the financial year 2024-25, the Company undertook various CSR initiatives by utilizing the earmarked amount towards projects in the areas of social awareness, healthcare, and education. The CSR Committee diligently evaluates multiple proposals and selects initiatives that align with the Company's CSR objectives.

Based on the recommendation of the CSR Committee, and in compliance with the provisions of Sections 135(5) and 135(6) of the Companies Act, 2013, the Company has identified an ongoing project and has transferred the unspent CSR amount of ₹13.72 lakhs to a designated Unspent CSR Account.

With respect to the unspent CSR amount for FY 2024–25, the Board of Directors affirms that the CSR Committee made sincere efforts in evaluating a wide range of proposals and selected those that best aligned with the Company's CSR goals. The Board is confident that the overall CSR spend on these projects will fully meet the prescribed statutory guidelines.

The Company's CSR Policy is available on the website at: https://www.vakrangee.in/policies_and_guidelines.html.

The CSR Committee has been constituted to define, implement, and monitor the CSR strategy, including budgeting, project identification, and oversight of CSR initiatives.

Further, the disclosures required under Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 are annexed to this Report as "Annexure 5."

i. **Stakeholders Relationship Committee**

As per the requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements), 2015, the Company has constituted Stakeholders Relationship Committee. The details viz, Composition, number of meetings, dates of meetings and attendance of Directors at such meeting are given in the Corporate Governance Report.

j. **Board ESG Committee**

In order to meet UN Sustainable Development Goals (UN-SDG) and Best Global Practices, the Company has constituted the Board ESG Committee.

The Board ESG Committee will work with all the other Board Committees to assist the Board in fulfilling its responsibilities. The objective of the Committee is to consider the material environmental, social and governance issues relevant to the Company's business activities and support the Company in maintaining its position as a global leader in ESG performance.

The role of the Committee is to support the Board in: -

- Understanding how Company's ability to create value is impacted by environmental, social and governance issues - monitoring external ESG trends and understanding associated risks and opportunities.
- Understanding the expectations of key stakeholders.
- Reviewing the performance and results of key ESG investor Initiatives / surveys and global benchmarks - Overseeing the implementation of key initiatives identified, or areas for improvement identified from ESG investor surveys and global benchmarks.
- Considering emerging ESG issues to understand their materiality with regard to Company's long term value creation.
- Review and Evaluate the Overall Business strategy from an ESG impact perspective.
- To monitor and review if the Sustainable development goals are integrated into any new Business strategy or new business initiatives.
- Assist the NRC Committee to review the performance of senior management from an ESG deliverable perspective.
- To review the progress of key initiatives being implemented by the GHG Reduction strategy Committee.

The committee currently comprises of following members of the Board:

Name	Designation
Ms. Divya Dinesh Nandwana	Chairman
Mr. Hari Chand Mittal	Member

9. Directors and Key Managerial Personnel

None of the Independent Directors had any pecuniary relationship or transactions with the Company during Financial Year 2024-25. In the opinion of the Board, all the Independent Directors possess required qualifications, integrity, expertise and experience (including proficiency) for the position and they fulfill the conditions of independence as specified in the Companies Act, 2013 and Listing Regulations and are independent of the management.

They also bring in the required skill, competence and expertise that allow them to make effective contributions to the Board and its committees.

None of the Directors or Key Managerial Personnel (KMP) of the Company are related to each other inter-se, except Mr. Vedant Dinesh Nandwana, Managing Director, and Ms. Divya Dinesh Nandwana, Whole-Time Director, who are siblings.

In terms of Section 203 of the Companies Act, 2013, the following are the Key Managerial Personnel of the Company:

- Mr. Vedant Dinesh Nandwana – Managing Director
- Ms. Divya Dinesh Nandwana – Whole Time Director
- Mr. Ajay Jangid – Chief Financial Officer
- Mr. Amit Gadgil – Company Secretary & Compliance Officer

In the opinion of the Board, that all existing independent directors continue to possess the requisite qualifications, integrity, expertise, and experience necessary for the effective discharge of their duties.

Further, Mr. Amit Sabarwal, Executive Director & Group CEO, resigned from the Board with effect from December 03, 2025. Ms. Sujata Chattopadhyay, Non-Executive Independent Director, retired from the Board with effect from March 31, 2025, and Mr. S. N. Kaushik, Non-Executive Independent Director, tendered his resignation with effect from July 04, 2025.

As per the information available with the Company, none of the Directors of the Company are disqualified for being appointed as a Directors as specified in Section 164(1) and 164(2) of the Companies Act, 2013.

10. Declaration of Independence

The Company has received the necessary declaration from each Independent Director in accordance with Section 149(7) of the Companies Act, 2013 read with Regulation 25(8) of the SEBI Listing Regulations, that

he/she meets the criteria of independence as laid out in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations.

In the opinion of the Board, there has been no change in the circumstances which may affect their status as Independent Directors of the Company and the Board is satisfied with the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Companies Act, 2013 and applicable rules thereunder) of all Independent Directors on the Board. Further, in terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs of Company. Further, all the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV of the Companies Act, 2013 and the Code of Conduct for Directors and senior management.

11. Independent Directors Databank Registration:

Pursuant to a notification dated October 22, 2019 issued by the Ministry of Corporate Affairs, all Independent directors of the Company have registered themselves with online databank for Independent Directors maintained by Indian Institute of Corporate Affairs (IICA).

12. Online Proficiency Self-Assessment Test:

Pursuant to the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2020, Mr. S N Kaushik and Ms. Savita Dattatray Keni will be completing this test in accordance with the provisions of Section 152 of the Companies Act, read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

13. Particulars of Employees and Other Disclosure

Disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed herewith as “Annexure 3”.

In terms of Section 136 of the Act, the Annual Report and Accounts are being sent to the Members, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during the business hours on working days of the Company. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

14. Auditors And Reports

The matters related to Auditors and their Reports are as under:

Statutory Auditor

Members of the Company at the AGM held on September 27, 2022, approved the appointment of M/s. S. K. Patodia & Associates., Chartered Accountants, Mumbai (Firm Registration No. 112723W), as the statutory auditors of the Company until the conclusion of 37th AGM of the Company to be held in the year 2027.

The report of the Statutory Auditor forms part of this Integrated Report and Annual Accounts 2024-25. The said report does not contain any qualification, reservation, adverse remark or disclaimer.

Secretarial Auditor

Mr. Mehul Raval, Practicing Company Secretary, was appointed to conduct Secretarial Audit of the Company for the financial year 2024 - 2025 as required under Section 204 of the Companies Act, 2013 and the rules thereunder. The Secretarial Audit Report for the financial year ended March 31, 2025, is annexed herewith as "Annexure 6" to this Report.

The Secretarial Auditor's Report does not contain any qualifications, reservations, or adverse remark or disclaimer.

In accordance with the provisions of Regulation 24A of SEBI Listing Obligations and Disclosure Requirements Regulations, 2015, Secretarial Audit Report of material unlisted Indian subsidiary of the Company namely, Vakrangee Finserve Limited is provided as "Annexure – 7" to this Report.

15. Vigil Mechanism / Whistle Blower Policy

In accordance with the provisions of Section 177(9) of the Companies Act, 2013, the Company has established an effective Vigil Mechanism to enable Directors and Employees to report genuine concerns in a transparent and secure manner.

The Company has adopted a Vigil Mechanism / Whistle Blower Policy, which extends its applicability not only to Directors and Employees, but also to Franchisees, Business Partners, Vendors, and other third parties. This policy enables individuals to report concerns related to unethical behavior, suspected or actual fraud, or violations of the Company's Code of Conduct & Ethics, without fear of retaliation.

The policy provides for adequate safeguards against victimization of individuals who avail themselves of this mechanism and ensures direct access to the Chairman of the Audit Committee for reporting such concerns. It

is hereby affirmed that no personnel have been denied access to the Audit Committee during the year under review.

The Vigil Mechanism / Whistle Blower Policy is available on the Company's website at: https://vakrangee.in/policies_and_guidelines.html.

16. Disclosure Under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Vakrangee maintains a zero-tolerance policy towards sexual harassment at the workplace. The Company has adopted a policy on prevention, prohibition, and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder, as amended from time to time. The Company has complied with the provisions relating to the constitution of the Internal Complaints Committee as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year 2024 - 25, no complaints on sexual harassment were received.

We hereby state and confirm that, the Company has constituted an internal complaints committee to redress complaints received regarding sexual harassment under provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

17. Disclosure Pursuant to Companies (Accounts) Second Amendment Rules, 2025

In compliance with the recent amendment introduced by the Ministry of Corporate Affairs through the Companies (Accounts) Second Amendment Rules, 2025, notified vide circular dated May 30, 2025, the Company hereby makes the following disclosures in the Board's Report for the financial year ended March 31, 2025:

i. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act):

The Company has a zero-tolerance policy towards sexual harassment at the workplace and has constituted an Internal Complaints Committee as per the provisions of the POSH Act. The following is the summary of complaints received and disposed of during the financial year:

Number of sexual harassment complaints received	NIL
Number of complaints disposed of	NIL
Number of complaints pending for more than 90 days	NIL

ii. **Compliance under the Maternity Benefit Act, 1961:**

The Company affirms that it has complied with the applicable provisions of the Maternity Benefit Act, 1961, including but not limited to:

- a) Grant of maternity leave to eligible employees,
- b) Provision for nursing breaks, and
- c) Ensuring protection against dismissal during maternity leave and other associated entitlements.

18. Subsidiaries

As on March 31, 2025, the Company had four wholly owned subsidiaries viz, Vakrangee Finserve Limited, Vakrangee Digital Ventures Limited, Vortex Engineering Private Limited and Vakrangee e-Solutions INC, Philippines.

There are no associate or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act").

In accordance with Section 129(3) of the Companies Act, 2013, the Company has prepared consolidated financial statements of the Company, which form part of this Annual Report. Further, a statement containing the salient features of the Financial Statements of Subsidiary Companies in prescribed Form AOC – 1 is annexed herewith as "Annexure 2".

In accordance with Section 136 of the Companies Act, 2013, the Audited Financial Statements, including the Consolidated Financial Statements and related of the company and its subsidiaries are available on the website of the Company at www.vakrangee.in.

These documents will also be available for inspection during business hours at the registered office of the Company. Any member desirous of obtaining a copy of the said financial statements may write to the Company

As on March 31, 2025, as per the provisions of Listing Regulations, as per immediately preceding accounting year, Vakrangee Finserve Limited is a material subsidiary company.

The Company has adopted Policy on determining Material Subsidiaries which is available on the website of the Company at https://www.vakrangee.in/policies_and_guidelines.html.

Vakrangee Finserve Limited

Vakrangee Finserve Limited is a 100% Subsidiary of the Vakrangee Limited, incorporated in September 2011

with a focus on working as Business Correspondent for various Banks under the Business Correspondent (BC) Model of Reserve Bank of India (2006) in the area of Financial Inclusion. The Company has already signed agreements with various PSU Banks and their Rural Regional banks to carry out BC services for these banks in identified Rural, Semi-Urban and Urban areas. The services include bank activities such as opening of Bank Accounts, Deposits, Withdrawals and Remittances, etc. Besides, the Company would provide Business Facilitator Services to these Banks which involve mobilization of deposits and loans.

Vakrangee Digital Ventures Limited

Vakrangee Digital Ventures Limited provides an online digital platform to enable seamless services for the consumer at the comfort of their homes. Through this, the company has evolved into the unique O2O (Online to Offline) platform, whereby there is Assistance available through the Physical Kendra network along with Digital Online Services.

Vakrangee e-Solutions INC

The Company holds 100% of Equity Share Capital of Vakrangee e-Solutions INC which was incorporated in the financial year 2009-10 in Philippines for exploring various e-Governance opportunities in Philippines. The first contract under the initiative was "Land Titling Computerization Project", under which it completed scanning, digitization and encoding of more than 15 million title deeds for the Government of Philippines. The prestigious LTCP project was successfully executed, through deployment of world class technology and more than 8500 manpower resources to digitize land titles from 168 Districts of Philippines.

Vortex Engineering Private Limited

During the financial year ended March 31, 2025, the Company has completed the acquisition of 7,04,197 equity share capital of Vortex Engineering Private Limited ("Vortex") on various dates. Consequently, Vortex has been considered a subsidiary of the Company for the purpose of consolidation w.e.f. June 4, 2024. . This strategic move supports backwards integration, creating new growth opportunities while tapping into cost synergies and leveraging advanced technological capabilities.

Vortex, an India-based technology pioneer incubated at IIT-Madras, is renowned for its expertise in low-power ATMs. The company operates from its Chennai headquarters, where it maintains an annual production capacity of over 12,000 ATMs and has successfully

deployed over 14,000 ATMs across diverse geographies. It holds nine patents in the ATM and cash dispenser space under the Make in India and Atma Nirbhar Bharat initiatives. It has developed its cash dispenser units, which deliver the lowest lifecycle cost among its competitors.

Additionally, Vortex has created 'PERFO', a proprietary, advanced remote ATM monitoring software tool that is cross-platform and cross-vendor, strengthening its intellectual property portfolio.

This strategic acquisition enhances Vakrangee's operational oversight and cost efficiency while opening a new B2B growth channel in both domestic and global ATM markets. With rising demand for secure, energy-efficient, and advanced ATM solutions, Vakrangee is well-positioned to scale operations, improve profit margins, and diversify its revenue streams. This initiative further accelerates Vakrangee's transition from a distribution-focused service model to a comprehensive provider of digital financial infrastructure, expanding both its technological capability and geographic reach.

19. Management Discussion and Analysis Report

Management discussion and Analysis Report for the year under review, as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 is forming part of this Annual Report.

20. Directors' Responsibility Statement

Your Board of Directors hereby state that:

- a) in the preparation of the annual accounts, for the financial year ended March 31, 2025, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits 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 the Companies Act, 2013, 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;
- e) they have laid down internal financial controls for the Company and such internal financial controls are adequate and operating effectively; and
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

21. Material Changes and Commitment if Any Affecting the Financial Position of the Company

No material changes or commitments affecting the financial position of the Company have occurred after the end of financial year till the date of signing of this Report.

Further, there has been no change in the nature of the Company's business during the financial year 2024–25.

22. Contracts or Arrangements with Related Parties

During the year under review, all contracts, arrangements, and transactions entered into by the Company with related parties were in the ordinary course of business and conducted on an arm's length basis. There were no material related party transactions as defined under Section 188 of the Companies Act, 2013, read with the Companies (Meetings of Board and its Powers) Rules, 2014.

Further, the Company did not enter into any contracts, arrangements, or transactions with related parties which could be considered material, in accordance with the Company's Policy on Materiality of Related Party Transactions. Accordingly, the disclosure under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

Members may refer to Note 42 of the Financial Statements, which provides disclosures of related party transactions as required under Ind AS.

There were no materially significant related party transactions during the year that may have had a potential conflict with the interests of the Company at large.

The Company's Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions, as approved by the Board, is available on the Company's website at: <https://vakrangee.in/>

policies_and_guidelines.html. The Policy ensures that an appropriate framework for reporting, approval, and disclosure is in place for all related party transactions.

23. Business Responsibility and Sustainability Report

A separate section on Business Responsibility and Sustainability Report forms part of this Annual Report as required under Regulation 34(2)(f) of SEBI Listing Obligations and Disclosure Requirements Regulations, 2015.

24. Insolvency and Bankruptcy Code, 2016

During the Financial Year ended March 31, 2025 neither any application nor any processing has been initiated against the company under Insolvency and Bankruptcy Code, 2016.

25. Particulars of Loans Given, Investments Made, Guarantees Given or Securities Provided by the Company

Particulars of Loans, Guarantees and Investments covered under provisions of section 186 of the Act, if any, are given in the notes to the Financial Statements.

26. Internal Financial Control and Their Adequacy

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The internal control systems, comprising of policies and procedures are designed to ensure sound management of your Company's operations, safekeeping of its assets, optimal utilization of resources, reliability of its financial information and compliance. Based on the report of Internal Audit function, corrective actions are undertaken in the respective areas and thereby strengthen the controls.

The statutory auditors of the Company have audited the financial statements included in this annual report and have issued a report on our internal financial controls over financial reporting as defined in Section 143 of the Act.

27. Employees Stock Option Scheme

The Company has in place Employees Stock Option Scheme ("ESOP Scheme") namely, ESOP scheme 2014.

The ESOP Scheme of the Company is in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2014 ("the Regulations") and no material changes in the scheme were carried out during the year under review.

The details required to be disclosed under SEBI Guidelines are available on Company's website www.vakrangee.in.

28. Extract of Annual Return

The Annual Return of the Company as on 31st March, 2025 in Form MGT - 7 in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, would be available on the website of the Company at i.e. www.vakrangee.in. By virtue of amendment to Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014 the company is not required to provide the extract of Annual Return as part of Board Report.

29. Significant and Material Orders Passed by the Regulators or Courts

During the year under review, no significant and material orders were passed by the Regulators, Securities Exchange Board of India, Stock Exchanges, Tribunal or Courts which impact the going concern status and the Company's operations in future.

30. Environment, Health and Safety

The Company considers it is essential to protect the Earth and limited natural resources as well as the health and wellbeing of every person. The Company strives to achieve safety, health and environmental excellence in all aspects of its business activities.

31. Cyber Security

The Company has established requisite technologies, processes and practices designed to protect networks, computers, programs and data from external attack, damage or unauthorized access. The Company is conducting training programs for its employees at regular intervals to educate the employees on safe usage of the Company's networks, digital devices and data to prevent any data breaches involving unauthorized access or damage to the Company's data. The Information Technology Department of the Company is in a constant process of taking feedback from the employees and updating the cyber security protocols.

32. Human Resources Development and Industrial Relations

The Company takes pride in the commitment, competence and dedication shown by its employees in all areas of Business. The Company is committed to nurturing, enhancing and retaining top talent through

superior Learning and Organizational Development. This is a part of Corporate HR function and is a critical pillar to support the Organization's growth and its sustainability in the long run.

The Company has introduced employee-friendly policies which have aided in retaining and hiring the best talents in the organization. The Company gives importance to Rewarding and Recognizing (R&R) the well-deserved employee by felicitating them during R&R functions. The Company has introduced employee wellness schemes to boost the productivity of employees at work. The company has given various performance-based incentives to employees upon meeting the targets set by the organization, hereby boosting the morale of the employees.

The company provides full medical support to employees in case of any life threatening / critical illness.

33. Affirmation on Compliance of Secretarial Standards

The Company hereby affirms that during the year under review, the Company has complied with all the applicable Secretarial standards i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively (including any modifications or amendments thereto) issued by the Institute of Company Secretaries of India.

34. Reporting of Frauds

During the financial year under the review neither the Statutory Auditor nor the Secretarial Auditor reported to the Audit Committee and / or Board under Section 143(12) of the Act and the rules made thereunder any instances of the fraud committed against the Company by its officers or employees, the details of which needs to be mentioned in the Board Report.

35. Disclosure with Respect to Maintenance of Cost Records

Your Company doesn't fall within the scope of Section 148(1) of the Companies Act, 2013 and hence does not require to maintain cost records as specified by the Central Government.

36. Transfer to Investor Education and Protection Fund

As required under section 124 of the Act, Unclaimed dividend amount aggregating to ₹ 30,36,656/- pertaining to financial year ended on March 31, 2017, lying with the Company for a period of seven years was transferred

during the financial year 2024-25, to Investor Education and Protection Fund (IEPF) established by the Central Government.

Further, as required under section 124 of the Act, 1,46,574 equity shares, in respect of which dividend has not been claimed by the members for seven consecutive years or more, have been transferred by the Company to the Investor Education and Protection Fund Authority during the financial year 2024-25. No of shares transferred Details of shares transferred have been uploaded to the website of IEPF as well as the Company.

The Company has appointed Mr. Amit Gadgil, as the Nodal Officer to ensure compliance with the IEPF Rules.

The details of unpaid and unclaimed amounts lying with the Company is available on the Company's website: - www.vakrangee.in

37. Integrated Report

The Company, being one of the top 1000 companies in the country in terms of market capitalization as on financial year end, has voluntarily provided Integrated Report, which encompasses both financial and non-financial information to enable the members to take well-informed decisions and have a better understanding of the Company's long-term perspective.

The Report also touches upon aspects such as organization's strategy, governance framework, performance and prospects of value creation based on the six forms of capital viz. financial capital, manufactured capital, intellectual capital, human capital, social and relationship capital and natural capital.

38. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

In accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, required information relating to the Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is given as hereunder:

- **Conservation of Energy**

The Operations of the Company are not energy intensive. However, measures have been taken to reduce energy consumption by using efficient computers, IT Assets and other Equipment with latest technologies.

the steps taken or impact on conservation of energy	Our corporate headquarters has been developed in alignment with green building principles, showcasing our commitment to energy conservation and sustainability. The facility is equipped with several energy-efficient features and green technologies, including rooftop solar panels for renewable energy generation, solar thermal systems, chiller waste heat recovery units, and solar-powered peripheral lighting systems. The building's design, primarily comprising glass facades, allows for optimal use of natural daylight, significantly reducing the need for artificial lighting. Energy-efficient LED lighting has been installed throughout the premises to further enhance electricity savings. Notably, the entire energy requirement of our corporate office is met through Green-wheeling, reinforcing our dedication to clean energy usage. Additionally, our extensive Vakrangee Kendra network integrates sustainability into service delivery by offering biometric-enabled digital banking, ATM services, financial products, insurance, e-Governance solutions, and a range of e-Commerce offerings. These services are made accessible within local communities, often within walking distance, thereby reducing the dependence on fuel-powered transportation. Our hybrid operational model, which blends physical presence with digital accessibility, plays a pivotal role in supporting our eco-friendly initiatives by minimizing the environmental impact of service access and delivery.
the steps taken by the company for utilising alternate sources of energy	During the financial year 2024-25, the Company made notable progress in adopting sustainable energy solutions. A total of ____ kWh of renewable solar energy was generated at our corporate office during the year. Furthermore, we proudly achieved 100% Green Consumer Certification from Tata Power, reinforcing our dedication to clean and renewable energy usage. These initiatives reflect our unwavering commitment to environmental stewardship, sustainability, and responsible energy management.
the capital investment on energy conservation equipment's	Nil capital investment on energy conservation equipment's in FY2024-25.

Technology Absorption

Since business and technologies are changing constantly, investment in research and development activities is of paramount importance. Your Company continues its focus on quality up-gradation of products and services development. It has helped maintain margins.

the efforts made towards technology absorption	The Company actively monitors advancements in technology and regularly evaluates opportunities for adoption and integration. Continuous efforts are made to upgrade systems and processes in line with emerging technological trends. During the year, the Company maintained its strong focus on quality enhancement and service excellence by embracing relevant technological improvements to drive operational efficiency and customer satisfaction.
the benefits derived like product improvement, cost reduction, product development or import substitution	- Significant enhancement in overall productivity and reduction in production turnaround time. - Expansion and diversification of the service portfolio to better meet evolving customer needs. - Improved quality and performance of existing products and services through continuous innovation. - Achieved notable cost efficiencies through process optimization and technology-driven initiatives.

in case of imported technology (imported during the last three years reckoned from the beginning of FY)-

Not Applicable

- (a) the details of technology imported;
- (b) the year of import;
- (c) whether technology been fully absorbed;
- (d) if not fully absorbed, areas where absorption has not taken place & reasons thereof; and

the expenditure incurred on Research and Development

As per the established Accounting Policy expenditure incurred on Research & Development remains merged with the respective heads.

Foreign Exchange Earnings and Outgo

Particulars	31 st March, 2025 (₹ In Lakhs)	31 st March, 2024 (₹ In Lakhs)
Foreign Exchange Earnings	0.11	0.05
Foreign Exchange Outgo	Nil	Nil

CAUTIONARY STATEMENT

Statements in the Board's Report describing the Company's objectives, expectations or forecasts may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic demand and supply, input costs, availability, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

ACKNOWLEDGEMENT AND APPRECIATION

The Directors thank the Company's employees, customers, franchisees, vendors, investors for their continuous support. The Directors appreciate and value the contribution made by every employee of the Vakrangee family. Our consistent growth was made possible by their hard work, solidarity, co-operation and support.

On behalf of the Board of Directors

Ms. Divya Dinesh Nandwana
Executive Chairperson
(DIN: 08085537)

Mr. Vedant Dinesh Nandwana
Managing director
(DIN: 08420950)

Date: July 25, 2025
Place: Mumbai

Date: July 25, 2025
Place: Mumbai

Corporate Governance Report

1. Philosophy of the Company on the Code of Corporate Governance

Vakrangee's philosophy on Corporate Governance is founded upon a rich legacy of fair, ethical and transparent governance practices. Corporate Governance is that crucial muscle which encourages and moves a viable and accessible financial reporting structure and which enables a transparent system. Through the Governance mechanism in the Company, the Board along with its Committees undertake its fiduciary responsibilities to all its stakeholders by ensuring transparency, fair play and independence in its decision making.

Corporate Governance signifies acceptance by management of the inalienable rights of shareholders as the true owners of the organization and of their own role as trustees on behalf of the shareholders. Strong corporate governance is indispensable to resilient and vibrant capital markets and is an important instrument of investor protection.

At Vakrangee, our aspirations have always been of protecting, strengthening and aligning together the interest of all the stakeholders and to satisfy that we strive hard to implement and continue to follow our core values which are "Belief in people, Entrepreneurship, Customer orientation and pursuit of excellence". Your Company endeavors to put in the right pedestal blocks for future growth and ensuring that we achieve our ambitions in a prudent and sustainable manner with strict adherence to best corporate governance practices.

Corporate Governance is a set of systems and practices to ensure that the affairs of the company are being managed in a way which ensures accountability, transparency, and fairness in all its transactions in the widest sense and meet its stakeholder's aspirations and societal expectations.

At Vakrangee, we are committed to meeting the aspirations of all our stakeholders. This is demonstrated in shareholder returns, our credit ratings, governance processes and an entrepreneurial and performance focused work environment.

The Board of Directors manages the affairs of the company in the best interest of the shareholders, providing necessary guidance and strategic vision. The Board is also responsible to ensure that the Company's management and employees operate with the highest degree of ethical standards.

Over the years, governance processes and systems have been strengthened and institutionalized at Vakrangee. Your Company is committed to maintain the highest standards of Corporate Governance. Your directors adhere to the stipulations set out in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR 2015).

Your Board of Directors present the Corporate Governance Report for the year 2024-25:

2. Board of Directors

(a) Composition:

The Board of Directors of the Company (hereinafter referred as "Board") comprises a combination of Independent and Non-Independent Directors. The Board is headed by an Executive Chairperson. The composition of Board is in line with the requirement of Regulation 17 of the SEBI (LODR) Regulations, 2015, which says atleast half of the Board should comprise of Independent directors. As on date of this Report, the Board consists of Six Directors comprising Three Non-Executive Independent Directors (including one women Director), One Nominee Director representing Life Insurance Corporation of India Limited (LIC), holding equity investment in the Company and two Executive Directors.

The Executive Chairperson and Managing Director of the Company are real Siblings, except this none of the Directors of your Company are inter-se related to each other. The profiles of the Directors can be found on https://vakrangee.in/board_of_director.html. The composition of Board is in conformity with the SEBI (LODR), Regulations, 2015.

The Chairperson of the Board is an Executive Director and is related to the Promoters of the Company.

None of the Director on the Board is a member of more than ten Committees or Chairman of five Committees (Committees being Audit Committee and Stakeholders Relationship Committee) across all the Indian public companies in which he/she is a director. Necessary disclosures regarding their committee positions have been made by all the Directors.

None of the Directors hold office in more than ten public companies and seven Listed entities. None of the Independent Directors of the Company serve as an Independent Director in more than seven listed companies. All Directors are also in compliance with the

limit on Independent Directorships of Listed Companies as prescribed under regulation 17A of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

None of the Whole-time Director/Managing Director is an Independent Director in any other listed companies.

Board is of the opinion that the Independent Directors fulfil the conditions specified in the SEBI (LODR) Regulations, 2015 and are independent of the Management.

➤ **Changes in Board of Directors /Key Managerial Personnel of the Company during the financial year 2024-25:**

During the financial year, the Board of Directors of the Company was reconstituted to strengthen governance and align with the Company's long-term strategic objectives.

The following resignations were considered and accepted:

1. Mr. Dinesh Nandwana – Managing Director and Group CEO
2. Dr. Nishikant Hayatnagarkar – Executive Director
3. Mr. Ramesh Joshi - Independent Director
4. Mr. B L Meena - Independent Director
5. Mr. Avinash Vyas - Independent Director
6. Mr. Sunil Agarwal – Independent Director
7. Mr. Amit Sabarwal – Executive Director & Group CEO
8. Mrs. Sujata Chattopadhyay-Independent Director
9. Mr. S N Kaushik-Independent Director

The Board also approved the appointment of new Directors:

1. Ms. Divya Dinesh Nandwana – Executive Chairperson
2. Mr. Vedant Dinesh Nandwana – Managing Director
3. Ms. Savita Dattatray Keni – Independent Director

➤ **Chart / matrix setting out the skills/expertise/competence of the Board of Directors:**

The Board of Directors of the Company is highly structured to ensure a high degree of diversity by age, education/qualifications, professional background, sector expertise and special skills.

The following are the skills /expertise/competencies as identified by the Board:

Skills/expertise/competencies as identified by the Board in the context of its businesses and sector's	Name of Directors who have such skills/ expertise/competence
Finance, Law, Management, Administration, Corporate Governance related to the Company's business	Ms. Divya Dinesh Nandwana, Mr. Vedant Dinesh Nandwana, Mr. Hari Chand Mittal, Ms. Savita Dattatray Keni, Mr. S N Kaushik, Mr. L K Shamsunder
Management, Strategy, Sales, Marketing, Administration Technical Operations related to the Company's business	Ms. Divya Dinesh Nandwana, Mr. Vedant Dinesh Nandwana, Mr. Hari Chand Mittal, Mr. S N Kaushik

The Board consists of 5 directors. The details of the Board of Directors as on March 31, 2025, are given below:

Name	Category	Designation	Date of appointment	No. of other Directorship held #	Directorship in other Listed Company and category of Directorship	Chairmanship in Committees of Boards of other companies ^s	Membership in Committees of Boards of other companies
Ms. Divya Dinesh Nandwana	Executive	Chairperson	12-08-2024	8	NIL	1	NIL
Mr. Vedant Dinesh Nandwana	Executive	Managing Director	12-08-2024	9	0	1	0
Mr. Hari Chand Mittal	Non-Executive, Independent	Director	31-07-2020	4	1	1	1
Mr. L K Shamsunder	Non-Executive, Independent	Nominee Director, representing LIC of India	24-05-2024	0	NIL	NIL	NIL

Name	Category	Designation	Date of appointment	No. of other Directorship held #	Directorship in other Listed Company and category of Directorship	Chairmanship in Committees of Boards of other companies§	Membership in Committees of Boards of other companies
*Mrs. Sujata Chattopadhyay	Non-Executive, Independent	Director	31-03-2015	4	4	4	NIL
Ms. Savita Dattatray Keni	Non-Executive, Independent	Director	12-08-2024	NIL	1	0	1
**Mr. S N Kaushik	Non-Executive, Independent	Director	12-08-2024	NIL	1	1	2

Excludes alternate directorship and directorship in Foreign Companies, Private Companies and Companies governed by Section 8 of the Companies Act, 2013.

§ for the purpose of calculating total membership and chairmanship, only Audit Committee and Stakeholders Relationship Committee in public limited companies, whether listed or not are considered as per Regulation 26(1) of the SEBI LODR 2015.

* Mrs. Sujata Chattopadhyay, Non-Executive Independent Director of the Company, retired effective from March 31, 2025 upon completion of her term.

** Mr. S N Kaushik, Non-Executive Independent Director of the Company, resigned effective from July 04, 2025, due to his personal reasons.

3. Board Meetings:

During the financial year 2024-25, your Board met six times on 09/05/2024, 12/08/2024, 24/09/2024, 29/10/2024, 21/12/2024 and 05/02/2025 with a maximum time gap not exceeding one hundred and twenty (120) days intervening between two consecutive board meetings as per section 173 of Companies Act, 2013 read with Regulation 17 of SEBI (LODR), 2015. The necessary quorum was present for all the meetings. All the Board meetings were held at the Company's registered office at Mumbai, India, through video conferencing.

The attendance of the directors at the Board Meeting and Annual General Meeting (AGM) held during the year is given below:

Name of the Director	Number of meetings attended	Attended Last AGM	Shareholding in the Company as of March 31, 2025 (no. of shares)
Mr. Ramesh Joshi	2	Yes	500
Mr. Dinesh Nandwana	2	Yes	69107095
Dr. Nishikant Hayatnagarkar	2	Yes	174288
Mr. Sunil Agarwal	2	Yes	NIL
Mr. B. L. Meena	2	Yes	36812
Mr. Avinash Vyas	2	Yes	NIL
Mrs. Sujata Chattopadhyay	6	Yes	NIL
Mr. Hari Chand Mittal	6	Yes	361623
Ms. Divya Dinesh Nandwana	5	Yes	NIL
Mr. Vedant Dinesh Nandwana	5	Yes	NIL
Mr. Amit Sabarwal	3	Yes	NIL
Mr. L K Shamsunder	5	Yes	NIL
Mr. S N Kaushik	5	Yes	NIL
Ms. Savita Dattatray Keni	5	Yes	NIL

4. Meeting of Independent Directors

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the SEBI LODR 2015, a separate meeting of the Independent Directors of the Company was held on May 09, 2024, to review the performance of Non-Independent Directors, Chairman and the Board as whole. The Independent Directors also reviewed the quality, quantity and timeliness of the flow of information between Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

5. Board Committees

The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board as a part of good governance practice. The constitution of the committees and their terms of reference are set out as below:

(i) AUDIT COMMITTEE

The Company has set up an Independent Audit Committee comprising of appropriately qualified members.

➤ Terms of reference

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and, inter alia, performs the following functions:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub section 3 of section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/Draft prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence performance and effectiveness of audit process;
8. Approval or any subsequent modification of transaction of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertaking or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors;
18. To oversee and review the functioning of the Whistle Blower mechanism, in case the same is existing;
19. Calls for comments of the auditor about the internal control systems, scope of auditing including the observations of the auditor and review of the financial statements before submission to the board;
20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
23. To investigate any other matters referred by any of the Board of Director
24. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The audit committee shall mandatorily review the following information:

- 1) management discussion and analysis of financial condition and results of operations;
- 2) management letters / letters of internal control weaknesses issued by the statutory auditors;
- 3) internal audit reports relating to internal control weaknesses; and
- 4) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- 5) statement of deviations:
 - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

Composition

The composition of Audit Committee as on March 31, 2025 is as follows:

Sr. No	Name of the Director	Designation
1.	Mr. Hari Chand Mittal	Independent Director (Chairman)
2.	Mr. S N Kaushik	Independent Director (Member)
3.	Ms. Savita Dattatray Keni	Independent Director (Member)

Meetings & Attendance during the year

There were four meetings of the Audit Committee viz. on 09/05/2024, 12/08/2024, 29/10/2024 and 05/02/2025 and following is the table showing attendance for the same. The Company Secretary acts as the Secretary to the Committee. The details of meeting attended by its members are as follows:

Name of the Director	Category	No. of meetings held	No. of meetings attended
Mr. B. L. Meena	Independent Director (Chairman)	2	2
Mr. Ramesh Joshi	Independent Director	2	2
Mr. Avinash Vyas	Independent Director	2	2
Mr. Hari Chand Mittal	Independent Director (Chairman)	2	2
Mr. S N Kaushik	Independent Director	2	2
Ms. Savita Dattatray Keni	Independent Director	2	2

Attendees: CFO and Statutory Auditors are normally invited to the Audit Committee Meetings

(ii) NOMINATION AND REMUNERATION AND COMPENSATION COMMITTEE

The Nomination and Remuneration and Compensation Committee (NRC Committee) of the Company consists of three non-executive Independent Directors and its composition is as per the requirements of Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI (LODR), Regulations, 2015. Its composition as on March 31, 2025, is as follows:

Sr. No	Name of the Director	Designation
1.	Mr. Hari Chand Mittal	Independent Director (Chairman)
2.	Mr. S N Kaushik	Independent Director (Member)
3.	Ms. Savita Dattatray Keni	Independent Director (Member)

➤ Terms of Reference of the committee inter-alia include:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- (1A). For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such a description. For the purpose of identifying suitable candidates, the Committee may:
 - a. uses the services of an external agencies, if required.
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and

- c. considers the time commitments of the candidates.
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
3. devising a policy on diversity of board of directors;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal.
5. Deciding on, whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors,
6. Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive directors.
7. Define and implements the performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
8. Decide the amount of Commission payable to the Whole time Directors.
9. Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the company, standards prevailing in the industry, statutory guidelines etc.
10. To formulate and administer the Employee Stock Option Scheme.
11. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

➤ Meetings & Attendance during the year

During the year under review, one meetings of the NRC Committee was held on 12/08/2024 and following is the table showing attendance for the same. The details of meeting attended by its members are as follows:

Name of the Director	Category	No. of meetings held	No. of meetings attended
Mr. Avinash Vyas*	Independent Director (Chairman)	1	1
Mr. Sunil Agarwal*	Independent Director	1	1
Mr. Hari Chand Mittal*	Independent Director	1	1
Mr. S N Kaushik	Independent Director	1	0
Ms. Savita Dattatray Keni	Independent Director	1	0

*In View of Completion of tenure Directors resigned during the Financial year, details of which are explained in above section.

The Board of Directors has framed the Nomination and Remuneration and Compensation Policy on Nomination and remuneration of Directors, Key Managerial Personnel and Senior Management and the same is available on https://www.vakrangee.in/policies_and_guidelines.html. The remuneration paid to the Executive Directors is in accordance with the provisions of Section 197 and Part II of Schedule V of Companies Act, 2013.

Non-Executive Directors have been paid sitting fee as per the limit prescribed under the Companies Act, 2013 for attending Board Meetings and the meetings of the committees thereof.

The Directors, whether whole-time or not, (but excluding Independent Directors and Promoters) of the Company and its subsidiaries, working in India or abroad shall be eligible to participate in the ESOP Schemes of the Company, provided that if a director holding, either by himself or through his relative or through any body-corporate, directly or indirectly, more than 10% of the outstanding equity shares of the Company shall not be entitled to participate in the ESOP Schemes of the Company.

➤ Performance Evaluation of Board of Directors

Pursuant to the provisions of the Companies Act, 2013 and SEBI(LODR) Regulations, 2015, the Board has carried out an Annual Performance Evaluation of its own performance, the Directors individually as well as the evaluation of the working of its various Committees.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of

the Independent Directors was carried out by the entire Board excluding the Directors being evaluated. The performance evaluation of the Chairman and Non-Independent Directors was carried out by the Independent Directors at their separate meeting held on February 05, 2025.

➤ Remuneration of Directors

The details of remuneration paid to Directors during the financial year 2024-2025 are as under:

(a) Non - Executive Directors

(Rs. In Lakhs)

Name of Directors	Sitting Fees
Mr. Ramesh Joshi	1.10
Mr. Sunil Agarwal	1.25
Mr. B. L. Meena	1.10
Mr. Avinash Vyas	1.35
Mrs. Sujata Chattopadhyay	2.50
Mr. Hari Chand Mittal	3.00
Ms. Savita Dattatray Keni	1.75
Mr. S N Kaushik	1.75
Mr. L K Shamsunder	2.00

Independent Directors and Non – Independent, Non - Executive Directors are paid sitting fees of Rs. 50,000/- for attending each Meeting of the Board and Members of the Audit Committee are paid sitting fees of Rs.25,000/- per meeting and Members of the Nomination and Remuneration and Compensation Committee are paid sitting fees of Rs. 25,000/- per meeting.

Sitting fees paid to Independent Directors and Non - Independent Non - Executive Directors are within the regulatory limits

(b) Executive Directors

(Rs. In Lakhs)

Particulars	Ms. Divya Dinesh Nandwana	Mr. Vedant Dinesh Nandwana
Basic	4.25	2.55
Allowances	1.55	0.93
HRA	1.70	1.02
Others (Bonus & Leave Encashment)	0.63	0.37
Perquisites on account of Stock Options exercised	--	--
Total	8.13	4.88

The service contracts for Ms. Divya Dinesh Nandwana and Mr. Vedant Dinesh Nandwana is for a period of five years effective from August 12, 2024. The notice period for Ms. Divya Dinesh Nandwana and Mr. Vedant Dinesh Nandwana is six months. There are no severance fees.

(iii) STAKEHOLDERS' RELATIONSHIP COMMITTEE

During the financial year under review, one meeting of Stakeholders Relationship Committee was held on February 05, 2025 and all the members were present at the meeting.

As per the requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI LODR 2015, the Company has constituted Stakeholders Relationship Committee.

The composition of the Committee as on March 31, 2025 is as follows:

Sr. No	Name of the Director	Designation
1.	Mr. S N Kaushik	Independent Director (Chairman)
2.	Mr. Vedant Dinesh Nandwana	Executive Director (Member)
3.	Ms. Divya Dinesh Nandwana	Executive Director (Member)

➤ The Terms of Reference of the committee include:

- Resolving the grievances of the security holders of the listed entity including complaints Transfer of shares, including review of cases for refusal of transfer / transmission of shares, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilized;
- Issue duplicate/split/consolidated share certificates;

- Review the process and mechanism of Redressal of Shareholders/ Investor grievance and suggest measures of improving the system of Redressal of Shareholders/ Investor grievance, effective exercise of voting rights by shareholders.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- Resolving grievances of debenture holders related to creation of charge, payment of interest/ principal, maintenance of security cover and any other covenants.
- Oversee the implementation and compliance of the Code of conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015 as amended from time to time.
- Oversee the performance of Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
- Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting;
- Carrying out any other function contained in the equity listing agreement as and when amended from time to time.

Mr. Amit Gadgil, Company Secretary, functions as Compliance Officer as required under SEBI(LODR) Regulations, 2015 and also acts as Nodal Officer to ensure compliance with IEPF Rules.

During the financial year under review, 1 (One) complaint was received from the shareholder and none of them were pending as on March 31, 2025.

The Company had no transfers pending at the close of 31.03.2025.

(iv) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

As per the requirements of Section 135 of the Companies Act, 2013, the Company has, constituted a Corporate Social Responsibility Committee (the "CSR Committee"). The company has adopted a CSR Policy which is available on the website of the Company.

The composition of the committee as on March 31, 2025 is as follows:

Sr. No	Name of the Director	Designation
1.	Mr. Vedant Dinesh Nandwana	Managing Director (Chairman)
2.	Mr. Hari Chand Mittal	Independent Director (Member)
3.	Ms. Divya Dinesh Nandwana	Executive Director (Member)

The role of Corporate Social Responsibility Committee is as follows:

- To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
- To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
- To monitor the CSR policy of the Company from time to time;
- Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

(v) RISK MANAGEMENT COMMITTEE

As per the requirements of Regulation 21 of SEBI LODR 2015, the Company has constituted Risk Management Committee.

During the financial year under review, two meetings of Risk Management Committee were held on May 9, 2024 and October 15, 2024 and all the members were present at the meeting. The meetings were conducted in accordance with the provisions of Regulation 21 of SEBI LODR, 2015.

The composition of the Committee as on March 31, 2025 is as follows:

Sr. No	Name of the Director/ Member	Designation
1.	Mr. S N Kaushik	Independent Director (Chairperson)
2.	Ms. Divya Dinesh Nandwana	Executive Director (Member)
3.	Ms. Savita Dattatray Keni	Independent Director (Member)

➤ The brief Terms of Reference of the committee include:

- To formulate a detailed risk management policy which shall include:
 - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee
 - Measures for risk mitigation including systems and processes for internal control of identified risks.
 - Business continuity plan
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

6. General Body Meetings

➤ ANNUAL GENERAL MEETINGS.

Date, Venue and Time for the last three Annual General Meetings

Date	Venue	Time	Special Resolutions passed
September 27, 2024	Through Video Conferencing/Other Audio-Visual Means at registered office of the Company.	11:00 A.M	5
September 08, 2023	Through Video Conferencing/Other Audio-Visual Means at registered office of the Company.	11.00 A.M.	NIL
September 27, 2022	Through Video Conferencing/Other Audio-Visual Means at registered office of the Company.	11.00 A.M.	1

➤ RESOLUTION(S) PASSED THROUGH POSTAL BALLOT

Postal Ballot exercise was conducted by Mr. Amit Gadgil-Company Secretary and Compliance Officer on following dates as below:

Date	No of Resolution	Business
Sunday October 27, 2024 at 5:00 pm	2	Special Business: 1. Preferential Allotment of up to 20,00,00,000 Convertible Warrants to the Non Promoter Category. 2. Increase of Authorised Share Capital of the Company and the consequent amendment to Memorandum of Association of the Company.

Voting Results for Resolution passed by Postal Ballot:

➤ Resolution 1- Special Resolution

Allotment of up to 20,00,00,000 Convertible Warrants to the Non Promoter Category.

Total Votes Cast in Favour : 54,83,02,326

Total Votes Cast Against : 58,572

Invalid Votes : NIL

➤ Resolution 2- Ordinary Resolution

Increase of Authorised Share Capital of the Company and the consequent amendment to Memorandum of Association of the Company

Total Vote Cast in Favour : 54,83,26,576

Total Votes Cast Against : 34,319

Invalid Votes : NIL

➤ RESOLUTION(S) PASSED THROUGH EXTRA-ORDINARY GENERAL MEETING:

Date	No of Resolution	Business
Wednesday January 15, 2025 at 11:30 am	1	Special Business: 1. Issuance of Convertible Warrants convertible into Equity shares on Preferential Basis

7. Means of communication:

Quarterly, half-yearly and annual financial results of the Company are communicated to the stock exchanges immediately after the same are approved by the Board and those are published in prominent English (Free Press Journal) and Marathi (Nav Shakti) newspapers. The results and other news releases are also posted on the Company's website, www.vakrangee.in.

Detailed Investor's presentations on the Company's quarterly, half - yearly as well as annual financial results are available on the Company's website, www.vakrangee.in. and are also sent to the Stock Exchanges.

8. Equity shares in the suspense account

As on March 31, 2025, no shares are lying in suspense account.

9. General Shareholders Information

➤ Annual General Meeting

The 35th Annual General Meeting (AGM) of the Company will be held on September 25, 2025 at 11:00 AM. The Company is conducting meeting in accordance with the General Circular issued by the MCA on December 28, 2022 & other relevant MCA Circulars, through VC / OAVM. For details please refer to the Notice of this AGM.

➤ Financial Year

The financial year of the company is April 1 to March 31.

Financial Calendar for 2025-26

Tentative Schedule	Likely Board Meeting Schedule
Financial reporting for the quarter ending June 30, 2025	On or before August 14, 2025
Financial reporting for half year ended September 30, 2025	On or before November 14, 2025
Financial reporting for the quarter ending December 31, 2025	On or before February 14, 2026
Financial reporting for the year ended March 31, 2026	On or before May 30, 2026
Annual General Meeting for the year ending March 31, 2026	On or before September 30, 2026

➤ Book Closure:

As mentioned in the Notice of this AGM.

➤ Dividend payment:

i. Payment date:

Dividend, when declared at the AGM, will be paid within 30 days from the date of AGM.

➤ Listing on Stock Exchanges:

Your company's securities are listed on the following stock exchanges:-

BSE Ltd.

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001

National Stock Exchange of India Ltd.

Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra East, Mumbai - 400 051.

Listing fees as applicable have been paid to the above Stock Exchanges.

➤ Stock Code

Stock Exchange	Code
BSE Ltd.	511431
National Stock Exchange of India Ltd.	VAKRANGEE
ISIN no. for Equity Shares (NSDL & CDSL)	INE051B01021

➤ **Stock Market Data relating to Equity Shares listed in India:**

Month (2024-25)	Price on BSE during each month		Volume traded	Price on NSE during each month		Volume traded
	High	Low		High	Low	
April	28.53	20.00	5,28,91,267	27.45	21.20	36,70,65,509
May	26.90	22.05	2,67,05,309	26.25	22.20	17,03,42,326
June	25.66	18.45	2,63,69,590	25.08	20.40	20,98,18,115
July	23.17	19.83	2,65,28,145	22.95	20.60	16,15,57,095
August	23.00	19.91	2,86,44,132	22.00	19.96	16,27,04,111
September	36.51	19.78	13,25,89,405	35.73	19.91	97,19,69,344
October	37.72	25.50	4,75,28,550	34.98	25.92	49,22,73,093
November	27.65	21.76	1,29,24,596	26.93	22.25	10,45,91,503
December	35.55	23.45	5,16,64,515	34.63	25.24	36,19,38,643
January	38.17	24.03	3,53,52,473	37.22	23.94	42,72,11,523
February	22.83	12.85	6,00,66,222	22.74	13.42	34,32,36,148
March	14.20	9.41	4,10,25,841	13.86	9.41	18,61,15,387

➤ **Stock Performance of Vakrangee Limited v/s. BSE Sensex & Nifty:**

Month (2024-25)	Price on BSE during each month		Volume traded	Sensex	Price on NSE during each month		Volume traded	Nifty
	High	Low			High	Low		
April	28.53	20.00	5,28,91,267	74,482.78	27.45	21.20	36,70,65,509	22,604.85
May	26.90	22.05	2,67,05,309	73,961.31	26.25	22.20	17,03,42,326	22,530.70
June	25.66	18.45	2,63,69,590	79,032.73	25.08	20.40	20,98,18,115	24,010.60
July	23.17	19.83	2,65,28,145	81,741.34	22.95	20.60	16,15,57,095	24,951.15
August	23.00	19.91	2,86,44,132	82,365.77	22.00	19.96	1,62,704,111	25,235.90
September	36.51	19.78	13,25,89,405	84,299.78	35.73	19.91	97,19,69,344	25,810.85
October	37.72	25.5	4,75,28,550	79,389.06	34.98	25.92	49,22,73,093	24,205.35
November	27.65	21.76	1,29,24,596	79,802.79	26.93	22.25	10,45,91,503	24,131.10
December	35.55	23.45	5,16,64,515	78,139.01	34.63	25.24	36,19,38,643	23,644.80
January	38.17	24.03	3,53,52,473	77,500.57	37.22	23.94	42,72,11,523	23,508.40
February	22.83	12.85	6,00,66,222	73,198.1	22.74	13.42	34,32,36,148	22,124.70
March	14.20	9.41	4,10,25,841	77,414.92	13.86	9.41	18,61,15,387	23,519.35

➤ **Registrar and Share Transfer Agent:**

Bigshare Services Pvt. Ltd.

Pinnacle Business Park, Office No S6-2, 6th, Mahakali Caves Rd, next to Ahura Centre, Andheri East, Mumbai, 400093.

Telephone No. : 022-62638200

Fax No.- : 022-62638299

Email : investor@bigshareonline.com

➤ Share Transfer System

In terms of Regulation 40(1) of SEBI (LODR), Regulations, 2015, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

All requests for dematerialisation of shares are processed and the confirmation is given to respective Depositories i.e., National Securities Depository Limited and Central Depository Services (India) Limited, generally within 21 days.

➤ Distribution of shareholding as on March 31, 2025: - (Face Value Re. 1/- per Share)

Category (No. of Shares)	No. of shareholders	% of shareholders	No. of shares	% total equity
0-5000	4,07,595	97.09	15,17,18,524	14.00
5001-10000	6,278	1.49	4,70,20,443	4.34
10001-20000	3,089	0.73	4,47,51,262	4.13
20001-30000	1,026	0.24	2,57,26,069	2.37
30001-40000	444	0.10	1,56,74,270	1.44
40001-50000	325	0.07	1,51,18,236	1.39
50001-100000	531	0.12	388,61,838	1.39
100001- above	498	0.11	74,43,21,165	68.71
Total	4,19,786	100.00	108,31,91,807	100.00

➤ Category wise Shareholding as on March 31, 2025

Category	No. of Shares	%
Promoters	43,38,53,165	40.05
Financial Institutions/Banks	16,488	0.00
Insurance Companies	4,84,47,917	4.47
Foreign Portfolio Investors	3,39,90,749	3.14
Public	56,68,83,488	52.33
Total	108,31,91,807	100.00

➤ Dematerialization of Shares and Liquidity:

The Company's shares are traded in dematerialized form and are available for trading with both the depositories, namely, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Mode of Holding	No. of shares (as on March 31, 2025)	%
Held with NSDL	72,19,32,271	66.65
Held with CDSL	36,01,52,612	33.25
Held in Physical Form	11,06,924	0.10
Total	108,31,88,207	100.00

➤ Outstanding GDRs, ADRs, warrants or any convertible instruments.

The Company has not issued any GDRs/ADRs during the FY 2024-25.

➤ Commodity Price Risks or Foreign Exchange Risks and Hedging Activities:

The details of foreign currency exposure have been disclosed in standalone notes to accounts of the Annual Report.

➤ **Plant Locations:**

In view of the nature of the Company's business viz. Specialty Retail, Vakrangee operates from various offices in India does not have any manufacturing plant, whereas Vortex has manufacturing plant at Maran Nagar Chennai.

➤ **Address of Correspondence:**

The address of correspondence:

Vakrangee Limited

"Vakrangee Corporate House", Plot No. 93,
Road No. 16, M.I.D.C. Marol, Andheri (E),
Mumbai – 400 093.

Shareholders can contact the following officials for Secretarial matters related to the Company:

Name	Telephone No.	Email ID
Amit Gadgil	022 - 67765100	info@vakrangee.in

➤ **Credit Ratings:**

During the year under review, the Company has not obtained any credit ratings.

10. Other Disclosures

(a) Disclosure on materially significant Related Party Transactions that may have potential conflict with the interest of the Company at large.

During the year there were no material significant transactions with the related parties. The policy as to Related Party Transactions as approved by the Board, is available on the Company's website, https://vakrangee.in/policies_and_guidelines.html.

Necessary disclosures as to Related Party Transactions, as required have been made in the standalone notes to accounts of the Annual Report.

(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 authority, on any matter related to capital markets, during the last three years:

During the last three years, there were no strictures or penalties imposed by either the Securities and Exchange Board of India or the Stock Exchanges or any statutory authorities for non-compliance of any matter related to the capital markets.

(c) Vigil Mechanism / Whistle Blower

In line with the best Corporate Governance practices, Company has put in place a system through which the Directors and Employees, Franchisee, Business Partner,

Vendor or any other third parties making a Protected Disclosure under this Policy may report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics without fear of reprisal. The Employees and Directors may report to the Compliance Officer and no personnel has been denied direct access to the Chairman of the Audit Committee. The Whistle Blower Policy is placed on the website of the Company, https://vakrangee.in/policies_and_guidelines.html.

(d) Compliance with Discretionary requirements of SEBI(LODR), Regulations, 2015:

The Company has complied with all the mandatory requirements of SEBI (LODR) Regulations, 2015. The status of compliance with discretionary requirements under Regulation 27(1) and Part E Schedule II of SEBI (LODR), Regulations, 2015 is provided below:

- **Shareholders' Rights:** As the quarterly and half yearly financial results are published in the newspapers and are also posted on the Company's website, the same are not sent to the shareholders.
- **Audit Qualifications:** The Company's financial statement for the financial year 2024-25 does not contain any audit qualification.
- **Separate posts of Chairperson and the Managing Director or the Chief Executive Officer:** There are separate posts of Chairperson and Managing Director of the Company and the Chairman of the Company is Executive Director and is related to the Managing Director
- **Reporting of Internal Auditor:** The Internal Auditor of the Company directly reports to the Audit Committee.

(e) Details of the Company's Material Subsidiaries

During the year under review, Vakrangee Finserve Limited was the material subsidiary of the Company as per SEBI (LODR), Regulations 2015.

Date of incorporation: 07th September 2011

Place of incorporation: Mumbai

Name of the Statutory Auditors: M/s. R. R. Bajaj & Associates

Date of appointment of statutory auditors:
April 01, 2021

Further the Company has adopted a policy for determining Material subsidiaries and is available on the website of the company, https://vakrangee.in/policies_and_guidelines.html.

(f) Loans and advances in the nature of loans

During FY 2024-25, neither the Company nor any of its subsidiaries have provided 'Loans and advances in the nature of loans' to firms/companies in which the directors are interested.

11. Familiarization Program for Independent directors

The Company at its various meetings held during the Financial year 2024-25 had familiarize the Independent Directors with regard to the roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the Business models of the Company etc. The Independent Directors have been provided with necessary documents, reports and internal policies to familiarize them with the Company's policies, procedures and practices.

Periodic presentations are made to the Board and Board Committee meeting on Business and performance updates of the Company, Business strategy and risks involved.

Quarterly updates on relevant statutory changes and judicial pronouncements and encompassing important amendments are briefed to the Directors.

The Familiarization Policy along with the details of familiarization program imparted to the Independent Directors is available on the website of the Company at https://vakrangee.in/policies_and_guidelines.html.

12. Vakrangee's Code of Conduct

The Board of Directors of the Company has laid down a code of conduct for the Board and all senior management employees of the Company. The same has been posted on the website of the Company https://vakrangee.in/policies_and_guidelines.html. The Company confirms that all Board members and senior management personnel have and shall continue to affirm compliance with the code on an annual basis.

13. Vakrangee's Code for Preventing Insider Trading

Vakrangee Ltd has Code of Conduct for Prevention of Insider Trading ('VL Code') in the shares of the Company which is in line with SEBI (Prohibition of Insider Trading) Regulations, 2015 and followed in spirit.

14. Disclosure on Compliance:**The Company is in Compliance with:**

- The Corporate Governance Requirements as specified in regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46.
- All the requirements mentioned in sub- paras (2) to (10) of section C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- During the year under review the Board has accepted all the recommendations of its Committees.
- The Company has obtained certificate from Mehul Raval, Practicing 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 the Companies by the Board/Ministry of Corporate Affairs or any such Statutory Authority.
- Total fees for all services paid by the Company 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 is given below:

Payment to Statutory Auditor	FY 2024 - 25 (Rs. In Lakhs)
Audit Fees	11.00
Tax Audit Fees	1.00
Other Services	0.00
Reimbursement of Expenses	0.00
Total	12.00

- Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.**

Number of complaints filed during the year 2024 - 25.	Nil
Number of complaints disposed off during the year 2024 - 25.	NA
Number of complaints pending as on 31 March 2025	NA

➤ **Compliance Certificate:**

The Compliance Certificate issued by Mr. Mehul Raval, Practicing Company Secretaries on Compliance with the Corporate Governance requirements by the Company is annexed herewith.

I, hereby, confirm and declare that in terms of Regulation 26(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Board members and Senior Management Personnel of the company have affirmed compliance with the "Code of Conduct for the Board of Directors and the Senior Management Personnel", for the financial year 2024-25.

Sd/-

Vedant Dinesh Nandwana
Managing Director
(DIN: 08420950)

Business Responsibility and Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

Sl. No	Particulars	Details
1.	Corporate Identity Number (CIN) of the Listed Entity	L65990MH1990PLC056669
2.	Name of the Listed Entity	Vakrangee Limited
3.	Year of incorporation	1990
4.	Registered office address	Vakrangee Corporate House, Plot No.93, Road No.16, M.I.D.C., Marol, Andheri (E), Mumbai - 400093.
5.	Corporate address	Vakrangee Corporate House, Plot No.93, Road No.16, M.I.D.C., Marol, Andheri (E), Mumbai – 400093
6.	Email	info@vakrangee.in
7.	Telephone	+91 022-67765100
8.	Website	www.vakrangee.in
9.	Financial year for which reporting is being done	Financial year 2024-25 (April 1, 2024 to March 31, 2025)
10.	Name of the Stock Exchange(s) where shares are listed	1. BSE Limited 2. National Stock Exchange (India) Limited
11.	Paid-up capital	₹ 1,08,31,91,807/-
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name: Mr. Amit Gadgil Designation: Company Secretary & Compliance Officer Telephone No: 022-67765100 E-mail id: info@vakrangee.in
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Disclosures under this report are made on a standalone basis (i.e., only for the entity) Vakrangee Limited.
14.	Name of assurance provider	Not Applicable for the reporting period as per SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/ CIR/2023/122 dt. 12 July, 2023
15.	Type of assurance obtained	Not Applicable for the reporting period as per SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/ CIR/2023/122 dt. 12 July, 2023

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

Sl. No	Description of Main Activity	Description of Business activity	% of Turnover of the entity
1	Information and communication	Data processing, hosting, and related activities; web portal	99.38%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sl. No	Product/Service	NIC Code	% of total
1	We have only one business segment, Vakrangee Kendra, which is also reported in our balance sheet. Our Vakrangee Kendra, is a one-stop shop, offers following 3 key services: BFSI - Banking, insurance, and financial services ATM Services E-commerce – assisted online shopping, total healthcare, assisted online travel, telecom, and E-Governance services such as Pan Card, bill payment services; and Logistics and apparel products.	631 - Data processing, hosting and related activities; web portals 639 – Other information service activities 662 – Activities auxiliary to insurance and pension funding 461 – Wholesale on a fee or contract basis 479 – Retail trade not in stores, stalls, or markets 791 – Travel agency and tour operator activities 641 – Monetary intermediation 661 - Activities auxiliary to financial service activities, except insurance and pension funding 649 - Other financial service activities, except insurance and pension funding activities	99.38%

III. Operations**18. Number of locations where plants and/or operations/offices of the entity are situated:**

Location	Number of plants	Number of offices	Total
National	NA	22,986 operational Vakrangee Kendras Outlets across 32 states and Union Territories of India. Company Offices – 04	
International	NA	NA	NA

19. Markets served by the entity:**a) Number of locations**

Locations	Number
National (No. of States)	32 States and Union Territories of India
International (No. of Countries)	NA

b) What is the contribution of exports as a percentage of the total turnover of the entity?

We serve in Local, State and National markets only and hence there are no exports.

c) A brief on types of customers

We provide a range of services (BFSI, ATM & E-Commerce Services) through our franchisees, aiming to promote financial, social, and digital inclusion for our customers. Our company follows an asset-light, franchisee-based business model to meet the needs of the people. By utilizing both physical Kendras and our digital platform called BharatEasy Mobile Super App, we serve the B2C segment. Our primary focus is to bring financial and digital literacy to the socio-economic groups at the bottom of the pyramid. We act as the vital link connecting unserved and underserved individuals in both rural and urban areas in India, offering them affordable products and services with the same level of quality.

IV. Employees**20. Details as at the end of Financial Year (as on 31st March 2025):****a) Employees and workers (including differently abled):**

Sl. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	EMPLOYEES					
1	Permanent (D)	224	196	87.5%	28	12.5%
2	Other than Permanent (E)	6	3	50%	3	50%
3	Total employees (D + E)	230	199	86.52%	31	13.48%

b) Differently abled employees and workers:

Sl. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	DIFFERENTLY ABLED EMPLOYEES					
1	Permanent (D)	0	0		0	0%
2	Other than Permanent (E)	0	0		0	
3	Total employees (D + E)	0	0		0	0%

21. Participation/ Inclusion/ Representation of women:

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	6	2	33.33%
Key Management Personnel*	3	0	0%

* NOTE: Board of Directors include Managing Director & Whole Time Director.

Key Management Personnel (KMP) comprises of Managing Director (MD), Chief Financial Officer (CFO) and Company Secretary (CS).

22. Turnover rate for permanent employees and workers:

Particulars	Turnover rate in current FY (2024-25)			Turnover rate in the previous FY (2023-24)			Turnover rate in the year prior to the previous FY (2022-23)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	78%	22%	33%	73.44%	26.56%	23.48%	21.00%	42.86%	23.48%

V. Holding, Subsidiary and Associate Companies (including joint ventures)**23. (a) Names of holding/ subsidiary/ associate companies/ joint ventures**

Sl. No	Name of the Holding/ Subsidiary/ Associate Companies/ Joint Ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	Percentage of shares held by listed entity	Does the entity indicated at column A, participate in the Business responsibility initiatives of the listed entity? (Yes/ No)
1	Vakrangee Finserve Limited	Wholly Owned Subsidiary	100%	Yes
2	Vakrangee Digital Ventures Limited	Wholly Owned Subsidiary	100%	Yes
3	Vortex Engineering Private Limited	Wholly Owned Subsidiary	75.26%	Yes
4	Foreign subsidiary: Vakrangee e-Solutions Inc., Philippines	Wholly Owned Subsidiary	100%	No

VI. CSR Details**24. (i). Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No): No**

(ii) Turnover: ₹ 18206.50 Lacs

(iii) Networth: ₹ 16400.28 Lacs

VII. Transparency and Disclosures Compliances

24. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No) (If Yes, then provide weblink for grievance redress policy)	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes https://vakrangee.in/pdf/Policies-PDF/Disclosure%20on%20Whistleblower%20Complaints.pdf	0	0	NA	0	0	NA
Investors (Other than shareholders)	Yes https://vakrangee.in/pdf/Policies-PDF/Disclosure%20on%20Whistleblower%20Complaints.pdf	0	0	NA	0	0	NA
Shareholders	Yes As per SEBI Listing Regulations. https://vakrangee.in/investor_contact.html	2	0	NA	1	0	NA
Employees and workers	Yes https://vakrangee.in/policies_and_guidelines.html	0	0	NA	0	0	NA

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No) (If Yes, then provide weblink for grievance redress policy)	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Customers	Yes https://vakrangee.in/pdf/Policies-PDF/Disclosure%20on%20Whistleblower%20Complaints.pdf	0	0	NA	0	0	NA
Value Chain Partners	Yes https://vakrangee.in/pdf/Policies-PDF/Disclosure%20on%20Whistleblower%20Complaints.pdf	0	0	NA	2	0	NA
Others (Please specify)	NA	NA	NA	NA	NA	NA	NA

*Please refer to the Whistle Blower Policy and Business Responsibility Policies available at:

26. Overview of the entity's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

We carried out a comprehensive materiality assessment exercise with a key focus on the following areas for evaluation:- stakeholder concerns, legal considerations, internal policy considerations, and financial implications and risks. The detailed- out materiality assessment with the identified material topics have been mentioned in the Stakeholder Engagement and Materiality Assessment section on page no. 62.

Various risk and opportunities for our Company have also been identified with their significance and defined mitigation strategies. Various opportunities for us have also been identified and report as part of the Management Discussion and Analysis on page no. 188.

Sl. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Compliance with regulations	Opportunity	By prioritising compliance with regulations, we can avoid legal pitfalls, fines, and reputational harm, while also gaining a competitive edge in a heavily regulated industry through proactive measures that demonstrate our commitment to integrity and responsible operations."	Not applicable	Positive
2.	Cyberattacks	Risk	Cybersecurity threats pose significant risks to our organisation, including the potential for sensitive data breaches, financial losses, reputational damage, and erosion of customer trust. Non-compliance with data protection regulations can lead to legal consequences, while cyber-attacks can disrupt critical systems and networks, causing operational downtime and impacting business continuity. Therefore, prioritising cybersecurity is crucial to mitigating these risks and safeguarding our assets.	Our organisation prioritises data privacy, with a robust policy and program in place, and holds prestigious certifications for our secure processes. Our operations are certified with – 1. ISO 27001:2013, 2. ISO 19600:2014 3. ISO 27701:2019	Negative
3.	Digitisation	Opportunity	Digital transformation offers a gateway to unlocking new customer segments, optimising operations, and driving innovation through cutting-edge technologies. By harnessing the power of data analytics and digital platforms, fintech companies can maintain agility, make informed decisions, and establish a competitive edge in a crowded market, ultimately delivering tailored and seamless customer experiences..	-	Positive

Sl. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4.	Diversity and Inclusion	Opportunity	A diverse and inclusive workforce is a driving force for innovation, fostering creative solutions and informed decision-making. By bringing together unique perspectives and experiences, we can tap into a wealth of ideas, better serve our diverse customer base, and enhance customer satisfaction and financial performance. Embracing diversity is a key factor in our success, allowing us to thrive in a rapidly changing business landscape.	-	Positive
5.	Employee Wellbeing	Opportunity	Investing in employee well-being brings numerous benefits such as heightened productivity and engagement, the ability to attract top talent, lower absenteeism rates, and the cultivation of a positive organizational culture. By prioritizing employee well-being, we create a healthier, more motivated workforce, which ultimately enhances overall performance and ensures long-term success.	-	Positive
6.	Financial Performance	Opportunity	Our strong financial performance presents opportunities to invest in growth initiatives, expand operations, attract investors, secure funding, and bolster our competitive position in the market. Effective resource allocation, pursuit of strategic partnerships or acquisitions, and reinvestment in research and development are enabled by robust financial performance, driving long-term success and profitability.	-	Positive

Sl. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7.	Financial, Digital and Social Inclusion	Opportunity	The intersection of financial, digital, and social inclusion offers us a significant opportunity to reach underserved markets, expand our customer base, and stimulate revenue growth. By delivering accessible financial services, leveraging digital technologies, and supporting social programs, we empower individuals and communities, promoting economic development and enhancing social well-being. Furthermore, our alignment with governmental priorities on financial and social inclusion positions us as a pivotal partner in advancing these initiatives, establishing our role as a strategic ally in achieving government objectives.	-	Positive
8.	Human Rights	Risk	Respecting and upholding human rights is essential at Vakrangee to mitigate risks that could threaten our reputation, incur legal consequences, and erode customer trust. Prioritizing ethical practices and diligently managing our operations and supply chain are imperative to prevent any violations and safeguard against these adverse outcomes.	Our commitment to human rights is upheld through a robust Human Rights Policy aligned with the UN Guiding Principles (UNGPs), ILO conventions, UN Global Compact (UNGC), and the Indian constitution. This policy serves as a comprehensive framework guiding our actions, ensuring all human rights considerations are diligently addressed. We foster a transparent and rights-conscious work environment across our business operations. Moreover, we have implemented an effective grievance mechanism to promptly address and report any human rights concerns.	Negative

Sl. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
9.	Optimal Franchisee Performance	Opportunity	Achieving peak franchisee performance is a strategic opportunity for us, resulting in heightened revenue generation, improved customer satisfaction, and broader market penetration. Optimal franchisee performance effectively amplifies our brand, products, and services, fueling business expansion. By prioritising comprehensive training, robust support, and sustained motivation for franchisees, we harness our collective performance to optimise profitability and solidify our extensive network of over 22,900 Kendras.	-	Positive
10.	Climate Change	Risk & opportunity	Risk & opportunity The growing recognition of the detrimental effects of human activities on the environment, notably climate change, offers us with a substantial opportunity. Embracing sustainable practices and eco-friendly products enables us to align with evolving customer and stakeholder expectations, positioning us as industry leaders.	-	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and core elements.

The National Guidelines for Responsible Business Conduct (NGRBC), as prescribed by the Ministry of Corporate Affairs advocates nine Principles referred to as P1-P9 given below:

P1	Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive towards all their stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect and make efforts to restore the environment
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Policy and management processes

Disclosure Questions			P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes											
1.	a.	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	
	b.	Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c.	Web Link of the Policies, if available	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9
2.		Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.		Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.		Name of the national and international codes/ certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Policies are based on NGRBS's and conform to international standards such as ISO 90600, ISO 27701, ISO 27001, ISO 14001 UNGC principles and ILO standards.								
5.		Specific commitments, goals and targets set by the entity with defined timelines, if any.	N	Y10	Y10	N	Y11	Y12	N	Y13	Y2
6.		Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	N	Y10	Y10	N	Y11	Y12	N	Y13	Y2

- Y1 <https://vakrangee.in/pdf/Policies-PDF/Business%20Conduct%20Policy.pdf>
- Y2 <https://vakrangee.in/pdf/Policies-PDF/Sustainability%20related%20Services.pdf>
- Y3 <https://vakrangee.in/pdf/Policies-PDF/Vakrangee%20-%20Health%20&%20Safety%20Policy.pdf>
- Y4 <https://vakrangee.in/pdf/Policies-PDF/Sustainability%20related%20Services.pdf>
- Y5 https://vakrangee.in/pdf/Policies-PDF/Human_Rights_Policy.pdf
- Y6 <https://vakrangee.in/pdf/Policies-PDF/Environmental%20Policy.pdf>
- Y6 <https://www.vakrangee.in/pdf/Policies-PDF/Biodiversity%20Policy.pdf>
- Y6 <https://www.vakrangee.in/pdf/Policies-PDF/No%20Deforestation%20Policy.pdf>
- Y7 <https://vakrangee.in/pdf/Policies-PDF/Business%20Conduct%20Policy.pdf>
- Y8 https://vakrangee.in/pdf/Policies-PDF/Corporate%20Social%20Responsibility_Policy.pdf
- Y9 <https://vakrangee.in/pdf/Policies-PDF/Sustainability%20related%20Services.pdf>
- Y10 https://vakrangee.in/pdf/Policies-PDF/HR-Key_Metrics_FY2024-25/HR%20-%20Key%20Metrics%20FY2024-25.pdf
- Y11 https://vakrangee.in/pdf/Policies-PDF/Human%20Rights%20E2%80%93%20Due-Diligence_&%20Impact%20Assessment.pdf
- Y12 We aim to fulfil environmental commitments through its GHG Reduction program/policy available at: <https://vakrangee.in/pdf/Policies-PDF/GHG%20Reduction%20Program.pdf>
- Y13 https://vakrangee.in/pdf/News_and_Announcements/ESG%20Performance%20target%20March%202020.pdf

Governance, leadership, and oversight

7. **Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure).**

Response: We are dedicated to making a positive impact in the communities we serve through both our business practices and various interventions. This BRSR report reflects our commitment to advancing corporate governance and transparency standards. As the next phase of mandated ESG reporting in India, BRSR serves as an essential tool for compliance and communication regarding non-financial disclosures.

Building on our tradition of ESG leadership, we are proactively sharing our sustainability efforts through the BRSR framework. This reporting allows us to showcase the significant effects of our Phygital model of operations on the community. Our BRSR report comprehensively covers Environmental, Social, and Governance (ESG) aspects, demonstrating the full scope of our impact.

8. **Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).**

Ms. Divya Nandwana

Executive Chairperson

Telephone number - 022 67765100

E-mail id – compliance@vakrangee.in

9. **Does the entity have a specified Committee of the Board/ Director responsible for decision-making on sustainability-related issues? (Yes / No). If yes, provide details.**

Response: Yes.

Corporate Governance Committee, Corporate Social Responsibility (CSR) Committee and ESG Committee of our Company are responsible for implementing BR policies. Details on the committees are as follows

Corporate Governance Committee

DIN	Name	Designation
08797386	Mr. Hari Chand Mittal	Chairman
08420950	Mr. Vedant Dinesh Nandwana	Member
08085537	Ms. Divya Dinesh Nandwana	Member

Corporate Social Responsibility Committee

DIN	Name	Designation
08085537	Ms. Divya Dinesh Nandwana	Chairman
08420950	Mr. Vedant Dinesh Nandwana	Member
08797386	Mr. Hari Chand Mittal	Member

ESG Committee

DIN	Name	Designation
08085537	Ms. Divya Dinesh Nandwana	Member
08420950	Mr. Vedant Dinesh Nandwana	Member
08797386	Mr. Hari Chand Mittal	Member

Details of Review of NGRBCs by the Company:**10. Details of Review of NGRBCs by the Company**

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee									Frequency (Annually / Half yearly /Quarterly/ Any other-please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Director	Director	Director	Director	Director	Director	Director	Director	Director	Annually	Annually	Annually	Annually	Annually	Annually	Annually	Annually	Annually
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	Director	Director	Director	Director	Director	Director	Director	Director	Director	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee									Frequency (Annually / Half yearly /Quarterly/ Any other-please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/ No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9									
	No	No	No	No	No	No	No	No	No									
If Yes, provide name of the agency	NA	NA	NA	NA	NA	NA	NA	NA	NA									

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated: Not Applicable.

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1:

1. Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators:

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programs held	Topics / principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness
Board of Directors	0	We conduct periodic training programs, awareness campaigns, leader talks, contests and more. The content of these programs addresses the various BRSR topics. We conduct campaigns through the year to encourage employees to leverage their learning. Engagement activities such as celebration of events related to environment, diversity, safety, health and wellness, also leverage the ESG learning resources. In addition, we have regular engagement mailers on ESG topics, and we cover 100% of our employees.	0
Key Managerial Personnel	0		0
Employees other than BOD and KMPs	9		100.00%
Workers	NA		NA

All the principles laid down in BRSR are covered by Vakrangee mandatory trainings and Vakrangee Code of Conduct/ Business Conduct Policy, which is adhered to by all employees.

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary

Particulars	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been referred? (Yes/No)
Penalty/ Fine	Nil	Nil	Nil	NA	NA
Settlement	Nil	Nil	Nil	NA	NA
Compounding Fee	Nil	Nil	Nil	NA	NA

Non-monetary

Particulars	Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been referred? (Yes/No)
Imprisonment	Nil	Nil	NA	NA
Punishment	Nil	Nil	NA	NA

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed:

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
NA	NA

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Response: The Vakrangee Business Conduct Policy contains guidelines on anti-corruption & anti-bribery. We are committed to upholding the highest moral and ethical standards and does not tolerate bribery or corruption in any form. The policy is available on our website at:

<https://vakrangee.in/pdf/Policies-PDF/Business%20Conduct%20Policy.pdf>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Particulars	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	NA	NA

6. Details of complaints with regard to conflict of interest:

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Number	Remarks		Number	Remarks	
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil	185	97.87%
Number of complaints received in relation to issues of Conflict of interest of the KMPs	Nil	Nil	Nil	Nil	Nil	Nil

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Response: Not applicable

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

Category	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Number of days of accounts payables		44

9. Open-ness of Business

Provide details of concentration of purchases and sales with trading houses, dealers and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2024-25	FY 2023-24
Concentration of Purchases	a. Purchases from trading house as % of total purchases		
	b. Number of trading houses where purchases and made from	-	-
	c. Purchases from top 10 trading houses as % of total purchases from trading houses		
Concentration of Sales	a. Sales to dealers/distributors as % of total sales		
	b. Number of dealers/distributors to whom sales are made	-	-
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors		
Share of RPTs in	a. Purchases (Purchases with related parties/Total Purchases)	820 Lacs	0
	b. Sales (Sales to related parties / Total Sales)	582.45	405
	c. Loans & advances (Loans & advances given to related parties/Total loans & advances)	1119.6	0
	d. Investments (Investments in related parties/ Total Investments made)	3290.70 Lac	333.04 Lac

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Types of Training	Training Name	No of Employees	Durations	Total Training hours
Mandatory training	Induction & Orientation	64	1 hour	64 hours
	Fire & Safety Training	85	40 min	57 hours
	POSH	64	45 min	48 hours
	Functional App Training	64	50 min	53 hours
Refresher training	POSH	163	45 min	122 hours
	Tally Training	10	2 hours	20 hours
	PF Training	5	1 hour	5 hours
	Advance Excel	120	4 hours	480 hours
	Mental Health Training	35	1 hour 40 min	58 hours
Security Staff Training	Training to Handle Emergency	6	40 min	4 hours
	Fire & Safety Training	6	41 min	4hours

Total Training Hours 916 hours

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No). If yes, provide details of the same.

Yes, The Company maintains a Code of Conduct specifically designed for the Board of Directors and senior management personnel. This code offers explicit directives to prevent and disclose any actual or potential conflicts of interest with the company. Annually, the company collects declarations from its Board of Directors and senior management personnel regarding their affiliations with other entities. Additionally, the company ensures that all necessary approvals, as mandated by relevant laws, are obtained before engaging in transactions with any such entity.

PRINCIPLE 2

Businesses should provide goods and services in a manner that is sustainable and safe.

Essential Indicators:

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

Particulars	FY 2024-25 (Current Financial Year) (₹ In Lakhs)	FY 2023-24 (Previous Financial Year) (₹ In Lakhs)	Details of improvements in environmental and social impacts
R&D	00	00	Our business model is built on sustainability, aimed at fostering financial, social, and digital inclusion for Indians. Through our extensive network of outlets, we are advancing financial, digital, and social inclusion in rural India. Every aspect of our business and the products and services we offer are designed with sustainability in mind. Our Kendra outlets serve as one-stop shops, delivering essential services to rural citizens, including banking services, ATMs, healthcare, and online shopping. Our capital expenditure primarily supports the acquisition of environmentally friendly ATM machines. These machines are paperless, with transaction acknowledgments sent via SMS, in line with our 'Go Green' initiatives. We are committed to minimizing paper usage through prevention, reduction, recycling, and reuse to mitigate environmental impacts. To further enhance our environmental efforts, we are integrating energy efficiencies into our facilities by increasing the use of renewable energy sources, such as solar power. Currently, 13% of our energy consumption comes from solar power. We are also working on expanding our use of renewable energy through power purchase agreements with private renewable energy suppliers. Our commitment to green infrastructure includes adopting cleaner technologies, green IT practices, and IT-enabled operational efficiencies. We also emphasize sustainable procurement through our Green Procurement Policy, prioritizing EPEAT-certified products to support our energy and carbon management goals.
Capex	570.76	617.11	

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No):** Yes

- b. **If yes, what percentage of inputs were sourced sustainably?**

100% of our suppliers are covered in the responsible sourcing program.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Response: We do not manufacture any products hence this question is not applicable for our operations. We have defined processes in place for reuse, recycle and safe end-of-life disposal for the products used in its operations.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Response: Although EPR is not applicable to the company, our activities as a whole produce very little waste. Earning the Green India Certificate for recycling e-waste attests to the fact that we safely disposed of e-waste in a way that safeguarded the environment.

Leadership Indicators:

Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

Response: We do not manufacture any products hence this question is not applicable for our operations.

If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Response: We do not manufacture any products hence this question is not applicable for our operations.

Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Response: Not Applicable

Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2024-25			FY 2023-24		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including Packaging)	NIL	NIL	NIL	NIL	NIL	NIL
E-waste	NIL	NIL	NIL	NIL	NIL	NIL
Hazardous Waste	NIL	NIL	NIL	NIL	NIL	NIL
Other Waste (Paper)	NIL	NIL	NIL	NIL	NIL	NIL

Reclaimed products and their packaging materials (as percentage of products sold) for each product category

Indicate Product Category	Reclaimed products and their packaging materials (as percentage of products sold) for each product category
	NIL

PRINCIPLE 3

Businesses should respect and promote the well-being of all employees, including those in their value chains.

Essential Indicators:**1. A. Details of measures for the well-being of employees:**

Category	Percentage of employees covered by										
	Total (A)	Health Insurance		Accidental Insurance		Maternity Benefits		Paternity Benefits*		Day-care Facilities*	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	196	196	100	196	100	-	-	-	-	-	-
Female	28	28	100	28	100	28	100	-	-	-	-
Total	224	224	100	224	100	28	100	-	-	-	-
Non-Permanent Employees**											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

* Note: Parental support benefit and creche facility is available to parent who find it difficult to manage work and children.

** Our non-permanent employees are not covered under above-mentioned measures.

B. Details of measures for the well-being of workers:

Note: Our line of business does not involve manufacturing activities, therefore, we do not employ any workers.

C. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

Particulars	FY 2024-25	FY 2023-24
Cost incurred on well-being measures as a % of total revenue of the company	0.17%	0.11%

Note: For the purpose of calculating the spending on measures towards well being of employees, the Company has considered the expense incurred towards employees Health Insurance, Life Insurance, Medical Expenses, Sports Activities, Safety excellence rewards, maternity and paternity benefits, and employee training/awareness and other relevant expenses, net of any recoveries made from the employees.

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year

Particulars	FY 2024-25 (Current financial year)			FY 2023-24 (Previous financial year)		
	No. of employees covered as a percentage of total employees	No. of Workers covered as a percentage of total workers	Deducted and deposited with the authority (Y/N/NA)	No. of employees covered as a percentage of total employees	No. of workers covered as a percentage of total workers	Deducted and deposited with the authority (Y/N/NA)
PF	100	-	Yes	36.79	-	Yes
Gratuity	100	-	Yes	100	-	Yes
ESI	16	-	Yes	20.28	-	Yes
Others: please specify	-	-	-	-	-	-

3. Accessibility of workplaces:

Are the premises / offices of the entity accessible to differently-abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Response: Yes. The premises / offices of the entity are accessible to differently-abled employees.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Response: Yes, We have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016. The policy is available on our website, at <https://vakrangee.in/pdf/Policies-PDF/Diversity%20Programme%20and%20Inclusion%20Policy.pdf>

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	No case	No case	NA	NA
Female	No case	No case	NA	NA
Total	NA	NA	NA	NA

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Particulars	Yes/No	Brief Description of Mechanisms (if yes)
Permanent Employees	Yes	We have a robust Whistleblower Policy that offers employees a secure platform to report any irregularities, misconduct, or unethical behavior within our organization, whether related to financial issues or other matters. https://vakrangee.in/pdf/Policies-PDF/Whistle%20Blower%20Policy_Final.pdf We provide an independent third-party online portal available 24/7 for open and structured discussions, allowing employees to raise concerns related to human rights and fair labour practices. Additionally, we have established a POSH Committee to handle issues related to sexual harassment. For more information, please visit our Human Rights Policy at: https://vakrangee.in/pdf/Policies-PDF/Human_Rights_Policy.pdf
Non-Permanent Employees	NA	NA
Permanent Workers	NA	NA
Non-Permanent Workers	NA	NA

7. Membership of employees and worker in Association(s) or Unions recognised by the listed entity:

Not applicable

8. Details of training given to employees and workers:

Category	FY 2024-25 (Current Financial Year)					FY 2023-24 (Previous Financial Year)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No.(B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	167	145	87%	144	86%	188	188	100	188	100
Female	25	25	100%	24	96%	24	24	100	24	100
Total	192	170	89%	168	87%	212	212	100	212	100

9. Details of performance and career development reviews of employees and workers:

Particulars	FY 2024-25 (Current financial year)			FY 2023-24 (Previous financial year)		
	Total (A)	No.(B)	% (B/A)	Total (C)	No.(D)	% (D/C)
Employees						
Male	196	196	100%	188	1	0.53
Female	28	28	100%	24	0	0
Total	224	224	100%	212	1	0.53

10. Health and safety management system:

- a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Response: We are proud to have implemented a comprehensive Occupational Health and Safety (OHS) management system across our organization, earning us the prestigious ISO 45001:2018 certification. This achievement demonstrates our unwavering commitment to ensuring the well-being and safety of our employees, visitors, and stakeholders.

Our robust OHS policy and supporting processes are designed to identify and mitigate potential hazards, ensuring a healthy and safe working environment. We actively monitor and report on safety lead and lag indicators, continually improving our measures to prevent injury, illness, and harm.

By achieving ISO 45001 certification, we have reinforced our dedication to protecting our employees' physical and mental well-being, while also safeguarding the future health of our organization. This accomplishment has had a positive impact on employee satisfaction, retention, and overall health, leading to increased productivity and reduced absenteeism.

Our organization is committed to maintaining the highest standards of occupational health and safety, and we will continue to prioritize the well-being of our employees and stakeholders.

- b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

Response: In line with ISO 45001:2018 Occupational Health and Safety Management System, we have assessed work-related hazards and risks for both routine and non-routine activities. Process owners conduct hazard and risk identification and are responsible for implementing appropriate controls to manage these OHS risks. Mitigation plans and controls are established to eliminate identified hazards and risks.

- c. **Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)**

Response: Yes, the Company actively promotes a culture of safety by encouraging workers to report near-miss incidents, fostering a robust safety culture within the organisation.

- d. **Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Response: Yes. We understand that the physical and mental well-being of our employees is crucial to our success and growth. Our people-focused approach includes consulting and training employees on physical health, mental well-being, and overall wellness. We have adapted our well-being programs to address the challenges of the pandemic, encompassing COVID-19 support, mental health, ergonomic health, physical fitness, and home safety. These programs are delivered through digital channels, hospital insurance, and occupational health services, ensuring seamless integration for all employees and stakeholders.

Our Vakrangee Cares initiative offers support programs for associates and their families to manage mental stress and anxiety. We promote health and well-being through activities such as Yoga and Zumba, and provide comprehensive medical and healthcare services via company-provided insurance for employees and their dependents.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	NA	NA
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	NA	NA
No. of fatalities	Employees	Nil	Nil
	Workers	NA	NA
High consequence work-related injury or ill- health (excluding fatalities)	Employees	Nil	Nil
	Workers	NA	NA

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Response: We enforce a strict policy that prohibits the consumption of drugs, alcohol, tobacco, gutkha, or any substances to ensure a Healthy Workplace. Employees who violate this policy and jeopardize their own or others' safety and health face strict disciplinary action.

As an ISO 45001 certified company, we adhere to top Occupational Health and Safety Management standards. Our office is equipped with fire extinguishers and alarms throughout the premises. All employees receive fire drill training to effectively handle emergencies. Additionally, our ergonomically designed workstations promote a stress-free working environment.

Further, we are in the business segment of technology and hence not into any hazard related business.

Our organizational culture is designed to keep employees motivated and enhance productivity. We foster an Open Feedback Culture, encouraging employees to share their ideas and suggestions with managers, promoting inclusivity and engagement.

We are committed to diversity and equal employment opportunities, supported by various Training & Development and Mentorship Programs. These initiatives not only keep employees motivated but also help them upskill and stay engaged in their roles.

We have health and safety policy in place. Please find below the link for the same. Link: <https://vakrangee.in/pdf/Policies-PDF/Vakrangee%20-%20Health%20&%20Safety%20Policy.pdf>

Also, we have taken the safety measure at our Vakrangee Kendra outlets. Link for the documents <https://vakrangee.in/pdf/Policies-PDF/Safety%20Measures%20at%20Franchisee%20Outlets.pdf>

We conduct regular wellness sessions for our employees to support their overall well-being. Additionally, fire extinguishers are strategically placed on every floor within easy reach for emergencies. Employees receive training on how to use these extinguishers effectively in case of a fire.

We also have Company Medical Practitioner available for employees 24*7

(Note: Under this disclosure, the entity shall report the measures taken to prevent or mitigate significant negative health and safety impacts that are directly linked to its operations, products or services. Also indicate whether these measures are taken for a specific set of activities, employees / workers or facilities of the entity)

13. Number of Complaints on the following made by employees and workers:

Particulars	FY 2024-25 (Current financial year)			FY 2023-24 (Previous financial year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	NA	Nil	Nil	NA
Health & Safety	Nil	Nil	NA	Nil	Nil	NA

14. Assessments for the year:

Particulars	Percentage of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	Our 100% business operations are managed by our Centralized Corporate Head Office in Mumbai.
Working Conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Safety Incident / Risk / Concern	Corrective Action(s) Taken/Underway
NA	NA

Leadership Indicators**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (B) Workers**

Response: Group insurance policy covers all the employees. In case of unfortunate death of an employee the aforesaid policy is utilised for providing monetary relief to kiths and kins of the deceased. In case of employee not covered by ESI, an employee compensation benefit under the relevant provisions are provided.

2. Provide the measures under taken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Response: The company ensures that all statutory dues, including income tax, Employee State Insurance Corporation (ESIC), Provident Fund, Professional tax, Goods and Services Tax (GST), etc., are deducted and deposited promptly by its value chain partners. Additionally, the company files necessary statutory returns, such as GSTR, Income Tax Returns (ITR), TDS returns, etc., as required and within the specified timelines.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/workers		No. of employees /workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
Employees	None of the workers/employees have suffered any high consequence work-related injury / ill-health / fatalities hence this is not applicable			
Workers				

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?(Yes/No)

Response: Post the completion of employment, Vakrangee appoints retainers on a case to case basis. This benefits both the employees and the Company as well.

5. Details on assessment of value chain partners:

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Health and Safety practices	The Code of Practices addresses human rights, labour rights, environmental impact, mining practices, product disclosure and many more important topics in the supply chain. Suppliers are guided in process and system improvement and enhanced technical know-how. The Company also supports suppliers in improving their capabilities and conducts the assessments on periodic basis.
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Response: No risks/ concerns arose from assessments of health and safety practices and working conditions of value chain partners hence, this is Not Applicable

PRINCIPLE 4:

Businesses should respect the interests of and be responsive to all its stakeholders.

Essential Indicators:

1. Describe the processes for identifying key stakeholder groups of the entity.

Response: We have a defined Stakeholder Engagement process in place. The same is mentioned in the Stakeholder Engagement and Materiality Analysis section on Page no. 62.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder group	Whether identified as Vulnerable & Marginalised Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Franchisees	No	Email, SMS, Meetings	Regularly	- Marketing Support & Strategy - Training, guidance and support - Franchisee Satisfaction - Grievance addressal

Stakeholder group	Whether identified as Vulnerable & Marginalised Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Email, Events, Newsletters	Regularly and Quarterly	- Human Rights issues - Employee Engagement & Feedback - Operational aspects - Performance review - Talent development Training, skill development - Code of conduct and Business conduct processes and policies - Company business initiatives and strategies - Franchisee and Customer behaviour and response towards Company's Business model
Business Partners	No	Meetings	Regular Quarterly and ad hoc need based interactions	- Service availability in remote locations - Service Manual and Training Guidelines - Customer reach and business sales targets strategy - Business risks and their mitigation strategies - IT related Integration; Data privacy and security
Shareholders and investors	No	One-on-one meetings, Board presentations, Annual General Meetings, Reports, Investor	Quarterly	- Environment, Social and Governance strategy - Key company level Strategy and developments - Company Business Performance - Technological innovations - Shareholder voting rights
Customers	No	SMS, Email, Pamphlets and Advertisement	Regularly and as per requirements	- New services and offerings - Customer Grievance addressal and Satisfaction - Customer Queries - Data Privacy and Security

Stakeholder group	Whether identified as Vulnerable & Marginalised Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Community	Yes	Community Meetings	Need Basis	1. Livelihood generation 2. Social Infrastructure development for local rural communities 3. Financial, social and Digital inclusion 4. Easy access to basic services like Universal Banking, Insurance and social security benefits through DBT (Direct benefit transfer)
Suppliers and vendors	No	Meetings	Regularly	1. Product and service requirement 2. Quality Check and Pilot testing 3. ESG Compliance on the product (EPEAT certification) and of supplier and vendor Code of Conduct for Suppliers 4. Performance review and audit survey review on supply chain monitoring 5. Performance review on product and service as per the requirement 6. Feedback on support and maintenance of the respective product or service 7. Grievance Addressal 8. Product Customization (Example ATM made Divyang friendly as well as paperless ATM customization done as per our discussion with Supplier OEMs.

Stakeholder group	Whether identified as Vulnerable & Marginalised Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Industry bodies (Confederation of ATM industry, CATMi)	No	Trade events, conferences, newsletter, publications	Need Basis	1. ATM growth 2. Advocacy for best industry practices 3. Technological innovations in ATM industry 4. Education and training 5. WLA initiatives and Financial Inclusion initiatives 6. Financial and social inclusion initiatives in Rural India. 7. Industry feedback and expectation management on White label ATM business and Business correspondent banking services in India. 8. Industry representation to Reserve Bank of India (RBI) and DFS (Department of Financial services) 9. Prevention of any unethical practices if any and corrective strategy being implemented. 10. Digital India, RuPay cards and ATM expansion initiatives.
NGO, NPO and civil societies	Yes	Community Meetings	Need Basis	1. Healthcare access 2. Promoting education 3. Youth employment 4. Environmental sustainability
Government and Regulatory bodies	No	Meetings and Events	Need Basis	1. Promotion of financial, social and digital inclusion 2. Industry feedback and expectation management on White label ATM business and Business correspondent banking services in India. 3. Industry representation to Reserve Bank of India (RBI) and DFS (Department of Financial services) 4. Review discussion with National Payments Corporation of India (NPCI) 5. WLA License renewal and periodic Audit performed by RBI

Leadership Indicators

Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

Response: The Company has established an ESG framework, wherein representatives from each E, S, and G aspect collaborate with both internal and external stakeholders. They work together to implement essential procedures and reporting mechanisms aimed at advancing the collective objectives of ESG. These procedures undergo review by the Risk Management Committee.

Furthermore, the CSR Committee, the Nomination & Remuneration Committee, and the Audit Committee scrutinize the actions taken under their respective pillars within the ESG framework.

Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated in to policies and activities of the entity.

Response: Yes – We conducted an extensive materiality assessment by soliciting opinions and insights from all its stakeholders. This assessment evaluated the impact of environmental, social, governance, and economic issues crucial for the long-term viability and sustainability of the organization. Through this process, the company identified and prioritized the issues most significant to its business sustainability and value creation.

By conducting this materiality exercise, we have gained a deeper understanding of stakeholder priorities and areas of concern.

Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

Response: Not Applicable

PRINCIPLE 5:

Businesses should respect and promote human rights.

Essential Indicators:

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2024-25 (Current financial year)			FY 2023-24 (Previous financial year)		
	Total (A)	No. of Employees / Workers covered (B)	% (B/A)	Total (C)	No. of Employees / Workers covered (D)	% (D/C)
Employees						
Permanent	224	224	100%	212	212	100%
Other than Permanent	6	6	100%	5	5	100%
Total Employees	230	230	100%	217	217	100%

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2024-25 (Current financial year)					FY 2023-24 (Previous financial year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No.(B)	% (B/A)	No.(C)	% (C/A)		No.(E)	% (E/D)	No.(F)	% (F/D)
Employees										
Permanent										
Male	196	Nil	Nil	196	100%	188	3	1.38	185	97.87%
Female	28	Nil	Nil	28	100%	24	Nil	Nil	24	100%
Non-Permanent*										
Male	3					4				
Female	3					1				

Note: * The Company pays the amount to the external agency for Non-Permanent Employees.

3. Details of remuneration/salary/wages in the following format:

Particulars	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (Amount in Rs)	Number	Median remuneration/ salary/ wages of respective category (Amount in Rs)
Board of Directors (BoD)	9	1.75	3	2.5
Key Managerial Personnel	2	18.96	-	-
Employees other than BoD and KMP	255	2.94	41	2.68
Workers	NA	NA	NA	NA

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Response: Yes. We are committed to fostering a diverse and inclusive workplace. A dedicated Diversity and Inclusion Council, comprising key leadership roles, oversees initiatives to create a safe and equitable environment for all employees. This includes addressing the infrastructure, privacy, and architectural needs of diverse groups. The company maintains a zero-tolerance policy for sexual harassment, supported by a POSH Committee and Internal Complaint Committee. Additionally, the Nomination and Remuneration Committee contributes to diversity initiatives. Human Resources is responsible for mitigating any human rights impacts arising from business operations.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Response: We have an independent third-party online portal (24*7) for open and structured discussions to address employees' concerns related to human rights and decent labour. We have also formed a POSH Committee to address incidents related to sexual harassment. For more details, please visit our Human Rights Policy at: https://vakrangee.in/pdf/Policies-PDF/Human_Rights_Policy.pdf

During annual review system, we survey our employees, and we provide each employee's feedback to the Nomination, Remuneration and Compensation Committee, for its review and further action.

6. Number of Complaints on the following made by employees and workers:

Particulars	FY 2024-25 (Current financial year)			FY 2023-24 (Previous financial year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	Nil	Nil	Nil	Nil
Discrimination at workplace	Nil	Nil	Nil	Nil	Nil	Nil
Child Labour	Nil	Nil	Nil	Nil	Nil	Nil
Forced Labour / Involuntary Labour	Nil	Nil	Nil	Nil	Nil	Nil
Wages	Nil	Nil	Nil	Nil	Nil	Nil
Other human rights related issues	Nil	Nil	Nil	Nil	Nil	Nil

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Response: We have a zero-tolerance policy for retaliation against employees who raise genuine concerns. Anyone involved in such actions will face disciplinary measures. Complaints of discrimination or harassment are treated confidentially. Our independent, 24/7 online portal provides an anonymous platform for employees to report human rights and harassment issues, as well as other ethics and compliance concerns.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Response: Yes. We are committed to ethical and sustainable business practices throughout our supply chain. To this end, we have implemented a Sustainable Sourcing and Green Procurement Policy outlining clear expectations for all suppliers. These policies prioritize human rights, environmental protection, and social welfare.

Suppliers must adhere to our standards, continuously improve their practices, and sign our Supplier Code of Conduct during the onboarding process. This commitment extends to all workers and employees within their organizations.

Link for the Supplier Code of Conduct: <https://vakrangee.in/pdf/Policies-PDF/Supplier%20Code%20of%20Conduct.pdf>

9. Assessments for the year:

Particulars	Percentage of your plants and offices that were assessed (By entity or statutory authorities or third parties)
Child Labour	100%
Forced/involuntary Labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

10. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.

Response: Not applicable.

Leadership Indicators

Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints

Response: No such instances took place in the reporting year. However, the Company ensures a more sensitized workforce towards Human Rights through various training mechanisms and a vigilant system in place.

Details of the scope and coverage of any Human rights due-diligence conducted.

Response: The Company is committed to protecting and respecting Human Rights and remedying rights violations in case they are identified; for example, issues relating to human trafficking, forced labour, child labour, freedom of association, right to collective bargaining, equal remuneration and discrimination. Providing equal employment opportunity, ensuring fairness, creating a harassment-free, safe environment and respecting fundamental rights are some of the ways in which we ensure the same.

As an equal opportunity employer, we do not discriminate on the basis of race, colour, religion, sex, national origin, gender identity, sexual orientation or disability status.

No such due diligence was either warranted or conducted.

Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Response: Yes, we have made all our premises and offices accessible for visitors with disabilities.

Details on assessment of value chain partners:

Response: The Code of Practices addresses human rights, labour rights, environmental impact, mining practices, product disclosure and many more important topics in the jewellery supply chain. Suppliers are guided in process and system improvement and enhanced technical know-how. The Company also supports suppliers in improving their capabilities and conducts the assessments on periodic basis.

Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessment sat Question 4 above.

Response: There were no significant risks / concerns arising from such assessments.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.**Essential Indicators****1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2024-25 (Current financial year)	FY 2023-24 (Previous financial year)
Total electricity consumption (A)	75.77 GJ	103.09 GJ
Total fuel consumption (B)	1.93 GJ	114.78 GJ
Energy consumption through other sources (C) (Green Wheeling + Solar)	1188.69 GJ	1227.14 GJ
Total energy consumption (A+B+C)	1266.39 GJ	1445.01 GJ
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	695.70 Joules/ Rupees of turnover	787.00 Joules/ Rupees of turnover
Energy intensity (optional) – the relevant metric may be selected by the entity		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No. There has not been any independent assessment/ evaluation/ assurance that has been carried out.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Response: Not applicable.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2024-25 (Current financial year)	FY 2023-24 (Previous financial year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	NA	NA
(ii) Groundwater	NA	NA
(iii) Third party water	1855	1996
(iv) Seawater / desalinated water	NA	NA
(v) Others		
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	1855	1996
Total volume of water consumption (in kilolitres)	1855	1996
Water intensity per rupee of turnover (Water consumed / turnover)	0.001018 litres/rupee of turnover	0.001086 litres/rupee of turnover
Water intensity ratio (optional) – the relevant metric may be selected by the entity [such as units of product production volume [such as metric tons, litres, or MWh), size (such as m2 floor space), number of full-time employees]		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No. There has not been any independent assessment/ evaluation/ assurance that has been carried out.

4. Provide the following details related to water discharged

Parameter	FY 2024-25 (Current financial year)	FY 2023-24 (Previous financial year)
Water discharge by destination and level of treatment (in kilolitres)		
i. Into Surface Water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
ii. Into Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
iii. Into Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
iv. Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
v. Others	-	-
- No treatment	1855	1996
- With treatment – please specify level of treatment	-	-
Total Water Discharged (KL)	1855	1996

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Response: No.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Response: Not applicable

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2024-25 (Current financial year)	FY 2023-24 (Previous financial year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	0.14	8.09
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) (Green energy has been excluded for emission calculation)	Metric tonnes of CO ₂ equivalent	15.07	20.50
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO ₂ Equivalent/ Rupees of turnover	0.000000008353	0.000000015568
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No. There has not been any independent assessment/ evaluation/ assurance that has been carried out.

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

Response: Yes, we are devoted to using the most environmentally friendly practices to combat climate change. In addition to minimising our environmental impact, we also want to ensure that the goods and services we offer at our locations are available in the most environmentally responsible way possible. At our corporate headquarters and all our Next-Gen Vakrangee Kendras, we work to lower our carbon footprint and improve health safety. Details of the initiatives have been listed out in our Natural Capital section of the Integrated Annual Report.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2024-25 (Current financial year)	FY 2023-24 (Previous financial year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	-	-
E-waste (B)	-	-
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-

Parameter	FY 2024-25 (Current financial year)	FY 2023-24 (Previous financial year)
Other Hazardous waste. Please specify, if any. (G)	-	-
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	16.49 tons	16.96 tons
Total (A + B + C + D + E + F + G + H)	16.49 tons	16.96 tons
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of Waste		
(i) Recycled	16.49	16.96
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	16.49	16.96
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of Waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

No. There has not been any independent assessment/ evaluation/ assurance that has been carried out.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Response: Our business model is a completely sustainable model focused on enabling Indians to benefit from financial, social and digital inclusion. Through our vast network of outlets, we are driving financial, digital and social inclusion in rural India. Our ultimate purpose is to ensure that every Indian has the opportunity to benefit from financial, digital and social inclusion and has access to the global marketplace.

Our Entire Business model and the products/services we provide are all sustainability-related products and services. Vakrangee Kendra outlets are one stop shops providing key Essential and necessary services to the citizens of the country in Rural India such as –

- Banking Services
- ATM Services
- Financial Services
- Insurance Services
- Online Demat & Trading Account Opening
- Total Healthcare - Telemedicine health services – Including Unlimited Tele & Video Consultation with expert doctors & Home Blood test facility

- Assisted E-Commerce - Online shopping & apparel products
- Travel Ticket Booking & Utility Bill Payment services

We make use of disruptive technology such as e-KYC (Biometric KYC), interoperability, and real-time transactions. We use advanced features that are environment-friendly, such as paperless banking, real-time banking, and biometric evaluation. Being digital and paperless in nature we are committed towards Responsible consumption; our Kendras generate negligible paper waste and zero plastic waste.

At our Vakrangee Kendras, we have adopted 'Go Green' initiatives. Our banking processes run on AePS (Aadhaar enabled Payment System) model. Moreover, ATM transactions do not generate printed receipts. The transaction acknowledgments are sent via SMS. We are working towards achieving environmentally sound management of paper through prevention, reduction, recycling, and reuse, in order to minimize their adverse impacts on the environment.

Our Kendras also minimize hazardous waste by using refillable ink cartridges. Minimal generation of waste prevents exposure of community members to hazardous and non-hazardous waste.

We have always been a Responsible and Socially Conscious Company. Our business strategy has been mapped with the sustainability initiatives along with the United Nation's Sustainable Development Goals. We have re-affirmed our commitment towards sustainability by opting for 'Green Power' at our Corporate Headquarters based in Mumbai, whereby the Company would be paying 'Green tariff' as approved by the honorable Maharashtra Electricity Regulatory Commission (MERC). This also showcases our commitment towards reducing our carbon footprint.

We have adopted a sustainable waste management philosophy in line with the concept of circularity of through waste management, re-cycling and eco-friendly disposals through Industry best practices.

- 11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:**

Response: Our offices are built on government-approved land in industrial zones and do not fall within or are adjacent to protected areas or high-biodiversity areas.

- 12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Response: Not applicable

- 13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and Rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

Yes. We are compliant with the applicable environmental law / regulations / guidelines in India.

Leadership Indicators

Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area: NA
- (ii) Nature of operations: NA
- (iii) Water withdrawal, consumption and discharge in the following format

Parameter	FY 2024-25 (Current financial year)	FY 2023-24 (Previous financial year)
Water withdrawal by source (in kilolitres)		
i. Surface water	Our plants are situated in regions where water stress is not a concern. This deliberate choice of locations is part of our commitment to responsible resource management, ensuring that our operations have minimal impact on water-stressed areas.	
ii. OthersGroundwater		
iii. OthersThird Party Water		
iv. OthersSeawater / desalinated water		
v. Others		
Total Volume of water withdrawal (in kilolitres)		
Total Volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (Optional) – relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)		
vi. Into Surface Water	Our plants are situated in regions where water stress is not a concern. This deliberate choice of locations is part of our commitment to responsible resource management, ensuring that our operations have minimal impact on water-stressed areas.	
- No treatment		
- With treatment – please specify level of treatment		
vii. Into Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
viii. Into Seawater		
- No treatment		
- With treatment – please specify level of treatment		
ix. Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		
x. Others		
- No treatment		
- With treatment – please specify level of treatment		
Total Water Discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No. There has not been any independent assessment/ evaluation/ assurance that has been carried out.

Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2024-25 (Current financial year)	FY 2023-24 (Previous financial year)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) Metric tonnes of CO ₂ equivalent	Metric tonnes of CO ₂ equivalent		
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO ₂ equivalent		Not quantified
Total Scope 3 emissions intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No. There has not been any independent assessment/ evaluation/ assurance that has been carried out.

With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Vakrangee does not have any office facilities in ecologically sensitive areas.

If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Use of Renewable energy	As part of our commitment to sustainability, we are actively pursuing initiatives. We aim to reduce our carbon footprint through energy efficiency measures, with particular emphasis on enhancing the utilisation of renewable energy sources in our overall energy consumption. In our offices, we have taken significant steps towards sustainability. We have implemented solar power systems, reducing our dependence on traditional electricity sources. Our workplace design incorporates glass walls, allowing ample sunlight to illuminate the premises and minimizing the need for artificial lighting. Furthermore, we have installed energy-efficient LED lighting to promote responsible electricity consumption. These initiatives at both our Kendras and workplaces reflect our commitment to sustainable practices, demonstrating our dedication to environmental responsibility and creating an eco-friendlier future.	240.25 tCO ₂ e GHG emission avoided through use of renewable energy and green energy. Also 37,206 kWh solar energy generated.

Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, the Company have the business continuity and disaster management plan. The objectives of the Business Continuity Policy are to mitigate the possible impact of an interruption to the activities and to recover processes at identified recovery facilities. The policy is available at <https://www.vakrangee.in/pdf/Policies-PDF/Business%20Continuity%20Policy%20v4.pdf>

Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

No significant adverse impact reported from Vakrangee's value chain.

Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

The Code of Practices addresses human rights, labour rights, environmental impact, mining practices, product disclosure and many more important topics in the supply chain. Suppliers are guided in process and system improvement and enhanced technical know-how. The Company also supports suppliers in improving their capabilities and conducts the assessments on periodic basis.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.**Essential Indicators:**

1. a. Number of affiliations with trade and industry chambers/ associations: 7
2. b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to:

Sl. No	Name of the trade and industry chambers/associations	Reach of trade and industry chambers / associations (State/National)
1	Confederation of ATM Industry (CATMi)	National
2	Member of Business Correspondent Federation of India (BFCI)	National
3	CSC e-Governance Services India Limited	National
4	Member of NPCI	National

3. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities. - No

Leadership Indicators

1. Details of public policy positions advocated by the entity:

Sr. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/ No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, If available

The Company does not have a separate policy on "policy advocacy". For advocacy on policies related to the fin-tech Industry, the Company works through industry associations such Confederation of ATM Industry (CATMi), Business Correspondent Federation of India (BFCI) and NPCI etc.

There are specified officials in the Company who are authorized for communicating with industrial bodies.

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development.**Essential Indicators:**

- Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**
Response: Not applicable
- Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**
Response: Not applicable
- Describe the mechanisms to receive and redress grievances of the community.**
Response: We have a well-defined Whistleblower policy which provides a platform to receive and redress grievances of the community.
https://vakrangee.in/pdf/Policies-PDF/Whistle%20Blower%20Policy_Final.pdf
- Percentage of input material (inputs to total inputs by value) sourced from suppliers:**
Response: Not applicable
- Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY 2024-25	FY 2023-24
Rural	4%	3%
Semi-Urban	8%	6%
Urban	6%	5%
Metropolitan	82%	85%

Leadership Indicators

- Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):** Not Applicable
- Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:** Not Applicable
- Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**

No. We procure all the materials after analyzing the vendors & getting their proper KYS (Know Your Supplier) & other government documents. Further, the input material that we require needs to be of certain quality and authentication thereby requiring us to procure from a specific class of vendors. However, Vakrangee strives to incorporate marginalized groups into its procurement/value chain in best possible manner. Further the Company has sustainable sourcing policy which is available at <https://www.vakrangee.in/pdf/Policies-PDF/Sustainable%20Sourcing%20Policy.pdf> and green procurement policy which is available at <https://www.vakrangee.in/pdf/Policies-PDF/Green%20Procurement%20Policy.pdf>

From which marginalized /vulnerable groups do you procure?

Not Applicable

What percentage of total procurement (by value) does it constitute?

Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Not Applicable

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Not Applicable

6. Details of beneficiaries of CSR Projects:

Not Applicable

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner.**Essential Indicators:****1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Response: There is a dedicated support desk for customers and a dedicated helpline number which is also visible in all our outlets. Customers can also call on the support number and register their complaints regarding any malpractices being conducted by the franchisees or their staff. All the complaints related to the Franchisee, Kendra, Franchisee staff, fraudulent or suspicious transactions or charges etc can be registered by the customer. The proof of the allegations is solicited by way of photographs, Videos, recorded conversations, receipts, proof of transactions etc. Further, there is a dedicated Email-id for any Customer feedback and complaints.

We have Franchisee Technical Support Desk (TSD) which is an important communications link between the FRANCHISEES and our Company. It serves as a central point of contact for information and support with regard to the Franchisees' Technical queries.

Further, we have a state team and centralised dedicated relationship managers to monitor and assist with the day-to-day activities.

2. Turnover of products and/ services as a percentage of turnover from all products/services that carry information about:

	As a percentage of total turnover
Environmental and social parameters relevant to the product	NA
Safe and responsible usage	NA
Recycling and/or safe disposal	NA

3. Number of consumer complaints in respect of the following:

Particulars	FY 2024-25 (Current financial year)			FY 2023-24 (Previous financial year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	We do not have any consumer complaints in respect of data privacy, advertising, cybersecurity, delivery of essential services, restrictive trade practices and unfair trade practices.					
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other						

4. Details of instances of product recalls on account of safety issues:

Response: Not applicable

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Response: Yes, This is accessible at:

Data Privacy Policy: <https://vakrangee.in/pdf/Policies-PDF/Data%20Privacy%20Policy%20v3.pdf>

Data Privacy Program: <https://vakrangee.in/pdf/Policies-PDF/Data%20Privacy%20Program.pdf>

Information Security & Management Policy: <https://vakrangee.in/pdf/Policies-PDF/Information%20Security%20&%20Management%20Policy%20v3.pdf>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

Response: Not applicable.

7. Provide the following information relating to data breaches:

Number of instances of data breaches: Nil

Percentage of data breaches involving personally identifiable information of customers: Nil

Impact, if any, of the data breaches: Nil

Leadership Indicators

- 1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

For information on products and services offered by the company, one can visit the company's website at <https://www.vakrangee.in/>

- 2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

Not applicable, as Vakrangee does not have any products/services that can entail safety or usage issue

- 3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

Each customer relationship in Vakrangee has a business continuity mechanism to handle any disruption of services/products and a suitable communication plan.

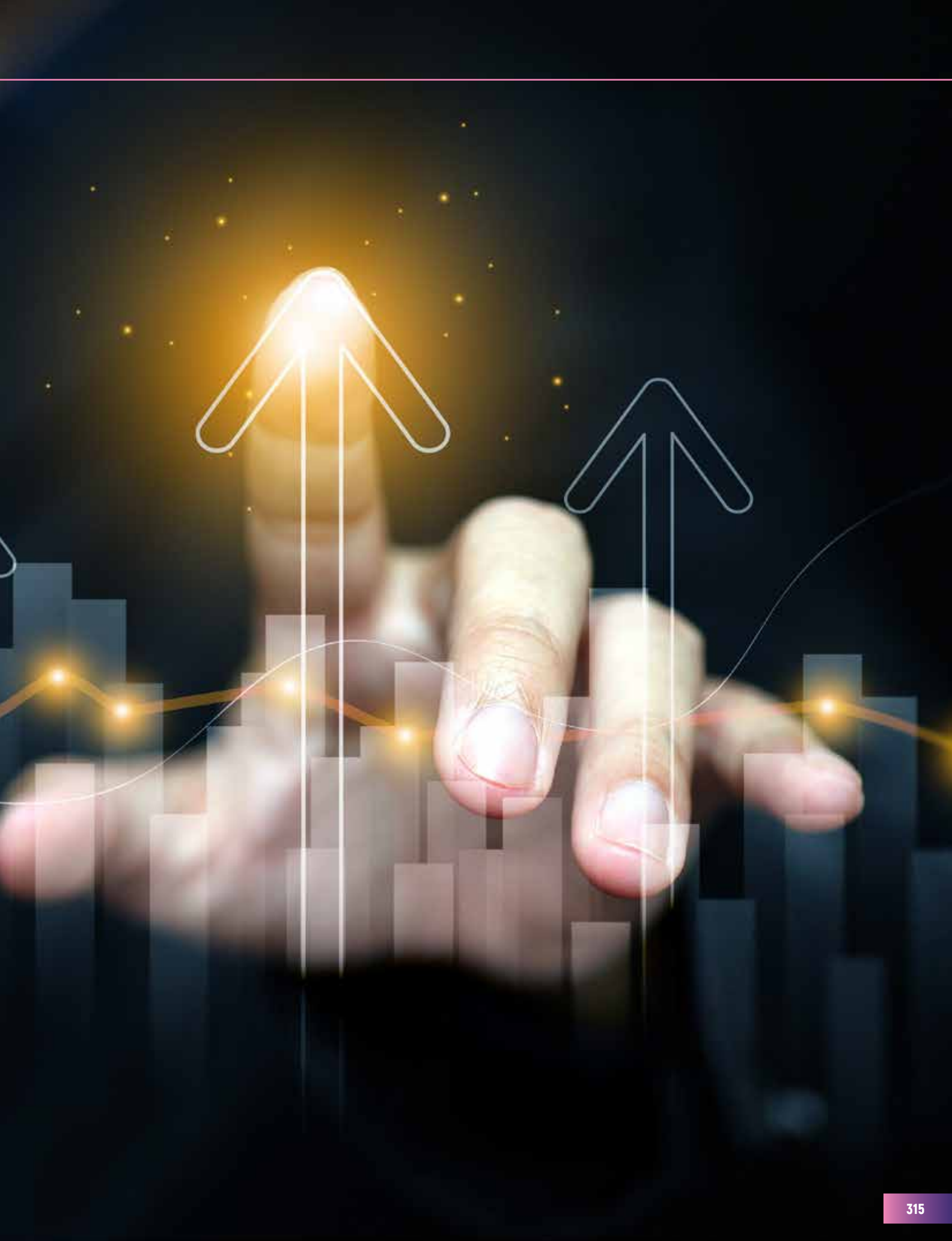
- 4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Not Applicable

Financial Statements

The financial statements reflect the outcomes of our disciplined strategy, prudent capital allocation, and sound governance practices. They provide a transparent account of our performance for the year, offering insights into revenue growth, profitability, and balance sheet strength. These statements illustrate how effectively we have deployed resources to deliver sustainable returns, strengthen resilience, and fund future growth. Together with the notes and disclosures that follow, the financial section reaffirms our commitment to accountability, compliance, and creating enduring value for all stakeholders.





Standalone Financial Statements

Independent Auditor's Report

To the Members of Vakrangee Limited Report on the Audit of Standalone Financial Statements

Opinion

We have audited the Standalone Financial Statements of **Vakrangee Limited** (hereinafter referred to as "the Company"), which comprise the Standalone Balance sheet as at March 31, 2025, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), Standalone Statement of Cash flows, and Standalone Statement of Changes in equity for the year then ended on that date, and notes to the Standalone Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards ("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 state of affairs of the Company as at March 31, 2025, its profit, its total comprehensive income, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Companies Act, 2013 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 Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our reports.

- 1. Estimates Involving in Capitalisation of Capital Expenditure, and determining their useful lives** (Refer Note 2 "Material Accounting Policy Information", Critical Accounting Estimates and Note 4 "Property, Plant and Equipment" for details)

The Company has capitalised additions to Property, Plant and Equipment (PPE), mainly related to the Automated Teller Machine (ATM) purchased newly from the OEM. Expenditure such as freight cost and cost to bring the asset to the location and new acquisition cost are capitalised. Identification and allocation of the related expenditures involves judgment and estimation of future economic benefit.

The useful lives of PPE items are based on management's estimates regarding the period during which the asset or its significant components will be used. The estimates are based on historical experiences, market practice and group decision on technical evaluation of useful lives of the ATM.

The Capital expenditure and new acquisition is not considered to be an area of significant risk for our audit but as it requires considerable time and resource to audit due to its magnitude, it is considered to be a key audit matter.

Principal Audit Procedure

We assessed whether the Company's accounting policy in relation to the capitalisation of expenditures are in sync and in compliance with IND AS and found them to be consistent.

We obtained a listing of capital expenditures and major acquisition during the year and, on a sample basis, checked whether the assets were undertaken based on internal purchase order that had been properly approved by the key person with such authority with no material exceptions noted. We inspected a sample of contracts and underlying invoices to determine whether the classification between capital and operating expenditure

was appropriate. We noted no material exceptions.

We evaluated whether the useful lives of the component determined and applied by the management were in line with historical experience, group assessment and the market practice.

We checked whether the depreciation of PPE items was commenced timely, by comparing the date of the reclassification from work in progress to asset in use, with the date of the act of completion of the work. We noted no material exceptions.

Reference to related disclosures

The Company has provided information on the disclosure of the addition, deletion of PPE and depreciation for the year on such addition and existing asset in Note 4 of the Standalone Financial Statements.

2. Expected Credit Loss

As described in Note 2 (B) (xi) (d) of the Standalone financial statements for the year ended March 31, 2025, the management has determined the allowance for credit losses based on historical loss experience adjusted to reflect the impact of the economic conditions. The allowance for credit loss model requires consideration of the customers' business operations/ability to pay dues. Based on such analysis the Company has recorded an allowance aggregating to ₹ 0.22 lakhs as at March 31, 2025, considered in Note 7 & 12 of the Standalone Financial Statements. We identified allowance for credit losses as a key audit matter because the Company exercises significant judgment in calculating the expected credit losses.

Principal Audit Procedure

We have performed the following procedures:

We have performed the following procedures:

- i) Evaluated the design and implementation including the operating effectiveness of the controls over:
 - Basis of consideration of the impact of the economic conditions;
 - Completeness and accuracy of the data used in estimation of probability of default;
 - Computation of the expected credit loss allowance
- ii) Carried out inquiries with the management to understand the impact of COVID-19 in terms of identification of distressed customers and evaluation of recoverability of dues, extension in contractual terms for collections.
- iii) Tested the completeness and accuracy of the ageing of accounts receivable data.

- iv) Further in addition to the above process, a forward looking expected loss impairment model as prescribed in IND AS 109 "Financial Instruments" was also applied by the Company. This involves judgment as the expected credit losses must reflect information about past events, current conditions, and forecasts of future conditions.

- v) Selected a sample of the customers, and
 - Verified publicly available credit reports and other information relating to the Company's customers to test if the management had correctly considered the adjustments to credit risk.
 - Obtained and verified the details of credit period extension granted to the customers and developed an expectation of similar extensions across other customers of the Company.
- vi) Recomputed the expected credit loss allowance considering the above determined input data and compared the amounts so recomputed with the amounts recorded by the management to determine if there were any material differences individually or in the aggregate.

Information other than the Standalone Financial Statements and Auditors' Report thereon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the Standalone Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these Standalone Financial Statements that give a true and fair view

Standalone Financial Statements

of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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 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.

The Board of Directors is 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional 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.

- 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 in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

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

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

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

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 A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flows, 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - 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 are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.
 - g) In our opinion and according to the information and explanations given to us, the managerial remuneration for the year ended March 31, 2025, has been paid / provided by the Company to its directors is in accordance with the provisions of Section 197 read with Schedule V to the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position except as referred in Note 41 to the Standalone Financial Statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (A) The Management has represented that, to the best of its knowledge and belief, no funds 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

Standalone Financial Statements

- (B) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (C) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The dividend declared or paid during the year by the Company is in compliance with section 123 of the Act.
- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the same has been preserved as per statutory requirements of record retention.

For S K Patodia & Associates LLP

Chartered Accountants

Firm's Registration Number: 112723W/W100962

Dhiraj Lalpuria

Partner

Membership Number: 146268

UDIN: 25146268BMIXHP7881

Place : Mumbai

Date : April 26, 2025

Annexure A to the Independent Auditor's Report

Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Vakrangee Limited

To the best of our information and according to the explanations provided to us by the Company and the books of account and the records examined by us in the normal course of audit, we state that:

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) The Company has a program of physical verification of Property, Plant and Equipment and relevant detail of right-to-use asset are verified in a phased manner. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. The frequency of physical verification is reasonable and no material discrepancies were noticed on such verification.
 - (c) Based on our examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising of all immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
 - (d) According to information and explanation given to us, the company has not revalued its property, plant & equipment and Intangible assets.
 - (e) As per the records examined by us and explanation given to us, the company does not have any proceedings have been initiated or are pending against the company for holding any Benami property under the "Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and Rules made thereunder. Accordingly, the provisions of Clause 3(i)(e) of the Order are not applicable to the Company.
- (ii) (a) As explained to us physical verification of inventory has been conducted at reasonable intervals by the management during the year and in our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.
- (b) The Company has been sanctioned working capital limit in excess of five crore rupees, in aggregate, from Bank on the basis of security of current assets. The quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.
- (iii) The Company has not made investments in, companies, firms, Limited Liability Partnerships, has not granted unsecured loans to other parties, during the year, in respect of which;
 - (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable to the Company.
 - (b) The company has neither made any investments nor granted any loans, hence reporting under clause 3(iii)(b) is not applicable to the Company.
 - (c) The company has not granted any loans and therefore the schedule of repayment of principal and payment of interest is not required, Accordingly, reporting under clause 3(iii)(c) is not applicable to the Company.
 - (d) As the company has not granted any loans during the year, there is no overdue amount remaining outstanding as at the balance sheet date.
 - (e) No loans granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
 - (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable to the Company.
- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable to the Company.

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(vi) The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act. Accordingly, the provisions under Clause 3(vi) of the order are not applicable to the company.

(vii) In respect of Statutory Dues:

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and services tax, duty of customs, cess and other material statutory dues, as applicable, with the appropriate authorities.

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

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax, sales tax, goods and service tax, duty of customs, duty of excise or value added tax or cess which have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

(ix) (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not made any defaults in repayment of loans or other borrowings or in the payment of interest thereon to any lender at the balance sheet date. The Company does not have any loans or borrowings from Government. Further, the Company has not issued any debentures.

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has utilised working capital term loan during the year which was applied for the purpose for which the loan was obtained.

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

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

(f) According to the information and explanations given to us and procedures performed by 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. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment of equity shares during the year and accordingly clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) Based on the examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) No report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) According to the information and explanations given to us, the Company has not received any whistle blower complaint during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable to the Company.

- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the internal audit reports for the year under audit, issued to the company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion and 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 to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations provided to us during the course of audit, the Company does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable to the Company.
- (xvii) According to the information and explanations given to us, and the records of the company examined by us, the Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause

3 (xviii) of the Order is not applicable to the Company.

- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

However, this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx)(a) The provisions of sub-section (5) of Section 135 of the Companies Act 2013 in respect of "other than on-going projects" are not applicable to the company and hence, reporting under clause 3(xx)(a) of the Order is not applicable to the Company.
- (b) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said act. Accordingly, reporting under clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable to the company.

For S K Patodia & Associates LLP

Chartered Accountants

Firm's Registration Number: 112723W/W100962

Dhiraj Lalpuria

Partner

Membership Number: 146268

UDIN: 25146268BMIXHP7881

Place : Mumbai

Date : April 26, 2025

Standalone Financial Statements

Annexure B to the Independent Auditor's Report

Referred to in paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Vakrangee Limited

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

1. We have audited the internal financial controls over financial reporting of Vakrangee 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

2. The Company's management is responsible for establishing and maintaining internal financial controls based on internal control over financial reporting with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation, and maintenance of adequate internal financial controls which 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI) and the Standards on Auditing 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 the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established

and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included operating and understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exist, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statement, whether due to fraud or error.
5. 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 over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting with Reference to Financial Statements

6. A company's internal financial controls over financial reporting with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the Generally Accepted Accounting Principles. A company's internal financial controls over financial reporting with reference to financial statements includes those policies and procedures that :
 - i. pertain to the maintenance of records that, in reasonable details, accurately and fairly reflect the transaction and dispositions of the assets of the company;
 - ii. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with the generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
 - iii. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or

dispositions of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the company, in all material respect, an adequate internal financial control system over financial reporting with reference to financial statements and such

internal financial controls over financial reporting with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S K Patodia & Associates LLP

Chartered Accountants

Firm's Registration Number: 112723W/W100962

Dhiraj Lalpuria

Partner

Membership Number: 146268

UDIN: 25146268BMIXHP7881

Place : Mumbai

Date : April 26, 2025

Standalone Financial Statements

Balance Sheet

as at 31 March 2025

				(₹ in lakhs)	
Particulars	Note No.	As at March 31, 2025		As at March 31, 2024	
I ASSETS					
1 Non - Current Assets					
Property Plant and Equipment	4		7,252.02		8,186.19
Right-of-use assets	4		3,139.97		3,207.69
Capital Work-in-Progress	4		726.69		226.25
Intangible Assets under development	5		434.79		434.79
Financial Assets					
(i) Investments	6	5,659.82		2,284.21	
(ii) Trade Receivables	7	-		89.58	
(iii) Loans	8	-		433.85	
(iv) Other Financial Assets	9	1,223.79	6,883.61	150.13	2,957.77
Other Non - Current Assets	10		79.32		521.25
Total Non-current Assets			18,516.40		15,533.94
2 Current Assets					
Inventories	11		76.39		70.60
Financial Assets					
(i) Trade Receivables	12	187.04		558.90	
(ii) Cash and Cash equivalents	13	2,213.08		3,863.11	
(iii) Bank Balances other than (iii) above	13	36.84		643.87	
(iv) Loans	14	4.58		3.07	
(v) Other Financial Assets	15	243.84	2,685.38	1,866.62	6,935.57
Current Tax Assets (Net)	16		-		253.34
Other Current Assets	17		2,686.81		1,971.11
Total Current Assets			5,448.58		9,230.62
TOTAL			23,964.98		24,764.56
II EQUITY AND LIABILITIES					
1 Equity					
Equity Share Capital	18		10,831.92		10,595.13
Other Equity	19		5,568.36		801.87
Total Equity			16,400.28		11,397.00
2 Liabilities					
i Non - Current Liabilities					
Financial Liabilities					
(i) Borrowings	20	-		760.44	
(ii) Trade Payables	21				
- Dues of micro enterprises and small enterprises		-		-	
- Dues of Creditors other than micro enterprises and small enterprises		-		1.77	
(ii) Other Financial Liabilities	22	1,262.83	1,262.83	1,173.75	1,935.96
Deferred Tax Liabilities (net)	23		244.88		281.06
Employee Benefit Obligations	24		372.78		380.28
Total Non-Current Liabilities			1,880.49		2,597.30
ii Current Liabilities					
Financial Liabilities					
(i) Borrowings	25	-		445.33	
(ii) Trade Payables	26				
- Dues of micro enterprises and small enterprises		-		0.06	
- Dues of Creditors other than micro enterprises and small enterprises		847.86		1,882.75	
(iii) Other Financial Liabilities	27	2,836.25	3,684.11	6,171.55	8,499.69
Other Current Liabilities	28		999.04		1,161.19
Provisions	29		918.94		992.48
Employee Benefit Obligations	30		52.25		116.89
Current Tax Liabilities (Net)	31		29.87		-
Total Current Liabilities			5,684.21		10,770.26
Total Liabilities (i + ii)			7,564.70		13,367.56
TOTAL			23,964.98		24,764.56
Summary of Material Accounting Policy Information	1-3				
The accompanying notes are an integral part of the Standalone Financial Statements.	4-55				

As per our report of even date attached

For S K Patodia & Associates LLP

Chartered Accountants

Firm's Registration No. : 112723W/W100962

Dhiraj Lalpuria

Partner

Membership No.: 146268

Place : Mumbai

Date : April 26, 2025

For and on behalf of the Board of Directors

Vakrangee Limited

CIN : L65990MH1990PLC056669

Divya Nandwana

Chairperson & Whole-time Director

DIN : 08085537

Place : Mumbai

Date : April 26, 2025

Vedant Nandwana

Managing Director

DIN: 08420950

Amit Gadgil

Company Secretary

Ajay Jangid

Chief Financial Officer

Statement of Profit and Loss

for the year ended 31 March 2025

				(₹ in lakhs)
Particulars	Note No.	For the year ended March 31, 2025	For the year ended March 31, 2024	
I Income				
Revenue from Operations	32	18,206.50	18,363.66	
Other Income	33	287.72	187.65	
Total Income		18,494.22	18,551.31	
II Expenses				
Operating Expenses	34	12,867.26	12,595.72	
Purchase of Stock-in-Trade		-	-	
Changes in Inventories	35	(5.79)	150.23	
Employee Benefits Expense	36	2,125.39	1,777.04	
Finance Costs	37	109.35	771.17	
Depreciation and Amortization Expense	4	1,532.47	1,569.08	
Other Expenses	38	738.15	1,222.71	
Total Expenses		17,366.83	18,085.96	
III Profit Before Tax and exceptional Items		1,127.39	465.35	
IV Exceptional Items	39	-	54.44	
V Profit Before Tax		1,127.39	519.80	
VI Tax Expense:				
(a) Current Tax		326.15	94.51	
(b) Deferred Tax		(14.37)	38.63	
		311.78	133.14	
VII Profit for the year		815.61	386.66	
VIII Other Comprehensive Income				
Items that will be reclassified subsequently to profit and loss				
i) Exchange difference on translation of foreign exchange		-	-	
Items that will not be reclassified subsequently to profit and loss				
i) Fair value gain on financial instruments at fair value through OCI		-	-	
ii) Remeasurement of net defined benefit obligations (net of taxes)		(64.86)	(11.46)	(11.46)
Other Comprehensive Income (net of tax)		(64.86)	(11.46)	
Total Comprehensive Income for the period		750.75	375.20	
IX Weighted Average No. of equity shares for computing EPS (in lakhs)	40			
(1) Basic		10,771.43	10,595.13	
(2) Diluted		11,195.19	10,596.21	
X Earnings Per Equity Share (Face Value ₹ 1/- Per Share):	40			
(1) Basic (₹)		0.08	0.04	
(2) Diluted (₹)		0.07	0.04	
Summary of Material Accounting Policy Information	1-3			
The accompanying notes are an integral part of the Standalone Financial Statements.	4-55			

As per our report of even date attached
For S K Patodia & Associates LLP
Chartered Accountants
Firm's Registration No. : 112723W/W100962

Dhiraj Lalpuria
Partner
Membership No.: 146268

Place : Mumbai
Date : April 26, 2025

For and on behalf of the Board of Directors
Vakrangee Limited
CIN : L65990MH1990PLC056669

Divya Nandwana
Chairperson & Whole-time Director
DIN : 08085537

Place : Mumbai
Date : April 26, 2025

Vedant Nandwana
Managing Director
DIN: 08420950

Amit Gadgil
Company Secretary

Ajay Jangid
Chief Financial Officer

Standalone Financial Statements

Cash Flows

for the year ended March 31, 2025

		(₹ in lakhs)	
S. No	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
I	Cash flow from operating activities		
	Profit before tax from continuing operations	1,127.39	519.80
	Profit before tax	1,127.39	519.80
	Non-cash adjustment to reconcile profit before tax to net cash flows		
	Depreciation of property, plant and equipment	1,532.47	1,569.08
	Employee share based payment expenses	72.62	(235.68)
	Net foreign exchange differences	0.23	0.05
	Allowance for credit losses	(10.97)	(10.38)
	Fair value gain on financial instrument at fair value through Profit and loss	(84.91)	(55.16)
	Remeasurement of defined benefit obligations	(86.68)	(15.31)
	Gain on disposal of property, plant and equipment	-	(54.44)
	Interest income	(177.41)	(130.94)
	Dividend income	(1.50)	(1.50)
	Operating profit before working capital changes	2,371.24	1,585.51
	Movements in assets and liabilities :		
	Decrease / (increase) in inventories	(5.79)	150.23
	Decrease / (increase) in trade receivables	472.40	(457.27)
	Decrease / (increase) in loans and other financial assets	1,154.64	1,208.52
	Decrease / (increase) in other current assets	(715.70)	(259.31)
	Decrease / (increase) in other non-current assets	(30.12)	297.52
	Increase / (decrease) in trade payables	(1,036.72)	223.43
	Increase / (decrease) in employee benefit obligations	(72.15)	54.26
	Increase / (decrease) in provisions	(73.54)	(390.86)
	Increase / (decrease) in other financial liabilities	(3,246.22)	722.81
	Increase / (decrease) in other current liabilities	(162.15)	406.43
	Cash generated from operations	(1,344.10)	3,541.26
	Income taxes paid (net of refunds)	429.10	(347.85)
	Net cash flow generated from operating activities (A)	(915.00)	3,193.40
II	Cash flow from investing activities		
	Purchase of property, plant and equipment	(1,031.01)	(545.26)
	Proceeds from sale of property, plant and equipment	-	217.91
	Investment in subsidiaries	(3,290.70)	-
	Investment in unquoted shares	-	(333.03)
	Loans of subsidiaries	433.85	(257.51)
	Interest received	177.41	130.94
	Dividend received	1.50	1.50
	Net cash flow generated from / (used in) investing activities (B)	(3,708.94)	(785.45)
III	Cash flow from financing activities		

		(₹ in lakhs)	
S. No	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	Proceeds / (Repayment) from borrowings	(1,205.77)	(4,571.28)
	Share application money received against preferential share warrants	4,718.52	4,175.00
	Share application money received against employee stock options	1.73	-
	Dividend paid to company's shareholders	(540.34)	(529.76)
	Net cash flow (used in) in financing activities (C)	2,974.14	(926.04)
	Net increase / (decrease) in cash and cash equivalents (A + B + C)	(1,649.80)	1,481.92
	Effects of exchange rate changes on cash and cash equivalents	(0.23)	(0.05)
	Cash and cash equivalents at the beginning of the year	3,863.11	2,381.24
	Cash and cash equivalents at the end of the year	2,213.08	3,863.11

Note : The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

Summary of Material Accounting Policy Information

1-3

The accompanying notes are an integral part of the Standalone Financial Statements.

4-55

For S K Patodia & Associates LLP
Chartered Accountants
Firm's Registration No. : 112723W/W100962

Dhiraj Lalpuria
Partner
Membership No.: 146268

Place : Mumbai
Date : April 26, 2025

For and on behalf of the Board of Directors

Vakrangee Limited
CIN : L65990MH1990PLC056669

Divya Nandwana
Chairperson & Whole-time Director
DIN : 08085537

Place : Mumbai
Date : April 26, 2025

Vedant Nandwana
Managing Director
DIN: 08420950

Amit Gadgil
Company Secretary

Ajay Jangid
Chief Financial Officer

Standalone Financial Statements

Changes in equity

for the year ended March 31, 2025

Particulars	Other Equity										(₹ in lakhs)
	Equity Share Capital	Reserves and Surplus					Other Comprehensive Income			Total equity attributable to equity holders of the Company	
		Securities Premium	Retained Earnings	General Reserve	Amalgamation Reserve / Capital Reserve	Share Options Outstanding Account	Share Application Money Pending Allotment	Equity instruments through other comprehensive income	Other items of other Comprehensive Income		
Balance as at March 31, 2023	10,595.13	42,808.83	6,042.75	812.72	(49,762.68)	264.30	-	(3,086.34)	(62.47)	7,612.26	
Increase in share capital on account of conversion of ESOPs	-	-	-	-	-	-	-	-	-	-	
Reserve created on account of Shares allotted in Non-Promoter Category on Preferential basis during the period	-	-	-	-	-	-	-	-	-	-	
Share Application Money Received Pending for Allotment	-	-	-	-	-	-	4,175.00	-	-	4,175.00	
Allotment of shares during the period due to conversion of share warrants	-	-	-	-	-	-	-	-	-	-	
Transferred from Share Options Outstanding Account	-	-	-	-	-	-	-	-	-	-	
Profit for the year	-	-	386.66	-	-	-	-	-	-	386.66	
Dividends (including dividend distribution tax)	-	-	(529.76)	-	-	-	-	-	-	(529.76)	
Transfer to General Reserve	-	-	-	-	-	-	-	-	-	-	
Share-based payments (net)	-	-	-	-	-	(235.69)	-	-	-	(235.69)	
Remeasurement of net defined benefit obligations (net of taxes)	-	-	-	-	-	-	-	-	(11.46)	(11.46)	
Balance as at March 31, 2024	10,595.13	42,808.83	5,899.65	812.72	(49,762.68)	28.62	4,175.00	(3,086.34)	(73.93)	11,397.00	
Increase in share capital on account of conversion of ESOPs	0.12	-	-	-	-	-	-	-	-	0.12	
Reserve created on account of Shares allotted in Non-Promoter Category on Preferential basis during the period	-	6,153.31	-	-	-	-	-	-	-	6,153.31	
Share Application Money Received Pending for Allotment	-	-	-	-	-	-	4,718.52	-	-	4,718.52	
Allotment of shares during the period due to conversion of share warrants	236.67	-	-	-	-	-	(6,389.97)	-	-	(6,153.30)	
Transferred from Share Options Outstanding Account	-	3.89	-	-	-	(2.28)	-	-	-	1.61	

Particulars	Other Equity									(₹ in lakhs)
	Equity Share Capital	Reserves and Surplus				Other Comprehensive Income			Total equity attributable to equity holders of the Company	
		Securities Premium	Retained Earnings	General Reserve	Amalgamation Reserve / Capital Reserve	Share Options Outstanding Account	Share Application Money Pending Allotment	Equity instruments through other comprehensive income		
Profit for the year	-	-	815.61	-	-	-	-	-	-	815.61
Dividends (including dividend distribution tax)	-	-	(540.34)	-	-	-	-	-	-	(540.34)
Transfer to General Reserve	-	-	-	-	-	-	-	-	-	-
Share-based payments (net)	-	-	-	-	-	72.62	-	-	-	72.62
Remeasurement of net defined benefit obligations (net of taxes)	-	-	-	-	-	-	-	-	(64.86)	(64.86)
Balance as at March 31, 2025	10,831.92	48,966.03	6,174.92	812.72	(49,762.68)	98.96	2,503.55	(3,086.34)	(138.79)	16,400.28
Summary of Material Accounting Policy Information	1-3									
The accompanying notes are an integral part of the Standalone Financial Statements.	4-55									

As per our report of even date attached

For S K Patodia & Associates LLP
Chartered Accountants
Firm's Registration No. : 112723W/W100962

Dhiraj Lalpuria
Partner

Membership No. : 146268

Place : Mumbai

Date : April 26, 2025

For and on behalf of the Board of Directors

Vakrangee Limited

CIN : L65990MH1990PLC056669

Divya Nandwana

Chairperson & Whole-time Director

DIN : 08085537

Place : Mumbai

Date : April 26, 2025

Vedant Nandwana

Managing Director

DIN: 08420950

Amit Gadgil

Company Secretary

Ajay Jangid

Chief Financial Officer

Standalone Financial Statements

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

Note 1 - Corporate Information

Vakrangee Limited (hereinafter referred to as ("the Company")) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at 'Vakrangee Corporate House', Plot No. 93, Road No. 16, M.I.D.C., Andheri (East), Mumbai – 400 093, Maharashtra, India. The Company's shares are listed on two stock exchanges in India- the Bombay Stock Exchange (BSE) and National Stock Exchange of India (NSE).

The Company is engaged in providing diverse solutions, activities in E-commerce, White Label ATM, Financial Services (Including Banking) and Logistics sector, including bullion and jewellery, through its Vakrangee Kendra (on B2B and B2C basis) with special competencies in handling massive, multi-state, and data digitization, software and license.

The financial statements were authorized for issue by the Company's Board of Directors on April 26, 2025.

Note 2 – Material Accounting Policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. The accounting policies have been consistently applied by the Company unless otherwise stated or where a newly issued accounting standard is initially adopted.

A. Basis of preparation

i. Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards (hereinafter referred to as "Ind AS") under the provisions of the Companies Act, 2013 (hereinafter referred to as 'the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

ii. Basis of preparation

The financial statements have been prepared on historical cost basis except the following assets and liabilities which have been measured at fair value amount:

- certain financial assets and liabilities (including derivative instruments)
- defined benefit plans- plan assets; and
- Equity-settled Share Based Payments

The Financial statements of the Company are presented in Indian Rupees (₹), which is also its functional currency and

all values are rounded off to Lakhs, except when otherwise indicated.

B. Summary of material accounting policies

i. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current /non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realized within twelve months after the reporting date, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as noncurrent.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products and services offered by the Company, operating cycle determined is 12 months for the purpose of current and non-current classification of assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents,

ii. Segment Reporting

The company identifies operating segments based on the internal reporting provided to the chief operating decision-maker.

The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

iii. Foreign Currencies

Transaction and balances

Transactions in foreign currencies are initially recorded by the company in their functional currency at the exchange rate prevailing on the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency using rate of exchange prevailing on the balance sheet date.

Exchange differences arising on the settlement or translation of monetary items are recognized in the statement of profit or loss except where:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.
- exchange differences on transactions entered into in order to hedge certain foreign currency risks.
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates on the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Effective 1st April, 2018, the Company has adopted Appendix B to the Ind-AS 21-foreign currency transaction and advance consideration, which clarify the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related assets, expenses or income when

an entity has received or paid advance consideration in foreign currency. The effect on account of adoption of this amendment was insignificant.

iv. Revenue recognition

The Company derives revenue primarily from activities in BFSI and ATM Services (ATM, Insurance Services and Banking & financial services), Assisted E-Commerce Service (Online shopping, Pharmacy, Bill payment and recharge, logistics) including bullion and jewellery, through its Vakrangee Kendra (on B2B and B2C basis) with special competencies in handling massive, multi-state, and data digitization, software and license.

Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers notified on March 28, 2018. This standard will supersede all current revenue recognition requirements. The Company has decided to use the modified retrospective approach for transition method, applied to contracts that were not completed as of April 1, 2018. Please refer Note 2(B)(iv) "Material Accounting Policies," in the Company's 2018 standalone financial statement for the policies in effect for revenue prior to April 1, 2018. The effect on adoption of Ind AS 115 was insignificant.

The following is a summary of new and/or revised material accounting policies related to revenue recognition.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Arrangement for software-related services are either on a fixed price, fixed-timeframe or on a time-and material basis.

Revenue from software usages and license where the customer obtains a "right to use" the revenue from software and license is recognised at the time the software and license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognised over the access period.

Trade receivable and unbilled revenues are presented net of impairment in the Balance Sheet

Revenue from sale of goods and services is shown as net of sales tax, value added tax, service tax, goods and services tax and applicable discounts and allowances.

Standalone Financial Statements

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

Interest Income

Interest income from financial assets is recognized when it is probable that economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

Dividend Income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

Insurance claims

Insurance claims are accounted for based on claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

v. Property, Plant and Equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

All items of property, plant and equipment are initially recorded at cost. Such cost includes the cost of the replaced part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The cost of an item of property, plant and equipment is recognized as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the company's accounting policy. Such properties are classified into the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their

intended use.

Subsequent to recognition, property, plant and equipment (excluding freehold land) are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the company recognizes such parts as individual assets with specific useful lives and depreciation respectively. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement cost only if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and useful lives.

Depreciation is recognised to write off the cost of assets (other than freehold land and properties under construction) less their residual values over the useful lives, using the straight-line method ("SLM"). Management, based on a technical evaluation, believes that the useful lives of the assets reflect the periods over which these assets are expected to be used, which are as follows:

Description of Asset	Useful lives
Buildings	60 years
Computers and Printers, including Computer Peripherals	3 years
Office Equipments	5 years
Furniture & Fixtures	10 years
Motor Vehicles	8 years
Plant & Machinery	15 years
ATM Machine	10 years
Leasehold Land and Building, including leasehold improvements (Also refer Note 4)	51 years
Project Assets (comprising of Computers and Printers, including Computer Peripherals, Furniture and Fixtures and Office Equipments)	3-4 years

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

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

vi. Intangible Asset

Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets consist of rights under licensing agreement and software licences which are amortised over license period which equates the useful life ranging between 2-5 years on a straight-line basis.

vii. Taxation

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognized statement of profit and loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in other comprehensive income or equity respectively.

Current taxes

Current income tax is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The Company offsets, on a year-to-year basis, the current tax assets and liabilities, where it has legally enforceable right to do so and where it intends to settle such assets and liabilities on a net basis.

Deferred taxes

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial

statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax relating to items recognised outside the profit and loss is recognised either in other comprehensive income or in equity.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

viii. Fair Value measurement

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to settle a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique

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 significant 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 significant to the fair value measurement is directly or indirectly observable.
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Standalone Financial Statements

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

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 significant to the fair value measurement as a whole) at the end of each reporting period.

This note summarises accounting policy for fair value. Other fair value-related disclosures are given in the relevant notes.

ix. Investment property

Investment properties are properties that are held for long-term rentals yields or for capital appreciation (including property under construction for such purposes) or both, and that is not occupied by the Company, is classified as investment property.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Investment properties are depreciated using the straight-line method over their estimated useful lives. The useful life has been determined based on technical evaluation performed by the management expert.

Though the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

x. Impairment of Non-Financial Assets

At the end of each reporting period, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate

assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized in the profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

xi. 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.

Financial Assets

a) Initial recognition and measurement

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. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

b) Subsequent measurement

Debt Instruments at amortised cost:

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate method. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognized in profit or loss when the asset is derecognised or impaired.

Debt instrument at Fair Value through Other Comprehensive Income (OCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate method. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment gains or losses and foreign exchange gains and losses in the statement of profit and loss. On derecognition of the asset, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit and loss.

Debt instrument at Fair Value through Profit or Loss (FVTPL)

A financial asset which does not meet the criteria for categorization as at amortized cost or as fair value through other comprehensive income is classified as fair value through profit or loss. Debt instruments subsequently measured at fair value through profit or loss are measured at fair value with all changes recognized in the statement of profit and loss.

Equity instruments

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

Dividends from such investments are recognized in profit or loss as other income. There is no recycling of the amounts from OCI to Profit and Loss, even on sale of investment.

However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments subsequently measured at fair value through profit or loss are measured at fair value with all changes recognized in the statement of profit and loss.

Investment in subsidiaries is carried at cost less impairment in the financial statements.

c) De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the company balance sheet) when:

The rights to receive cash flows from the asset have expired, or

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

d) Impairment of financial assets

The Company recognises impairment loss applying the expected credit loss (ECL) model on the financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual right to receive cash or another financial asset and financial guarantee not designated as at FVTPL.

Expected credit losses are the weighted average of credit

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Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

losses with the respective risks of default occurring as the weights.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 months expected credit losses.

For trade receivables or any contractual right to receive cash or other financial assets that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company applies 'simplified approach' permitted by Ind AS 109 Financial Instruments. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

Financial Liabilities

a) Initial recognition and measurement

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

b) Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered by the company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the

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

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate 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 effective interest rate. Such amortisation is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

c) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified,

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for the year ended March 31, 2025 (continued)

such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

xii. Inventories

Inventories are valued at lower of cost on First-In-First-Out (FIFO) or net realizable value after providing for obsolescence and other losses, where considered necessary. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of purchased inventory is determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

xiii. Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

The Company has adopted Ind AS 116 using the modified retrospective method of adoption under the transitional provisions of the Standards, with the date of initial application on 1st April 2019. The Company also elected to use the recognition exemptions for lease contracts.

The Company assesses at contract inception whether a contract is, or contains, a lease, that is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use

assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

Lease Liabilities

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

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116

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for the year ended March 31, 2025 (continued)

does not have an impact for leases where the Company is the lessor.

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

xiv. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets that necessarily takes a substantial period to get ready for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

xv. Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

xvi. Dividends

Provision is made for any dividend declared, being appropriately authorized and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

xvii. 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.

Where a provision is measured using the cash flows estimated to settle the present obligation, it carrying amount is the present value of those cash flows. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

xviii. Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the

occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Payments in respect of such liabilities, if any are shown as advances.

xix. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equities shares outstanding during the year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to consider

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- Weighted average number of equity shares that would have been outstanding assuming the conversion of all the dilutive potential equity.

xx. Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), and highly liquid time deposits that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

xxi. Employee Benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the undiscounted amounts of the benefits expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Other Long-term employee benefit obligations

The liabilities for compensated absences (annual leave) which are not expected to be settled wholly within 12 months after the end of the period in which the employee render the related service are presented as non-current employee benefits obligations. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

Projected Unit Credit method. The benefits are discounted using the market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations. Remeasurements as a result of experience adjustments and changes in actuarial assumptions (i.e. actuarial losses/ gains) are recognised in Other comprehensive income.

The obligations are presented as current in the balance sheet if the Company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Post- employment obligations

The Company operates the following post-employment schemes:

- I. Defined benefit plans such as gratuity
- II. Defined contribution plans such as provident fund.

Defined benefit plan - Gratuity Obligations

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is actuarially determined using the Projected Unit Credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash flows outflows by reference to market yields at the end of the reporting period on government bonds that have a term approximating to the terms of the obligation.

The net interest cost, calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets, is recognised as employee benefit expenses in the statement of profit and loss.

Remeasurements gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the other comprehensive income in the year in which they arise and are not subsequently reclassified to Statement of Profit and Loss.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined Contribution Plan

The Company pays provident fund contributions to publicly administered provident funds as per local regulatory authorities. The Company has no further 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.

xxii. Share-based Payments

Shared based compensation benefits are provided to employees via Vakrangee Limited Employee Stock Option Plan.

Employee options

The cost of equity-settled transactions is determined by the fair value of the options granted at the date when the grant is made. The fair value of options granted under the Employee Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the Company's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining employee of the entity over a specified time period), and
- Including the impact of any non-vesting conditions (e.g. the requirement for employee to save or holding shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all the specified vesting conditions are to be satisfied. At the end of each period, the Company revises its estimates of the number of options that are expected to be vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

Recent pronouncements

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

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Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

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 a significant impact in its financial statements.

Note 3 (a) - Critical Accounting Judgements and Estimates

The preparation of financial statements in conformity with Ind AS requires judgements, estimates and assumptions to be made by the management of the Company that affect the reported amount of assets, liabilities, revenue, expenses, accompanying disclosures and the disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

The estimates and associate's assumptions are based on historical experience and other factors that are considered to be relevant. Actual results could differ from those estimates. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future period.

Application of accounting policies that require critical accounting estimates and the use of assumptions in the financial statements are as follows:

- **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. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 45.

- **Defined benefit plans**

The cost of the defined benefit gratuity plan and other post-employment medical 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.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 44.

- **Fair value measurement of financial instruments**

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. See Note 46 for further disclosures.

- **Depreciation and useful lives of Property, Plant and Equipment**

Property, Plant and Equipment are depreciated over the estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and taken into account anticipated technological changes. The depreciation for future periods is revised if there are significant changes from previous estimates.

- **Provision and Contingent Liabilities**

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

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for the year ended March 31, 2025 (continued)

Note 4 - Property, Plant and Equipment

(a)	Description	Buildings	Plant and Machinery	Furniture and Fixtures	Motor Vehicle	Office Equipments	Computers including Computer Peripherals	Right-of-Use Asset	Total	Capital Work-In-Progress	Grand Total
Cost or Valuation											
	At April 1, 2023	639.06	13,032.10	542.90	192.63	423.96	1,756.52	4,258.29	20,845.47	98.41	20,943.88
	Additions	-	417.20	-	-	0.22	-	-	417.42	579.60	997.02
	Disposals/Transfers	26.55	134.10	43.78	137.05	10.49	24.44	-	376.42	451.76	828.18
	At March 31, 2024	612.51	13,315.20	499.12	55.58	413.68	1,732.08	4,258.29	20,886.47	226.25	21,112.72
	Additions	-	410.14	-	-	2.75	38.74	78.94	530.57	983.36	1,513.93
	Disposals/Transfers	-	-	-	-	-	-	-	-	482.92	482.92
	At March 31, 2025	612.51	13,725.35	499.12	55.58	416.43	1,770.82	4,337.23	21,417.04	726.69	22,143.73
	Depreciation and Impairment										
	At April 1, 2023	41.92	4,713.86	416.63	122.77	316.24	1,634.59	890.45	8,136.44	-	8,136.44
	Depreciation charged for the year	10.56	1,273.85	23.55	9.34	24.61	67.03	160.14	1,569.08	-	1,569.08
	Disposals/Transfers	6.85	64.89	29.90	81.36	9.59	20.37	-	212.95	-	212.95
	At March 31, 2024	45.63	5,922.82	410.28	50.75	331.26	1,681.25	1,050.60	9,492.57	-	9,492.57
	Depreciation for the year charged to P&L	10.21	1,309.40	19.20	2.48	18.05	26.47	146.66	1,532.47	-	1,532.47
	Disposals/Transfers	-	-	-	-	-	-	-	-	-	-
	At March 31, 2025	55.84	7,232.22	429.48	53.24	349.31	1,707.72	1,197.26	11,025.05	-	11,025.05
Net Book Value											
	At March 31, 2025	556.67	6,493.13	69.65	2.34	67.12	63.10	3,139.97	10,391.99	726.69	11,118.68
	At March 31, 2024	566.88	7,392.38	88.84	4.82	82.43	50.83	3,207.69	11,393.88	226.25	11,620.13
	At April 1, 2023	597.14	8,318.24	126.28	69.86	107.72	121.94	3,367.84	12,709.02	98.41	12,807.43

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Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

- (b) Immovable Property situated at Vakrangee Corporate House, Plot No. 93, Road No 16, MIDC, Marol, Near Hotel Suncity Residency, Andheri East, Mumbai - 400 093 with total built up area of entire building is 21,050 Sq ft has been mortgaged as collateral security against borrowings from Union Bank of India.
- (c) Title deeds of all the Immovable Property are held in name of the Company.
- (d) The company has not revalued its Property, Plant and Equipment during the year.
- (e) CWIP ageing schedule as at March 31, 2025

(₹ in lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in Progress	726.69	-	-	-	726.69
Project temporarily suspended	-	-	-	-	-

CWIP ageing schedule as at March 31, 2024

(₹ in lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in Progress	226.25	-	-	-	226.25
Project temporarily suspended	-	-	-	-	-

(f) Finance Lease arrangement (Right-of-Use Asset)

The net carrying amount of Property, Plant and Equipment under finance lease arrangements are as follows:

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Right-of-Use Asset	3,139.97	3,207.69

During the the year ended on March 31, 2018, the company has entered into a long term finance lease arrangement for a land and building situated at Plot No.93, Road No.16, MIDC, Marol, Andheri (East) - Mumbai 400 093 for the remaining period of 51 years out of the total lease term of 95 years in consideration of a lump sum premium amounting to ₹ 3,000.00 lakhs. In consideration to the provisions of Ind AS 116 - Leases, the Right-of-Use Asset have been assessed for classification as finance lease based on the evaluation of the facts and circumstances of the lease arrangement. The lease arrangement does not contain any clause for renewal or escalation.

Consideration paid shall be equally amortized over the period of leases and the company is not subject to any other future minimum lease rental commitments."

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

Note 5 - Intangible Assets under Development

		(₹ in lakhs)	
(a)	Description		Amount
	Gross Block		
	At April 1, 2023		434.79
	Additions		-
	Disposal		-
	At March 31, 2024		434.79
	Additions		-
	Disposal		-
	At March 31, 2025		434.79
	Depreciation and Impairment		
	At April 1, 2023		-
	Depreciation Charged for the year		-
	Impairment during the year		-
	Disposal		-
	At March 31, 2024		-
	Depreciation Charged for the year		-
	Impairment during the year		-
	Disposal		-
	At March 31, 2025		-
	Net Book Value		
	At March 31, 2025		434.79
	At March 31, 2024		434.79
	At April 1, 2023		434.79

(b) Intangible Assets under Development ageing schedule as at March 31, 2025

		(₹ in lakhs)			
Intangible Assets under Development	Amount in Intangible Assets under Development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in Progress	-	-	-	434.79	434.79
Project temporarily suspended	-	-	-	-	-

Intangible Assets under Development ageing schedule as at March 31, 2024

		(₹ in lakhs)			
Intangible Assets under Development	Amount in Intangible Assets under Development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in Progress	-	-	434.79	-	434.79
Project temporarily suspended	-	-	-	-	-

Standalone Financial Statements

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

Note 6 - Investments

(Non - Current)

		(₹ in lakhs)	
	Particulars	As at March 31, 2025	As at March 31, 2024
(a)	Unquoted		
	Investment carried at Cost		
	- Investments in Equity Instruments of Subsidiaries		
	96,000 Equity Shares of Vakrangee e-Solutions Inc., Philippines of Peso 100/- each fully paid up	96.00	96.00
	(March 31, 2024 : 96,000 Equity shares)		
	1,00,000 Equity Shares of Vakrangee Digital Ventures Limited of ₹ 1/- each fully paid up	1.00	1.00
	(March 31, 2024 : 1,00,000 Equity shares)		
	1,50,00,000 Equity Shares of Vakrangee Finserve Limited of ₹ 10/- each fully paid up	1,500.00	1,500.00
	(March 31, 2024 : 1,50,00,000 Equity shares)		
	7,04,197 Equity Shares of Vortex Engineering Private Limited of ₹ 10/- each fully paid up	3,623.74	333.04
	(March 31, 2024 : 66,050 Equity shares)		
	(A)	5,220.74	1,930.04
	Investment carried at Fair value through Profit and Loss (FVTPL)		
	- In Equity Shares		
	2,500 Equity Shares of CSC e-Governance Services India Limited of ₹ 1,000/- each fully paid up	439.08	354.17
	(March 31, 2024 : 2,500 Equity shares)		
	- In Equity Shares		
	(B)	439.08	354.17
	TOTAL (A + B)	5,659.82	2,284.21
	Aggregate amount of unquoted investments	5,659.82	2,284.21

Investment at fair value through profit and loss reflect investment in unquoted equity securities.

The strategic investments in subsidiaries have been taken at cost.

The fair value of the unquoted equity shares have been estimated using valuation techniques for which the lowest level input that is significant to the fair value measurement is directly observable.

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

Note 7 - Trade Receivables

(Non Current)

(₹ in lakhs)

	Particulars	As at March 31, 2025	As at March 31, 2024
(a)			
	Trade Receivable considered good (Secured)	-	-
	Trade Receivable considered good (Unsecured)	-	-
	Trade Receivable which have significant increase in Credit Risk	-	-
	Trade Receivable - credit impaired	-	100.76
		-	100.76
	Less: Allowance for credit losses	-	11.18
	TOTAL	-	89.58

(b) Detailed note on disclosure as required by Schdeule III for ageing

Refer Note 49 for ageing of Trade Receivables

Note 8 - Loans

(Non - Current)

(₹ in lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
(i) Loans Receivable considered good (Secured)	-		-	
(ii) Loans Receivable considered good (Unsecured)				
(a) Loan to Others	-		-	
(b) Loan to Related Parties				
Dues from subsidiaries	-		433.85	
	-			433.85
(iii) Loans Receivable which have significant increase in Credit Risk	-		-	
(iv) Loans Receivable - credit impaired	-		-	
	-			433.85

Details of Loans to Related Parties

Type of Borrower	As at March 31, 2025		As at March 31, 2024	
	Amount outstanding	Percentage of total Loans	Amount outstanding	Percentage of total Loans
Loan to Subsidiary (without specifying any terms or period of repayment)	-	0%	433.85	100%
Total	-	0%	433.85	100%

Standalone Financial Statements

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

Note 9 - Other Financial Assets

(Non - Current)

(₹ in lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
Deposits with bank				
- with maturity period of more than 12 months *		1,107.89		123.31
Other Deposits				
Security Deposit	44.90		15.81	
Earnest Money Deposit	71.00		11.00	
		115.90		26.81
TOTAL		1,223.79		150.13
* Amount held as margin money or security against borrowings, guarantee, other commitments		-		121.75

Note 10 - Other Non-Current Assets

(Non - Current)

(₹ in lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
Prepaid Expenses		65.59		35.48
Balances with statutory / revenue authorities				
- Income Tax (net of provision for taxation)	13.72	13.72	485.77	485.77
TOTAL		79.32		521.25

Note 11 - Inventories

(₹ in lakhs)

(a)	Particulars	As at March 31, 2025		As at March 31, 2024	
	Stock-in-Trade	76.39		70.60	
	Consumables	-		-	
	Stores & Spares	-		-	
	TOTAL		76.39		70.60

(b) Basis of valuation of Inventories

Inventories are valued at lower of cost or net realizable value on FIFO basis which is in accordance with Ind AS-2.

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

Note 12 - Trade Receivables

(Current)

(₹ in lakhs)

	Particulars	As at March 31, 2025	As at March 31, 2024
(a)	Trade Receivable considered good (Secured)	-	-
	Trade Receivable considered good (Unsecured)	92.45	558.90
	Trade Receivable which have significant increase in Credit Risk	94.81	-
	Trade Receivable - credit impaired	-	-
		187.26	558.90
	Less: Allowance for credit Losses	0.22	-
	TOTAL	187.04	558.90

(b) Debts due from related parties

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Subsidiaries	-	-
TOTAL	-	-

(c) Detailed note on disclosure as required by Schdeule III for ageing

Refer Note 49 for ageing of Trade Receivables

Note 13 - Cash and Cash equivalents and Other Bank Balances

(₹ in lakhs)

	Particulars	As at March 31, 2025	As at March 31, 2024
(a)	(A) Cash and Cash Equivalents		
	(i) Balances with Banks :		
	- Current Accounts	2,118.36	3,782.53
	- Deposit Accounts	-	-
	(ii) Cash-in-hand	94.72	80.58
		2,213.08	3,863.11
	(B) Bank Balances other than above		
	(i) Earmarked balances in unclaimed dividend account	36.84	61.76

Standalone Financial Statements

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
(ii) Fixed Deposits with maturity period of more than 3 months but less than 12 months **	-	582.11
TOTAL	36.84	643.87
** Amount held as margin money or security against borrowings, guarantee, other commitments	-	698.87

(b) For the purpose of cash flow statement

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
(A) Cash & Cash Equivalents		
(i) Balances with Banks :		
- Current Accounts	2,118.36	3,782.53
(ii) Cash-in-hand	94.72	80.58
	2,213.08	3,863.11
Less : - Cash Credit	-	-
TOTAL	2,213.08	3,863.11

Note 14 - Loans

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Loans Receivable considered good (Secured)	-	-
(ii) Loans Receivable considered good (Unsecured)		
(a) Loan to Others		
Staff Advances	4.58	3.07
	4.58	3.07
(iii) Loans Receivable which have significant increase in Credit Risk	-	-
(iv) Loans Receivable - credit impaired	-	-
TOTAL	4.58	3.07

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

Note 15 - Other Financial Assets

(Current)

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Insurance claim Receivable	-	-
Security Deposit	0.06	23.46
Accrued Interest on FD	8.04	4.35
Receivable from resulting company (Against Demerger)	-	1,516.27
UBI Settlement Receivable	-	-
ATM Settlement Receivable	235.75	322.54
	243.84	1,866.62
TOTAL	243.84	1,866.62

Note 16 - Current Tax Assets (Net)

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Income Tax (net of provision for taxation)	-	253.34
TOTAL	-	253.34

Note 17 - Other Current Assets

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Advances to Vendors	1,326.59	474.53
Prepaid Expenses	-	-
Other Receivable		
- Accrued Revenue	858.72	748.91
Balances with statutory / revenue authorities		
- Goods & Service Tax	501.51	747.67
TOTAL	2,686.81	1,971.11

Note 18 - Equity Share Capital

Equity share capital

(i) Authorised share capital

(₹ in lakhs)

Particulars	Number of shares (in lakhs)	Amount
As at March 31, 2024	12,500.00	12,500.00
Increase during the year	2,500.00	-
As at March 31, 2025	15,000.00	12,500.00

Standalone Financial Statements

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

(ii) Issued, Subscribed and Paid up Equity share capital

(₹ in lakhs)

Particulars	Number of shares (in lakhs)	Amount
As at April 1, 2023	10,595.13	10,595.13
Exercise of options	-	-
As at March 31, 2024	10,595.13	10,595.13
Exercise of options	0.12	0.12
Shares allotted in Non-Promoter Category	236.67	236.67
As at March 31, 2025	10,831.92	10,831.92

(iii) Details of shareholders holding more than 5% shares in the Company

(₹ in lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares (in lakhs)	% Holding	Number of shares (in lakhs)	% Holding
Vakrangee Holdings Private Limited	2,509.50	23.17%	2,509.50	23.69%
NJD Capital Private Limited	1,311.00	12.10%	1,311.00	12.37%
Life Insurance Corporation of India	478.16	4.41%	658.65	6.22%
Late Dinesh Nandwana	516.07	4.76%	691.07	6.52%

(iv) Disclosure of shareholders holding of Promoters

Shares held by promoters as at March 31, 2025

(₹ in lakhs)

Name of Promoter	Number of shares (in lakhs)	% of Total shares	% Change during the period
Vakrangee Holdings Private Limited	2,509.50	23.17%	0.00%
NJD Capital Private Limited	1,311.00	12.10%	0.00%
Late Dinesh Nandwana	516.07	4.76%	(1.62)%
Late Dinesh Nandwana HUF	1.96	0.02%	0.00%

Shares held by promoters as at March 31, 2024

(₹ in lakhs)

Name of Promoter	Number of shares (in lakhs)	% of Total shares	% Change during the period
Vakrangee Holdings Private Limited	2,509.50	23.17%	0.00%
NJD Capital Private Limited	1,311.00	12.10%	0.00%
Late Dinesh Nandwana	691.07	6.38%	0.00%
Late Dinesh Nandwana HUF	1.96	0.02%	0.00%

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

(v) Detailed note on the terms of the rights, preferences and restrictions relating to each class of shares including restrictions on the distribution of dividends and repayment of capital.

The Company has only one class of Equity Shares having a par value of ₹ 1/- per share. Each holder of Equity Share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. During the year ended March 31, 2025, the amount of per share dividend recognised as distributions to Equity Shareholders is ₹ 0.05/- per share of ₹ 1/- each for the year ended March 31, 2024.

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

(vi) Aggregate details for five immediately previous reporting periods for each class of shares

Particulars	(No. of shares in lakhs)	
	As at March 31, 2025	As at March 31, 2024
- No. of shares allotted as fully paid up pursuant to contracts without payment being received in cash	-	-
- No. of shares allotted as fully paid by way of Bonus Shares	-	-
- No. of shares bought back	-	-
- No. of shares issued on exercise of options granted under the ESOP scheme.	1.20	7.10
- No. of shares issued due to the allotment of shares in Non-promoter category due to the conversion share warrants	236.67	-

(vii) Capital Management

The Company's objectives when managing capital are to :

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by total 'equity' (as shown in the balance sheet, including non-controlling interests).

The Company's strategy is to maintain a gearing ration within 1:1. The gearing ratios were as follows :

Particulars	(₹ in lakhs)	
	As at March 31, 2025	As at March 31, 2024
Net debt	-	1,205.77
Total equity	16,400.28	11,397.00
Net debt to equity ratio	-	0.11

Standalone Financial Statements

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

Note 19 - Other Equity

(i) Reserves and surplus

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Securities Premium	48,966.03	42,808.83
Share Options Outstanding Account	201.07	271.92
Deferred Employee Compensation Expense	(102.11)	(243.30)
General Reserve	812.72	812.72
Amalgamation Reserve / Capital Reserve	(49,762.68)	(49,762.68)
Retained Earnings	6,174.92	5,899.65
Share application money pending allotment	2,503.55	4,175.00
TOTAL (A)	8,793.49	3,962.15

(a) Securities Premium

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	42,808.83	42,808.83
Add:- On share issued during the year	6,153.31	-
Add:- Transfer from shares options outstanding account	3.89	-
Closing balance	48,966.03	42,808.83

(b) Share Options Outstanding Account

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	271.92	402.17
Add:- On further grant of options	27.58	237.27
Less:- Reversal due to Lapsation of option	(96.14)	(367.53)
Less: Transfer to Securities premium account	(2.28)	-
Closing balance	201.07	271.92

(c) Deferred Employee Compensation Expense

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	(243.30)	(137.87)
Add:- On further grant of options	(27.58)	(237.27)
Less:- Reversal due to Lapsation of option	60.59	92.32
Less:- Amortised during the year	108.17	39.53
Closing balance	(102.11)	(243.30)

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

(d) General Reserve

(₹ in lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	812.72	812.72
Add:- Transfer from Profit and Loss account	-	-
Closing balance	812.72	812.72

(e) Amalgamation Reserve / Capital Reserve

(₹ in lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	(49,762.68)	(49,762.68)
Less : On demerger	-	-
Closing balance	(49,762.68)	(49,762.68)

(f) Retained Earnings

(₹ in lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	5,899.65	6,042.75
Add:- Profit for the year	815.61	386.66
Less:- Transfer to General Reserve	-	-
Less:- Dividend declared and paid	(540.34)	(529.76)
Less:- Dividend distribution tax	-	-
Closing balance	6,174.92	5,899.65

(g) Share Application Money Pending Allotment

(₹ in lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	4,175.00	-
Add: Consideration Received for Allotment of Preferential Issue of Share Warrants	4,718.52	4,175.00
Less: Allotment of shares during the period due to conversion of share warrants	(6,389.97)	-
Add: Consideration Received against employee stock options	-	-
Less: Allotment of shares during the period of employee stock options	-	-
Closing balance	2,503.55	4,175.00

Standalone Financial Statements

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

(ii) Other Comprehensive Income

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	(3,160.27)	(3,148.81)
Remeasurement of net defined benefit obligations (net of taxes)	(64.86)	(11.46)
Closing balance	(3,225.13)	(3,160.27)
Total (B)	5,568.36	801.87
TOTAL (A+B)		

Nature of Reserves

(a) Securities Premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of Companies Act, 2013.

(b) Share Options Outstanding Account

It is a reserve which represents the difference between the market value and issue price of the shares issued to the employees under Employees Stock Option Scheme.

(c) Deferred Employee Compensation Expense

The deferred employee compensation expenses means the total cost incurred by the company towards the stock options granted by the Company to the eligible employees. Deferred Employee Compensation will appear in the Balance Sheet as a negative item as part of Net Worth or Shareholders' Equity.

(d) General Reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, Items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

(e) Amalgamation Reserve / Capital Reserve

This reserve is outcome of business combinations carried out during the current year (Refer Note 51).

(f) Share application money pending allotment

Share Application Money Pending Allotment means the amount received on the application on which allotment is not yet made (pending allotment). It has been classified under Other Equity unless actual allotment of equity shares takes place.

(g) Retained Earnings

Retained earnings are the profits that Company has earned to date, less any dividends or other distributions paid to investors.

For movement in other equity during the year, refer Standalone Statement of Changes in Equity.

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

Note 20 - Borrowings

(Non - Current)

(₹ in lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Secured Loans		
Loan Repayable on Demand		
- From Bank	-	1,205.77
Less: Current Maturities of Long Term Debt	-	(445.33)
TOTAL	-	760.44

Note 21 - Trade Payables

(Non - Current)

(₹ in lakhs)				
Particulars	As at March 31, 2025		As at March 31, 2024	
- Dues of micro enterprises and small enterprises				
	Principal	Interest	Principal	Interest
Amount due to vendor	-	-	-	-
Principal amount paid (including unpaid) beyond the appointed date	-	-	-	-
Interest due and payable for the year	-	-	-	-
Interest accrued and remaining unpaid	-	-	-	-
Total Dues of micro enterprises and small enterprises				
- Dues of Creditors other than micro enterprises and small enterprises		-		1.77
TOTAL		-		1.77

Dues to Micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by Management.

Detailed note on disclosure as required by Schedule III for ageing

Refer Note 50 for ageing of Trade Payable

Note 22 - Other Financial Liabilities

(Non - Current)

(₹ in lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Security Deposit	77.19	78.17
Business Deposit from Franchisee / Master Franchisee	1,185.65	1,095.57
TOTAL	1,262.83	1,173.75

Standalone Financial Statements

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

Note 23 - Deferred Tax Liabilities (net)

(₹ in lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
Assets				
(i) On account of difference in depreciation on Property, Plant and Equipment	-		-	
(ii) Provision for Employees' obligations	128.77		128.98	
(iii) On account of Expected Credit Losses	0.06		2.82	
(A)		128.83		131.79
Liabilities				
(i) On account of difference in depreciation on Property, Plant and Equipment	373.71		412.86	
(B)		373.71		412.86
Balance carried to Balance Sheet (B-A)		244.88		281.06

Movement in deferred tax account during the year is as follows:

(₹ in lakhs)

Particulars	Opening balance	Recognised in profit and loss	Recognised in other comprehensive income	Closing Balance
For the year ended March 31, 2025 :				
Deferred tax liabilities/(assets) in relation to :				
Difference between WDV of Property, Plant and Equipment as per books and Income taxes	412.86	(39.15)	-	373.71
Expenses provided but allowable in Income Tax on payment	(128.98)	22.03	(21.82)	(128.77)
Allowance for expected credit losses	(2.82)	2.76	-	(0.06)
	281.06	(14.36)	(21.82)	244.88
Others	-	-	-	-
	-	-	-	-
TOTAL	281.06	(14.36)	(21.82)	244.88
For the year ended March 31, 2024 :				
Deferred tax liabilities/(assets) in relation to :				
Difference between WDV of Property, Plant and Equipment as per books and Income taxes	380.49	32.37	-	412.86
Expenses provided but allowable in Income Tax on payment	(128.78)	3.65	(3.85)	(128.98)
Allowance for expected credit losses	(5.43)	2.61	-	(2.82)
	246.28	38.63	(3.85)	281.06
Others	-	-	-	-
	-	-	-	-
TOTAL	246.28	38.63	(3.85)	281.06

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

The analysis of Deferred Tax Liabilities is as follows:

(₹ in lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Deferred Tax Liabilities to be recovered after more than 12 months	244.88	281.06
Deferred Tax Liabilities to be recovered within 12 months	-	-
	244.88	281.06

Explanation of changes in the applicable tax rate(s) compared to the previous accounting period

(₹ in lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Applicable Tax rate considered for deferred tax asset or liability	25.168%	25.168%

The applicable tax rates have been changed on the basis of using the tax rates that have been enacted as at the end of the each reporting period.

Note 24 - Employee Benefit Obligations

(Non - Current)

(₹ in lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Employees' benefits	372.78	380.28
TOTAL	372.78	380.28

Note 25 - Borrowings

(Current)

(₹ in lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Secured Loans		
Loan Repayable on Demand		
- From Bank	-	-
Current Maturities of Long Term Debts	-	445.33
TOTAL	-	445.33

Standalone Financial Statements

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

Note 26 - Trade Payables

(Current)

(₹ in lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
Trade Payables				
- Dues of micro enterprises and small enterprises				
	Principal	Interest	Principal	Interest
Amount due to vendor	-	-	0.06	-
Principal amount paid (including unpaid) beyond the appointed date	-	-	-	-
Interest due and payable for the year	-	-	-	-
Interest accrued and remaining unpaid	-	-	-	-
	-	-	0.06	-
Total Dues of micro enterprises and small enterprises		-		0.06
- Dues of Creditors other than micro enterprises and small enterprises		847.86		1,882.75
TOTAL		847.86		1,882.81

Dues to Micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by Management.

Detailed note on disclosure as required by Schdeule III for ageing

Refer Note 50 for ageing of Trade Payable

Note 27 - Other Financial Liabilities

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Payable to Franchisee	1,921.04	5,544.77
Franchisee amount refundable	878.37	552.06
Payable towards CSR Expenses	-	12.96
Unpaid Dividend	36.84	61.76
TOTAL	2,836.25	6,171.55

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

Note 28 - Other Current Liabilities

Particulars	(₹ in lakhs)	
	As at March 31, 2025	As at March 31, 2024
Statutory dues	285.08	394.13
Advance from customers	18.85	4.43
Kendra money received pending allotment	127.31	45.53
Franchisee Wallet Balance	51.85	89.31
Staff Emoluments Payable	202.79	241.09
Other Payable		
- Amount received in advance	313.16	386.71
TOTAL	999.04	1,161.19

Note 29 - Provisions

Particulars	(₹ in lakhs)	
	As at March 31, 2025	As at March 31, 2024
Provision for Expenses for Goods & services	918.94	992.48
TOTAL	918.94	992.48

Note 30 - Employee Benefit Obligations

(Current)

Particulars	(₹ in lakhs)	
	As at March 31, 2025	As at March 31, 2024
Provision for Employees' benefits	52.25	116.89
TOTAL	52.25	116.89

Note 31 - Current Tax Liabilities

(Current)

Particulars	(₹ in lakhs)	
	As at March 31, 2025	As at March 31, 2024
Income Tax (net of tax deducted at source)	29.87	-
TOTAL	29.87	-

Standalone Financial Statements

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

Note 32 - Revenue from Operations

(₹ in lakhs)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Assets		
(a) Revenue from Vakrangee Kendra	17,344.53	17,823.23
(b) Revenue from Sale of Services		
- Sale of Services	860.04	533.49
	860.04	533.49
(c) Other Operating Revenues		
- Scrap Sales	1.93	6.94
	1.93	6.94
TOTAL	18,206.50	18,363.66

Note:- The amount of revenues are exclusive of indirect taxes i.e. Goods and Service Tax

Note 33 - Other Income

(₹ in lakhs)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(i) Interest Income		
(a) Interest Income on the financial assets at amortized cost		
- Bank Deposits	144.77	130.94
(b) Other Interest Income	32.64	-
	177.41	130.94
(ii) Dividend income	1.50	1.50
(iii) Other non-operating income		
- Gain on Foreign Exchange Fluctuation	0.11	0.05
- Fair value gain on financial instrument at fair value through Profit and loss	84.91	55.16
- Miscellaneous Income	23.79	-
	108.81	55.21
TOTAL	287.72	187.65

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

Note 34 - Operating Expenses

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Project Delivery Cost		
- Opening Stock	-	15.94
- Add : Purchase of goods and services	2,484.49	1,063.55
- Less: Transferred into Stock-in-Trade	-	(15.94)
- Less : Closing Stock	-	-
	2,484.49	1,063.55
Project Expenses	2.20	1.36
Commission Expenses	10,380.57	11,530.81
TOTAL	12,867.26	12,595.72

Note 35 - Changes in Inventories

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) At the beginning of the period		
(i) Work-in-Progress	-	-
(ii) Stock-in-Trade	70.60	204.90
Add: Transferred from Consumables	-	15.93
	70.60	220.83
Less : at the end of the period		
(i) Work-in-Progress	-	-
(ii) Stock-in-Trade	76.39	70.60
	76.39	70.60
TOTAL	(5.79)	150.23

Note 36 - Employee Benefits Expenses

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) (i) Salaries & Wages	1,454.85	1,597.30
(ii) Directors' Remuneration	548.32	373.55
(iii) Contribution to Provident & Other Funds	19.55	22.41
(iv) Share-based Payment Expenses	72.62	(235.68)
(v) Staff Welfare Expenses	30.05	19.47
	2,125.39	1,777.04
TOTAL	2,125.39	1,777.04

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Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

(b) Detailed note on disclosure as required by Ind AS-19

For details, refer Note No. 44.

Note 37 - Finance Costs

(₹ in lakhs)

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
Interest Expense				
- On Bank Loans	20.88		702.41	
- Others	88.47		68.76	
		109.35		771.17
TOTAL		109.35		771.17

Note 38 - Other Expenses

(₹ in lakhs)

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
Repairs & Maintenance :				
- Building	-		12.50	
- Others	163.59	163.59	574.95	587.45
Advertisement and Publicity		4.07		7.42
Business Promotion		15.06		10.30
Rent Expenses		37.67		48.43
Rates & Taxes		26.16		12.64
Insurance		1.30		39.15
Electricity Charges		41.89		39.80
Printing and Stationery		0.09		-
Communication Costs		20.58		30.72
Fees & Subscriptions		12.53		13.00
Listing, Registrar & Share Issue/Transfer Charges		7.40		19.10
Loss on Foreign Exchange Fluctuation		0.23		0.10
Legal & Professional Fees - Other than payments to Auditor:				
- Legal & Professional	202.30		202.24	
- Filing, Stamp Duty and Franking Charges	35.37	237.67	10.06	212.30
Payments to Auditors :				
- Audit fees (including limited review)	11.00		11.00	
- Tax Audit fees	1.00	12.00	1.00	12.00
Conveyance & Travelling		68.33		35.78
Directors' Sitting Fees		15.80		15.35
Penalty		22.62		18.80

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Vehicle Expenses	-	3.20
Corporate Social Responsibility Expenditure (Refer Note 41)	-	40.52
Office & General Expenses	35.17	41.90
Allowance for credit losses		
- Opening Allowances	(11.18)	(21.57)
- Less : Bad Debts written off	-	-
- Add : Allowance of credit lossess	(10.97)	(10.38)
- Less : Closing Allowances	(0.21)	(11.18)
Miscellaneous Expenses	26.96	45.13
TOTAL	738.15	1,222.71

Note 39 - Exceptional Item

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
- Profit on disposal of Property plant and equipment	-	54.44
TOTAL	-	54.44

Exceptional item consists of net gain on sale of various items of property, plant and equipment.

Note 40 - Earnings Per Equity Share

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Net profit after tax attributable to equity shareholders for		
Basic EPS	815.61	386.66
Add/Less: Adjustment relating to potential equity shares	-	-
Net profit after tax attributable to equity shareholders for Diluted EPS	815.61	386.66
(b) Weighted average no. of equity shares (in lakhs) outstanding during the year		
For Basic EPS	10,771.43	10,595.13
For Diluted EPS	11,195.19	10,596.21
(c) Face Value per Equity Share (₹)	1	1
Basic EPS (₹)	0.08	0.04
Diluted EPS (₹)	0.07	0.04
(d) Reconciliation between no. of shares (in lakhs) used for calculating basic and diluted EPS		
No. of shares used for calculating Basic EPS	10,771.43	10,595.13
Add: Potential equity shares	423.76	1.08
No. of shares used for calculating Diluted EPS	11,195.19	10,596.21

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Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

Note 41 - Contingent Liabilities and Commitments (to the extent not provided for)

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(A) Contingent Liabilities		
(i) Claims against the company not acknowledged as debts	-	-
(ii) Company has provided Counter Guarantee in relation to Bank Guarantee to various parties which is not acknowledged in books of accounts	171.32	171.32
(iii) Company has provided Counter Guarantee in relation to Bank Guarantee to various parties on behalf of subsidiary company which is not acknowledged in books of accounts	-	-
(iv) Demand raised by VAT/GST (Refer Note 1 below)	-	34,074.79
(A)	171.32	34,246.11
(B) Commitments		
(i) Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)	-	-
(B)	-	-
TOTAL (A + B)	171.32	34,246.11

Note :

- Pursuant to the Scheme of Arrangement (the 'Scheme'), duly sanctioned by the National Company Law Tribunal, Mumbai Bench, vide its Order dated May 19, 2023 ('Order') with effect from the Appointed Date, i.e. April 1, 2021, the business of E-Governance and IT/ITES including certain assets, liabilities, and obligations of the demerged company, including indirect tax liabilities stands transferred to and vested in VL E-Governance and IT Solutions Limited as a going concern.

As per the scheme and applicable provisions of law, including the Goods and Services Tax Act, 2017 and the applicable State VAT laws (or CST Act, as the case may be), all pending proceedings, tax assessments, demands, and show cause notices pertaining to the transferred undertaking(s) are deemed to be transferred to and assumed by the resulting company. Consequently, any existing or future demands raised under VAT and/or GST laws relating to the demerged undertaking are the responsibility of the resulting company and will be dealt by the resulting company.

Accordingly, the Company has transferred the corresponding demand amounts to the books of the resulting company, and no further liability in this regard is expected to arise on the demerged company.

- For Capital Commitment, the amount of liabilities, which may occur on levying of penalty and/or charges by clients for delays in execution of contracts within the time prescribed in the agreement, is unascertained.

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

Note 42 - Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Company as per the Act.

(₹ in lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
a) Gross Amount required to be spent by the company during the year	-	40.52
b) Amount of expenditure incurred on:		
(i). Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	-	26.80
c) Shortfall at the end of the year	-	13.72
d) Total of previous years' short fall	13.72	56.41
e) Reason for short fall	Pertains to ongoing projects	Pertains to ongoing projects
f) The nature of CSR activities undertaken by the Company	Eradication of hunger and malnutrition, promoting education, healthcare	Eradication of hunger and malnutrition, promoting education, healthcare

Note: As at March 31, 2025, the Company has ₹ 32.45 lakhs in unspent CSR account.

Note 43 - Segment Reporting

The Company's activities predominantly comprise providing various services through Vakrangee Kendra. Considering the nature of the Company's business and operations, there is only one reportable operating segment (business and / or geographical) i.e. Vakrangee Kendra in accordance with the requirements of the Indian Accounting Standard 108 – "Operating Segments".

Note 44 - Related Party Details

(a) Key Management Personnel and Directors	
Mr. Dinesh Nandwana	Chairman Emeritus (w.e.f. 12.08.2024 and up to 31.01.2025) Managing Director & Group CEO (up to 11.08.2024)
Ms. Divya Nandwana	Chairperson & Whole-time Director (w.e.f. 12.08.2024)
Mr. Vedant Nandwana	Managing Director (w.e.f. 12.08.2024)
Mr. Amit Keval Sabarwal	Director & Group CEO (w.e.f. 12.08.2024 and up to 03.12.2024)
Mrs. Sujata Chattopadhyay	Director (up to 30.03.2025)
Mr. Hari Chand Mittal	Director
Mr. L K Shamsunder	Nominee Director (w.e.f. 24.05.2024)
Mr. Shiv Narain Kaushik	Director (w.e.f. 12.08.2024)
Mrs. Savita Keni	Director (w.e.f. 12.08.2024)
Mr. Ramesh Mulchand Joshi	Non-Executive Chairman (up to 11.08.2024)
Dr. Nishikant Hayatnagarkar	Whole-Time Director (up to 11.08.2024)

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Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

(a) Key Management Personnel and Directors

Mr. Sunil Agarwal	Director (up to 11.08.2024)
Mr. Babulal Meena	Director (up to 11.08.2024)
Mr. Avinash Chandra Vyas	Director (up to 11.08.2024)
Mr. Ranbir Datt	Nominee Director (up to 24.05.2024)
Mr. Ajay Jangid	Chief Financial Officer
Mr. Amit Gadgil	Company Secretary and Compliance Officer (w.e.f. 12.08.2024)
Mr. Sachin Khandekar	Company Secretary and Compliance Officer (up to 15.06.2024)

(b) Relative of key management personnel and Name of the enterprises having same key management personnel and/ or their relatives as the reporting enterprises with whom the Company has entered into transactions during the year

- Ms. Divya Nandwana	Director - Subsidiary and Daughter of Chairman Emeritus (also the Chairperson w.e.f. 12.08.2024)
- Mr. Vedant Nandwana	Director - Subsidiary and Son of Chairman Emeritus (also the Managing Director w.e.f. 12.08.2024)
- Mr. Amit Keval Sabarwal	Director - Subsidiary (also the Group CEO w.e.f. 12.08.2024 and up to 03.12.2024)
- VL E-Governance & IT Solutions Limited (formerly known as Vakrangee Logistics Private Limited)	Common Director (up to 31.01.2025)

(c) Subsidiary Companies with whom the Company has entered into transactions during the year

(₹ in lakhs)

Name of subsidiaries	Country of Incorporation	Holding as at	
		As at March 31, 2025	As at March 31, 2024
Vakrangee e-Solutions Inc.	Phillipines	100.00%	100.00%
Vakrangee Finserve Limited	India	100.00%	100.00%
Vakrangee Digital Ventures Limited	India	100.00%	100.00%
Vortex Engineering Private Limited	India	75.26%	-

Related Party Transactions

- In relation to (a)

(₹ in lakhs)

Nature of Transactions	For the year ended March 31, 2025	For the year ended March 31, 2024
Remuneration to Key Managerial Personnel		
- Dinesh Nandwana	201.97	378.10
- Dr. Nishikant Hayatnagarkar	63.37	63.37
- Divya Nandwana	58.39	-
- Vedant Nandwana	35.04	-
- Amit Keval Sabarwal	189.55	-

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

(₹ in lakhs)

Nature of Transactions	For the year ended March 31, 2025	For the year ended March 31, 2024
- Ajay Jangid	39.76	36.33
- Amit Gadgil	9.48	-
- Sachin Khandekar	3.30	11.49
Post-employment benefits to Key Managerial Personnel	-	124.66
- Dinesh Nandwana	-	23.97
- Dr. Nishikant Hayatnagarkar	-	-
- Divya Nandwana	7.18	-
- Vedant Nandwana	-	-
- Amit Keval Sabarwal	5.86	4.28
- Ajay Jangid	0.27	-
- Amit Gadgil	-	1.04
- Sachin Khandekar	-	-
Directors Sitting Fees	-	-
- Ramesh Mulchand Joshi	1.10	2.20
- Sunil Agarwal	1.25	2.25
- Babulal Meena	1.10	2.20
- Sujata Chattopadhyay	2.50	2.00
- Avinash Chandra Vyas	1.35	2.45
- LK Sham Sunder	2.00	-
- Ranbir Datt	-	2.00
- Savita Keni	1.75	-
- Shiv Narain Kaushik	1.75	-
- Hari Chand Mittal	3.00	2.25
Balance outstanding :	-	-
(Expenses and Salaries Payable)	-	-
- Dinesh Nandwana	-	18.06
- Dr. Nishikant Hayatnagarkar	3.54	3.48
- Divya Nandwana	4.58	-
- Vedant Nandwana	3.46	-
- Amit Keval Sabarwal	-	-
- Ajay Jangid	0.21	1.35
- Amit Gadgil	0.88	-
- Sachin Khandekar	-	0.77

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Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

- In relation to (b)

(₹ in lakhs)

Nature of Transactions	For the year ended March 31, 2025	For the year ended March 31, 2024
Reimbursement of Expenses Paid		
- Vedant Nandwana	-	-
Employee Benefit Expenses		
- Divya Nandwana	-	-
- Vedant Nandwana	-	-
- Amit Keval Sabarwal	-	53.11
Balance outstanding :		
(Expenses and Salaries Payable)		
- Vedant Nandwana	-	-
- Amit Keval Sabarwal	-	4.03
- VL E-Governance & IT Solutions Limited (Receivable) (formerly known as Vakrangee Logistics Private Limited)	-	1,516.27

- In relation to (c)

(₹ in lakhs)

Nature of Transactions	For the year ended March 31, 2025	For the year ended March 31, 2024
Sales of Support Services		
- Vakrangee Finserve Limited	570.00	405.00
- Vakrangee Digital Ventures Limited	12.45	-
Purchase of Support Services		
- Vakrangee Digital Ventures Limited	-	-
Purchase of Automated Teller Machines ('ATM') Products/Services		
- Vortex Engineering Private Limited	820.00	
Margin Money against Guarantee issued by Bank		
- Vakrangee Finserve Limited	-	-
Balance outstanding :		
- Vakrangee Finserve Limited (Payable)	-	-
- Vortex Engineering Private Limited (Advances - Net of Creditors)	1,119.06	-
- Vakrangee Digital Ventures Limited (Loan Receivable)	-	433.85

Note 45 - Employee Benefit Obligations

(i) Leave obligations

The leave obligations cover the Company's liability for earned leave.

The amount of provision of ₹ 152.16 lakhs (March 31, 2024 - ₹ 260.39 lakhs) is presented as current and non-current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employee to take the full amount of accrued leave or require payment within the next 12 months. The Company has accounted for provision of leave encashment as per Ind-AS 19 based on actuarial valuation undertaken by a registered valuer.

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

(ii) Gratuity (post-employment benefits)

The Company provides for gratuity to employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised/approved funds in India. The Company has funded group gratuity plan against this liability with LIC of India. The Company has accounted for provision of gratuity as per Ind-AS 19 based on actuarial valuation undertaken by a registered valuer.

(iii) Defined contribution plans

The Company also has certain defined benefit obligations. Contributions are made to provident fund in India for employees at the specified rate of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligations of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹ 57.77 lakhs (March 31, 2024 - ₹ 45.85 lakhs).

Gratuity

The following table sets out the amount recognised in the balance sheet and the movements in the net defined benefit obligations over the year are as follows:

	(₹ in lakhs)		
Particulars	Present value of obligation	Fair value of Plan assets	Net amount
01-Apr-23	314.83	(112.73)	202.10
Current Service cost	31.75	-	31.75
Past Service Cost	-	-	-
Interest expense/(income)	20.77	(6.68)	14.09
Total amount recognised in profit and loss	52.53	(6.68)	45.85
Remeasurements			
Return on plan assets, excluding amounts included in interest expense / (income)	-	-	-
Due to change in demographic assumption	(20.06)	-	(20.06)
(Gain)/loss from change in financial assumptions	41.97	3.98	45.95
Experience (gains)/losses	(24.90)	-	(24.90)
Total amount recognised in other comprehensive income	(2.99)	3.98	1.00
Employer contributions	-	(12.17)	(12.17)
Benefit payments	(51.91)	51.91	-
31-Mar-24	312.46	(75.69)	236.77

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Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

(₹ in lakhs)

Particulars	Present value of obligation	Fair value of Plan assets	Net amount
01-Apr-24	312.46	(75.69)	236.77
Current Service cost	42.11	-	42.11
Past Service Cost	-	-	-
Interest expense/(income)	20.69	(5.03)	15.66
Total amount recognised in profit and loss	62.80	(5.03)	57.77
Remeasurements			
Return on plan assets, excluding amounts included in interest expense / (income)		3.27	3.27
Due to change in demographic assumption	-	-	-
(Gain)/loss from change in financial assumptions	13.37	-	13.37
Experience (gains)/losses	24.44	-	24.44
Total amount recognised in other comprehensive income	37.81	3.27	41.07
Employer contributions	-	(60.00)	(60.00)
Benefit payments	(85.68)	85.68	-
31-Mar-25	327.39	(51.77)	275.62

The net liability disclosed above relates to funded plans are as follows

(₹ in lakhs)

Particulars	31-Mar-25	31-Mar-24
Present value of funded obligations	327.39	312.46
Fair value of plan assets	(51.77)	(75.69)
Deficit/(Surplus) of gratuity plan	275.62	236.77

Significant estimates- actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows

Particulars	31-Mar-25	31-Mar-24
Discount rate	6.80%	7.20%
Salary growth rate (per annum)	7.00%	7.00%
Mortality Table	IALM 2012-14 Ultimate	IALM 2012-14 Ultimate

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Change in assumption		Impact on defined benefit obligation		
			Increase in assumption		
	31-Mar-25	31-Mar-24		31-Mar-25	31-Mar-24
Discount rate	1%	1%	Decrease by	11.50%	11.14%
Salary growth rate	1%	1%	Increase by	6.79%	6.90%
Withdrawal Rate	10%	NA	Increase by	0.55%	0.55%

Particulars	Change in assumption		Impact on defined benefit obligation		
			Decrease in assumption		
	31-Mar-25	31-Mar-24		31-Mar-25	31-Mar-24
Discount rate	1%	1%	Increase by	9.72%	9.41%
Salary growth rate	1%	1%	Decrease by	6.87%	7.03%
Withdrawal Rate	10%	NA	Decrease by	0.58%	0.56%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

*The major categories of plans assets are as follows :

Particulars	In Percentage %	
	31-Mar-25	31-Mar-24
Equity instruments	10.19	10.19
Debt instruments	89.46	89.46
Government bonds	80.72	80.72
Corporate bonds/debentures	8.74	8.74
Asset backed securities	-	-
Cash and cash equivalents	0.35	0.35
Total	100.00	100.00

*The Company contributes all the ascertained liabilities towards gratuity to Life Insurance Corporation of India (LIC) which is the insurer- managed fund. Since the investments in the plan assets is managed by LIC the detailed breakup of the investments is not made available to the Company.

Standalone Financial Statements

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

Risk Exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed

Investment risk	The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Most of the plan asset investment is in fixed income securities with high grades and in government securities which are subject to interest rate risk. A portion of the funds are invested in equity securities. The Company intends to maintain the above investment mix in the continuing years.
Interest risk	A decrease in the market yields in the government bond will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Note 46 - Share based payments

The company has formulated Employee Stock Option Scheme, 2008 (ESOP Scheme) which was approved by the members/ shareholders of the Company at their annual general meeting held on September 23, 2008, as modified on January 10, 2011 and June 1, 2012 annual general meeting. Further the company has formulated the new "ESOP Scheme 2014" approved by the members of the company through postal ballot on May 23, 2014. The Employee Option Plan is designed to provide incentives to all the existing employees serving with the Company. Under the plan, employees are granted options which vest proportionately from 2 – 6 years from the grant date which includes lock in period.

Once vested, the options remain exercisable for a period of 4 /5 years.

Options are granted under the plan for no consideration and carry no dividend or voting rights. When exercisable, each option is convertible into one equity share. The exercise price of the options is a price which is determined on the basis of market price of the scrip of the company (on the highest traded Stock Exchange) as decided by the Nomination and Remuneration and Compensation Committee. During the year the committee has decided to grant options at closing price on previous day of grant of options.

Set out below is a summary of options granted under the plan:

Particulars	31-Mar-25		31-Mar-24	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	21.66	1,279,475	40.52	1,593,025
Granted during the year	18.49	149,000	22.88	1,106,200
Exercised during the year	19.07	11,950	-	-
Lapsed / cancelled during the year	22.07	435,655	25.89	1,419,750
Closing Balance	20.69	980,870	21.66	1,279,475

The weighted average share price at the dates of exercise of options exercised during the year ended March 31, 2025 were ₹ 22.95 and ₹ 15.73 respectively. (March 31, 2024 : ₹ Nil).

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

No options expired during the periods in the above tables.

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant Date	Expiry Date	Exercise Price (₹)	Share options	Share options
			31-Mar-25	31-Mar-24
26/11/2014	26/11/2023	32.35	-	-
11/03/2016	10/03/2025	56.54	-	-
26/07/2017	25/07/2026	109.40	-	-
26/10/2017	25/10/2026	137.33	-	-
09/01/2018	08/01/2027	202.28	-	-
13/04/2018	12/04/2027	69.85	-	-
10/07/2018	09/07/2027	25.93	3,750	23,200
05/10/2018	04/10/2027	14.38	1,920	11,350
03/01/2019	02/01/2028	18.03	-	600
15/04/2019	14/04/2028	32.95	-	-
10/07/2019	09/07/2028	17.95	11,775	11,775
09/10/2019	08/10/2028	14.18	7,625	21,850
11/01/2022	10/01/2030	42.70	-	-
26/04/2022	25/04/2030	34.55	-	-
20/07/2022	19/07/2030	29.75	9,600	37,500
03/11/2022	02/11/2030	34.00	-	-
20/02/2023	19/02/2031	23.55	28,000	69,400
22/02/2024	21/02/2032	25.80	131,200	281,100
22/03/2024	21/03/2032	19.95	661,800	822,700
30/09/2024	29/09/2032	31.56	59,300	-
04/01/2025	03/01/2033	35.08	65,900	-
Total			980,870	1,279,475

Fair value of options granted

The fair value at respective grant date of options granted during the year ended March 31, 2025 was ₹ 31.56, and ₹ 35.08, respectively. The fair value at respective grant date of options granted during the year ended March 31, 2025 was ₹ 25.80, and ₹ 19.95. The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Standalone Financial Statements

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

The model inputs for options granted during the year ended March 31, 2025 included:

- a) Options are granted for consideration and vest upon completion of service for a period of one year. Vested options are exercisable for a period of four years after vesting.

Particulars	Year ended March 31, 2025	
	Grant I	Grant II
b) Exercise price	31.56	35.08
c) Grant date	30/09/2024	04/01/2025
d) Expiry date	29/09/2032	03/01/2033
e) Share price at grant date (₹)	35.73	36.03
f) Expected price volatility of the company's shares	52.00%	52.00%
g) Expected dividend yield	0.25%	0.25%
h) Risk free interest rate	6.79%	6.85%
i) Fair value (₹)	18.90	18.08

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

- j) Expense arising from share based payment transactions

Total expenses arising from share based payment transactions recognized in profit or loss as part of employee benefit expense were as follows:

Particulars	(₹ in lakhs)	
	March 31, 2025	March 31, 2024
Employee Stock Option Plan	72.62	(235.68)

Note 47 - Financial Instruments

(i) Method and assumptions used to estimate the fair value

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial as well as non-financial assets and liabilities. 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. A fair value measurement assumes 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 market or the most advantageous market must be accessible to 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.

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

Level 1 : Unadjusted quoted prices in active markets for identical assets and liabilities.

Level 2 : Inputs other than prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 : Unobservable inputs for the asset or liability.

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

The carrying value and fair value by each classification as at March 31, 2025 were as follows:-

(₹ in lakhs)						
Particulars	Amortised cost	FVTPL	FVOCI	Carrying value	Level 1	Level 2
Financial Assets						
Long Term Loans	-	-	-	-	-	-
Trade Receivables	187.04	-	-	187.04	-	-
Cash & Cash equivalents	2,213.08	-	-	2,213.08	-	-
Other Bank Balances	36.84	-	-	36.84	-	-
Short Term Loans	4.58	-	-	4.58	-	-
Other Financial Assets	1,467.63	-	-	1,467.63	-	-
Investments*	-	439.08	-	439.08	-	439.08
TOTAL	3,909.17	439.08	-	4,348.25	-	439.08

*excluding Investments in Subsidiary Companies ₹ 5,220.74 lakhs (March 31, 2024 : ₹ 1,597.00 lakhs) measured at cost.

(₹ in lakhs)						
Particulars	Amortised cost	FVTPL	FVOCI	Carrying value	Level 1	Level 2
Financial Liabilities						
Borrowings	-	-	-	-	-	-
Trade Payables	847.86	-	-	847.86	-	-
Other Financial Liabilities	4,099.08	-	-	4,099.08	-	-
TOTAL	4,946.94	-	-	4,946.94	-	-

The carrying value and fair value by each classification as at March 31, 2024 were as follows:-

(₹ in lakhs)						
Particulars	Amortised cost	FVTPL	FVOCI	Carrying value	Level 1	Level 2
Financial Assets						
Long Term Loans	433.85	-	-	433.85	-	-
Trade Receivables	648.47	-	-	648.47	-	-
Cash & Cash equivalents	3,863.11	-	-	3,863.11	-	-
Other Bank Balances	643.87	-	-	643.87	-	-
Short term Loans	3.07	-	-	3.07	-	-
Other financial assets	2,016.75	-	-	2,016.75	-	-
Investments*	333.04	354.17	-	687.21	-	354.17
TOTAL	7,942.17	354.17	-	8,296.34	-	354.17

The carrying value and fair value by each classification as at March 31, 2024 were as follows:-

(₹ in lakhs)						
Particulars	Amortised cost	FVTPL	FVOCI	Carrying value	Level 1	Level 2
Financial Liabilities						
Borrowings	1,205.77	-	-	1,205.77	-	-
Trade Payables	1,884.58	-	-	1,884.58	-	-
Other Financial Liabilities	7,345.30	-	-	7,345.30	-	-
TOTAL	10,435.65	-	-	10,435.65	-	-

*excluding Investments in Subsidiary Companies ₹ 1,597.00 lakhs (March 31, 2023 : ₹ 1,597.00 lakhs) measured at cost.

Standalone Financial Statements

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

(ii) Financial Risk Management

The Board of Directors has overall responsibility for the establishment and overview of the company's risk management framework. The Board of Directors has established a risk management policy to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risk and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the company's activities. The Audit Committee oversees how management monitors compliances with the company's risk management policies and procedures, and reviews the risk management framework. The Audit Committee is assisted in its role by Internal Audit. Internal Audit covers review of risk management controls and procedures, the results of which are reported to the Audit Committee.

The Company's activities are exposed to various risk viz. Credit Risk, Liquidity Risk and Market Risk. In order to minimise any adverse effects on the financial performance of the Company, it uses various instruments and follows policies set up by the Board of Directors / Management of the Company.

a) Credit Risk :

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Credit risks from balances with banks and financial institutions are managed in accordance with the Company policy. For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit ratings assigned by credit rating agencies.

In addition, the Company is exposed to credit risk in relation to financial guarantees given to banks and other counter parties for the facilities availed by subsidiary. The Company's maximum exposure in this respect is the maximum amount the Company would have to pay if the guarantee is called upon.

Trade receivables consists of large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

Table showing age of gross trade receivables and movement in expected credit loss allowance:

	(₹ in lakhs)	
Age of receivables	March 31, 2025	March 31, 2024
Within the credit period	92.45	558.90
1-90 days past due	-	-
91-180 days past due	-	-
181-270 days past due	-	-
More than 270 days past due	94.81	100.76
Total	187.26	659.66

	(₹ in lakhs)	
Movement in the expected credit loss allowance	March 31, 2025	March 31, 2024
Balance at beginning of the year	11.18	21.56
Net movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	(10.97)	(10.38)
Total	0.22	11.18

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

b) Liquidity Risk :

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's approach for managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Company's reputation, typically the company ensures that it has sufficient cash on demand to meet expected operational expenses, servicing of financial obligations.

Maturities of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities :

(₹ in lakhs)				
As on March 31, 2025	< 1 Year	1 - 5 years	> 5 years	Total
Non-Current borrowings	-	-	-	-
Current borrowings	-	-	-	-

(₹ in lakhs)				
As on March 31, 2024	< 1 Year	1 - 5 years	> 5 years	Total
Non-Current borrowings	445.33	760.44	-	1,205.77
Current borrowings	-	-	-	-

c) Market Risk :

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments.

(i) Market Risk - Foreign Exchange

Foreign currency Risk is that risk in which fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates. The Company operates internationally and a portion of its business is transacted in several currencies and therefore the Company is exposed to foreign exchange risk through its overseas sales and purchases in various foreign currencies. The Company hedges the receivables as well as payables by forming view after discussion with Forex consultant and as per policies by Management. The Company is also exposed to the Foreign currency loans availed from various banks to reduce the overall interest cost.

The carrying amount of the Company's foreign currency denominated monetary assets and liabilities as at the end of the reporting period is as follows:

(₹ in lakhs)				
Currency	Liabilities		Assets	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
US Dollar (USD)	-	-	-	-

Foreign Currency Exposure

Particulars	Assets	
	March 31, 2025	March 31, 2024
Trade Receivables	-	-
Loans Receivable	-	-
TOTAL	-	-

Standalone Financial Statements

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

Foreign Currency Sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on Profit after Tax and impact on Equity

(₹ in lakhs)

Currency	Impact of Profit and Loss / Equity			
	For year ended March 31, 2025		For year ended March 31, 2024	
	1% increase	1 % decrease	1% increase	1 % decrease
US Dollar (USD)	-	-	-	-

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

ii) Market Risk - Interest Rate

The interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Note 48 - Disclosure under Section 186 (4) of the Companies Act, 2013 pertaining to subsidiaries and associates

(i) Details of loans to subsidiaries

(₹ in lakhs)

Name of Subsidiaries	As at March 31, 2025	As at March 31, 2024
- Vakrangee Digital Ventures Limited. (Purpose of loan is to provide financial assistance and support to the subsidiary.)	-	433.85
Total	-	433.85

(ii) Details of Investment in Subsidiaries

(₹ in lakhs)

Name of Subsidiaries	No. of Shares as at year-end	% of shareholding
Vakrangee e-Solutions Inc. (incorporated in Philippines)	96,000	100%
Vakrangee Finserve Limited - Equity shares of ₹ 10 each, fully paid up	15,000,000	100%
Vakrangee Digital Ventures Limited - Equity shares of ₹ 1 each, fully paid up	100,000	100%
Vortex Engineering Private Limited	704,197	75.26%

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

Note 49 - Income Taxes

- (a) A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:

(₹ in lakhs)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit before income taxes	1,127.39	519.80
Enacted tax rates in India	25.168%	25.168%
Computed expected tax expense	283.74	130.83
Effect of non-deductible expenses	42.41	(36.32)
Others	-	-
Income Tax expense of current year	326.15	94.51
Earlier year tax expenses	-	-
Current Income Tax expense	326.15	94.51

- (b) The following table provides the details of income tax liabilities and income tax assets as of March 31, 2025 and March 31, 2024 :

(₹ in lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Current Income Tax Liabilities	29.87	-
Income Tax Assets	13.72	739.11
Net current income tax liabilities / (assets) at the end	16.15	(739.11)

The gross movement in the current income tax liability / (asset) for the year ended March 31, 2025 and March 31, 2024 is as follows:

(₹ in lakhs)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net current income tax liability / (asset) at the beginning	(739.11)	(485.77)
Income Tax paid	429.10	(347.85)
Current Income Tax expense	326.15	94.51
Net current income tax liability / (asset) at the end	16.15	(739.11)

- (c) The gross movement in the deferred income tax account for the year ended March 31, 2025 and March 31, 2024, are as follows:

(₹ in lakhs)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net deferred income tax liability at the beginning	281.06	246.29
Movements relating to temporary differences	(14.37)	38.63
Temporary differences on other comprehensive income	(21.81)	(3.86)
Net deferred income tax liability at the end	244.88	281.06

Standalone Financial Statements

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

Note 50 - Ageing of Trade Receivable

Trade receivables ageing schedule for the year ended as on March 31, 2025 and March 31, 2024:

(₹ in lakhs)

Particulars	Outstanding for the following period from invoice date					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	92.45	-	-	-	-	92.45
	558.90	-	100.76	-	-	659.66
Undisputed Trade receivables – which have significant increase in Credit Risk	94.81	-	-	-	-	94.81
	-	-	-	-	-	-
Undisputed Trade receivables – credit impaired	-	-	-	-	-	-
	-	-	-	-	-	-
Disputed Trade receivables – considered good	-	-	-	-	-	-
	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-
	-	-	-	-	-	-
Total Trade Receivables	187.26	-	-	-	-	187.26
	558.90	-	100.76	-	-	659.66
Less: Allowance for credit loss	-	-	-	-	-	0.22
	-	-	-	-	-	11.18
Net Trade Receivables	-	-	-	-	-	187.04
	-	-	-	-	-	648.48

Note 51 - Ageing of Trade Payable

Trade payables ageing schedule for the year ended as on March 31, 2025 and March 31, 2024:

(₹ in lakhs)

Particulars	Outstanding for the following period from invoice date				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Outstanding dues to MSME	-	-	-	-	-
	0.06	-	-	-	0.06
Others	847.86	-	-	-	847.86
	1,882.75	1.77	-	-	1,884.52
Total trade payables	847.86	-	-	-	847.86
	1,882.81	1.77	-	-	1,884.58

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

Note 52 - Statutory Information

- (a) 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.
- (b) The Company has not entered into any transactions with struck off companies during the year.
- (c) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (d) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (e) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
- (f) The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
Further, the Company has not received any funds from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (g) The Company has complied with the number of layers prescribed under clause (87) of the Section 2 of the Companies Act read with the Companies (Restrictions on Number of Layers) Rule, 2017.
- (h) The Company is not declared wilful defaulter by bank or financial institutions or any lender during the financial year.
- (i) Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.
- (j) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.

Note 53 - Relationship with Struck-off Companies

(₹ in lakhs)			
Name of Struck off Company	Nature of Transaction	Balance outstanding at the end of the year as at March 31, 2025	Relationship with the Struck off company, if any, to be disclosed
Emmel Financial Services	Shares held by struck off company	0.305	Shareholder
Yes Equities Private Limited	Shares held by struck off company	0.004	Shareholder

Standalone Financial Statements

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

Note 54 - Ratios

The following are analytical ratios for the year ended March 31, 2025 and March 31, 2024:

Particulars	Numerator	Denominator	As at March 31, 2025	As at March 31, 2024	Variance
Current Ratio (in times)	Total Current assets	Total Current liabilities	0.96	0.86	11.84 %
Debt-Equity Ratio (in times)	Total Debt (including borrowings & lease liabilities)	Total Equity	-	0.11	(100.00)%
Note: The Company has repaid all of its borrowings during the current financial year, hence the ratio has become zero.					
Debt Service Coverage Ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	47.49%	44.68%	6.28 %
Return on Equity (ROE)	Net Profits after taxes	Average Shareholder's Equity	5.87 %	4.07 %	44.25 %
Note: Due to increase in profit and equity, the ratio has increased					
Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	(0.08)	1.03	(107.64)%
Note: Due to decrease in purchase of trading goods and inventory, the ratio has decreased					
Trade receivables turnover ratio	Revenue	Average Trade Receivable	43.58	44.29	(1.60)%
Trade payables turnover ratio	Total Purchases	Average Trade Payable	1.82	0.60	203.13 %
Note: Due to increase in credit purchase and trade payables, the ratio has increased.					
Net capital turnover ratio	Revenue	Working Capital	(77.27)	(11.93)	547.82 %
Note: Due to significant increase in working capital, the ratio has decreased.					
Net profit ratio	Net Profit	Revenue	4.48 %	2.11 %	112.76 %
Note: Due to increase in net profit, the ratio has increased					
Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	16.89 %	22.26 %	(24.15)%
Return on Investment(ROI)	Income generated from investments	Average invested fund	19.92 %	29.52 %	(32.50)%
Note: Due to decrease in EBITDA and increase in net worth, the ratio has decreased.					

Notes to Standalone Financial Statements

for the year ended March 31, 2025 (continued)

Note 55 - Previous year figures

The financial statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. The previous year's figures have been regrouped / reclassified wherever necessary, to make them comparable.

As per our report of even date attached

For S K Patodia & Associates LLP

Chartered Accountants

Firm's Registration No. : 112723W/W100962

Dhiraj Lalpuria

Partner

Membership No.: 146268

Place : Mumbai

Date : April 26, 2025

For and on behalf of the Board of Directors

Vakrangee Limited

CIN : L65990MH1990PLC056669

Divya Nandwana

Chairperson & Whole-time Director

DIN : 08085537

Place : Mumbai

Date : April 26, 2025

Vedant Nandwana

Managing Director

DIN: 08420950

Amit Gadgil

Company Secretary

Ajay Jangid

Chief Financial Officer

Consolidated Financial Statements

Independent Auditor's Report

To the Members of Vakrangee Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the Consolidated Financial Statements of Vakrangee Limited (hereinafter referred to as "the Holding Company"), and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), which comprise the Consolidated Balance sheet as at March 31, 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Cash flows, and Consolidated Statement of Changes in equity for the year then ended on that date, and notes to the Consolidated Financial Statements, including a summary of material accounting policy information 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 management and other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards ("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 state of affairs of the Group as at March 31, 2025, the consolidated profit, the consolidated total comprehensive income, the consolidated changes in equity and the consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Companies Act, 2013 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.

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 of the current period. 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. We have determined the matters described below to be the key audit matters to be communicated in our reports.

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 audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Financial Statements.

1. **Estimates Involving in Capitalisation of Capital Expenditure, and determining their useful lives** (Refer Note 1 "Material Accounting Policies", Critical Accounting Estimates and Note 4 "Property, Plant and Equipment" for details)

The Group has capitalised additions to Property, Plant and Equipment (PPE), mainly related to the Automated Teller Machine (ATM) purchased newly from the OEM. Expenditure such as freight cost and cost to bring the asset to the location and new acquisition cost are capitalised. Identification and allocation of the related expenditures involves judgment and estimation of future economic benefit.

The useful lives of PPE items are based on management's estimates regarding the period during which the asset or its significant components will be used. The estimates are based on historical experiences, market practice and group decision on technical evaluation of useful lives of the ATM.

The Capital expenditure and new acquisition is not considered to be an area of significant risk for our audit but as it requires considerable time and resource to audit due to its magnitude, it is considered to be a key audit matter.

Principal Audit Procedure

We assessed whether the Group's accounting policy in relation to the capitalisation of expenditures are in sync and in compliance with IND AS and found them to be consistent.

We obtained a listing of capital expenditures and major acquisition during the year and, on a sample basis, checked whether the assets were undertaken based on internal purchase order that had been properly approved by the key person with such authority with no material exceptions noted. We inspected a sample of contracts and underlying invoices to determine whether the classification between capital and operating expenditure was appropriate. We noted no material exceptions.

We evaluated whether the useful lives of the component determined and applied by the management were in line with historical experience, group assessment and the market practice.

We checked whether the depreciation of PPE items was commenced timely, by comparing the date of the reclassification from work in progress to asset in use, with the date of the act of completion of the work. We noted no material exceptions.

Reference to related disclosures

The Group has provided information on the disclosure of the addition, deletion of PPE and depreciation for the year on such addition and existing asset in Note 4 of the Consolidated Financial Statements.

2. Expected Credit Loss

As described in Note 2 (B) (xi) (d) of the consolidated financial statements for the year ended March 31, 2025. The management of the Group has determined the allowance for credit losses based on historical loss experience adjusted to reflect the impact of the economic conditions. The allowance for credit loss model requires consideration of the customers' business operations/ability to pay dues. Based on such analysis the Group has recorded an allowance aggregating to ₹ 245.66 lakhs as at March 31, 2025, considered in Note 7 & 11 of the Consolidated Financial Statements. We identified allowance for credit losses as a key audit matter because the Group exercises significant judgment in calculating the expected credit losses.

Principal Audit Procedure

We have performed the following procedures:

- i) Evaluated the design and implementation including the operating effectiveness of the controls over:

- Basis of consideration of the impact of the economic conditions;
 - Completeness and accuracy of the data used in estimation of probability of default;
 - Computation of the expected credit loss allowance
- ii) Tested the completeness and accuracy of the ageing of accounts receivable data.
 - iii) Further in addition to the above process, a forward looking expected loss impairment model as prescribed in IND AS 109 "Financial Instruments" was also applied by the Group. This involves judgment as the expected credit losses must reflect information about past events, current conditions, and forecasts of future conditions.
 - iv) Selected a sample of the customers, and
 - Verified publicly available credit reports and other information relating to the Group's customers to test if the management had correctly considered the adjustments to credit risk.
 - Obtained and verified the details of credit period extension granted to the customers and developed an expectation of similar extensions across other customers of the Group.
 - v) Recomputed the expected credit loss allowance considering the above determined input data and compared the amounts so recomputed with the amounts recorded by the management to determine if there were any material differences individually or in the aggregate.

Information other than the Consolidated Financial Statements and Auditors' Report thereon

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the Consolidated Financial Statements and our auditor's report thereon.

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 and, in doing so, consider whether the other information

Consolidated Financial Statements

is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

The Holding Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. . 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 for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements 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 management and the Board of Directors of the entities included in the Group is responsible for assessing the ability of each entity 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 entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the entities included in the Group is also responsible for overseeing the financial reporting process of each entity.

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.
- 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 Group has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management of Holding Company 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 Group 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 of which we are the independent auditors, to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors and certified by the management, such other auditors and management remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

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 of the current period and are therefore the key

audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

1. We did not audit the financial statements of two subsidiaries included in the consolidated financial statements, whose financial statements reflect total assets of ₹ 12,899.78 lakhs as at March 31, 2025, total revenue of ₹ 8,803.68 lakhs for the year ended March 31, 2025, total net profit after tax of ₹ (136.37) lakhs, total comprehensive income of ₹ (89.21) lakhs and net cash inflows ₹ ₹ 1,356.15 lakhs for the year ended March 31, 2025, whose financial statements / information have been audited by its respective independent auditor as considered in the consolidated financial statements. The independent auditors' report on financial statements / information of this entity has been furnished to us and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this entity, in terms of sub-section (3) of Section 143 of the Act is based solely on the report of such auditor and the procedures performed by us are as stated in paragraph above.
2. The Consolidated Financial Statements also include the Group's share of total assets of ₹ 380.93 lakhs, total revenue of ₹ (8.46) lakhs, net profit/ (loss) after tax of ₹ (8.46) lakhs and total comprehensive income of ₹ 11.12 lakhs for the year ended March 31, 2025 respectively, in respect of one subsidiary located outside India, as considered in the Consolidated Financial Statements, based on their financial statements / information which have not been audited by their auditors, which are certified by the Management.

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 Section 143(3) of the Act, based on our report and on consideration of report of the other auditor on separate financial statements and the other financial

Consolidated Financial Statements

information of subsidiaries as referred in the 'Other Matter' paragraph, we report, to the extent applicable that:

- a) We / 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;
- b) In our opinion, proper books of account as required by law, relating to the preparation of the aforesaid Consolidated Financial Statements have been kept by the Holding Company so far as it appears from our examination of those books and report of other auditors;
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Consolidated Total Comprehensive Income), the Consolidated Statement of Cash Flows, and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors of Holding Company as on March 31, 2025 taken on record by the Board of Directors of Holding Company, none of the directors are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and its subsidiaries, and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"**.
- g) In our opinion, and according to the information and explanations given to us, and based on the consideration of reports of other statutory auditors of the subsidiaries, the managerial remuneration for the year ended March 31, 2025, has been paid / provided by the Holding Company and its subsidiaries to its directors is in accordance with

the provisions of Section 197 read with Schedule V to the Act.

- 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 the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:
 - i. The Group does not have any pending litigations which would impact its financial position except as referred in Note 44 to the Consolidated Financial Statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended March 31, 2025.
 - iii. There has been no delay in transferring amounts, which were required to be transferred, to the Investor Education and Protection Fund by the Group for the year ended March 31, 2025.
 - iv. (A) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the 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, whether, 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;
 - (B) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Group from any person(s) or entity(ies), including foreign

- entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (C) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The dividend declared or paid during the year by the Holding Company and/ or its subsidiaries is in compliance with section 123 of the Act.
- vi. Based on our examination which included test checks, the Holding Company and its subsidiaries has used an accounting software for maintaining books of account which has a feature of recording audit trail (edit logs) facility and the same has operated throughout the year for all the relevant transaction recorded in the software. Further, during the course of our Audit we did not come across any instance of audit trail feature being tampered with and the same has been preserved as per statutory requirements of record retention except in respect of one subsidiary where their auditors have stated as mentioned below:
- A) the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility which was not enabled throughout the year for all relevant transactions recorded in the software, as described in note 35 to the financial statements. Accordingly, we are unable to comment upon whether during the year there was any instance of audit trail feature being tampered with in respect of the accounting software. Additionally, the audit trail has not been preserved by the Company as per the statutory requirements for record retention;
- B) as explained in note 35 to the financial statements, the Company has used accounting software for payroll, which are operated by third-party software service providers. In the absence of Service Organisation Control report from the service providers, we are unable to comment on whether audit trail feature of the payroll software was enabled and operated throughout the year for all relevant transactions recorded in software or whether there were any instances of audit trail feature being tampered with. Additionally, for the reasons stated in note 35 to the financial statements, we are unable to comment whether the audit trail has been preserved by the Company as per the statutory requirements for record retention.
2. With respect to the matters specified in paragraph 3(xxi) and 4 of the Companies (Auditor's report) Order, 2020 ("the Order"/CARO) issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For S K Patodia & Associates LLP

Chartered Accountants

Firm's Registration Number: 112723W/W100962

Dhiraj Lalpuria

Partner

Membership Number: 146268

UDIN: 25146268BMIXHQ7826

Place : Mumbai

Date : April 26, 2025

Consolidated Financial Statements

Annexure A to the Independent Auditor's Report

Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Vakrangee Limited

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

We have audited the internal financial controls over financial reporting of Vakrangee Limited ("the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") as of March 31, 2025 in conjunction with our audit of the consolidated financial statements of the Group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of Holding Company and its subsidiaries based on our audit conducted in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as 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 Institute of Chartered Accountants of India (ICAI). Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements was established

and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting 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 judgment, 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 auditor in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these consolidated financial Statements.

Meaning of Internal Financial Control over Financial Reporting with reference to Consolidated Financial Statements

The Company's internal financial controls over financial reporting with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (ii) 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 authorizations of management and directors of the company; and

- (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or dispositions of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting With Reference to Consolidated Financial Statements

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

Opinion

In our opinion, to best of our information and according to the explanation given to us, and based on the consideration of report of other auditor, as referred to in 'Other Matter' paragraph below, the Holding Company and its subsidiaries, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting with reference to consolidated

financial statements and such internal financial controls over financial reporting with reference to consolidated financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting with reference to financial statements criteria established by the Holding Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, in so far as it relates to separate financial statements of subsidiaries, which is Company incorporated in India, is based on the corresponding reports of the auditor of such Company incorporated in India.

For S K Patodia & Associates LLP

Chartered Accountants

Firm's Registration Number: 112723W/W100962

Dhiraj Lalpuria

Partner

Membership Number: 146268

UDIN: 25146268BMIXHQ7826

Place : Mumbai

Date : April 26, 2025

Consolidated Financial Statements

Consolidated Balance Sheet as at 31 March 2025

				(₹ in lakhs)	
Particulars	Note No.	As at March 31, 2025		As at March 31, 2024	
I ASSETS					
1 Non - Current Assets					
Property Plant and Equipment	4		7,395.21		8,186.19
Right-of-use Assets	4		3,607.91		3,207.69
Capital Work-in-Progress	4		1,236.58		614.41
Intangible Assets	5		30.85		-
Intangible Assets under development	5A		434.79		434.79
Financial Assets					
(i) Investments	6	439.08		687.21	
(ii) Trade Receivables	7	-		89.58	
(iii) Loans		-		-	
(iv) Other Financial Assets	8	1,840.30	2,279.38	297.88	1,074.67
Other Non - Current Assets	9		128.51		788.15
Total Non-current Assets			15,113.23		14,305.90
2 Current Assets					
Inventories	10		1,829.95		70.60
Financial Assets					
(i) Trade Receivables	11	2,701.62		4,388.71	
(ii) Cash and Cash equivalents	12	3,822.52		4,110.05	
(iii) Bank Balances other than (ii) above	12	4,365.64		757.99	
(iv) Loans	13	4.58		3.07	
(v) Other Financial Assets	14	372.13	11,266.49	1,872.30	11,132.12
Current Tax Assets (Net)	15		191.75		446.50
Other Current Assets	16		2,462.64		4,044.45
Total Current Assets			15,750.83		15,693.67
TOTAL			30,864.06		29,999.57
II EQUITY AND LIABILITIES					
1 Equity					
Equity Share Capital	17		10,831.92		10,595.13
Other Equity	18		9,411.66		5,616.00
Total Equity attributable to owners of the parent			20,243.58		16,211.13
Non-controlling Interests			923.32		-
Total Equity			21,166.90		16,211.13
2 Liabilities					
i Non - Current Liabilities					
Financial Liabilities					
(i) Borrowings	19	-		760.44	
(ia) Lease Liability	20	385.01			
(ii) Trade Payables	21				
- Dues of micro enterprises and small enterprises					
- Dues of Creditors other than micro enterprises and small enterprises				1.77	
(ii) Other Financial Liabilities	22	1,262.84	1,647.85	1,173.75	1,935.96
Deferred Tax Liabilities (net)	23		244.87		281.06
Employee Benefit Obligations	24		489.44		380.28
Total Non-Current Liabilities			2,382.16		2,597.30
ii Current Liabilities					
Financial Liabilities					
(i) Borrowings	25	-		445.33	
(ia) Lease Liability	26	73.66			
(ii) Trade Payables	27				
- Dues of micro enterprises and small enterprises			3.96		0.06
- Dues of Creditors other than micro enterprises and small enterprises			1,774.72		1,936.57
(iii) Other Financial Liabilities	28	2,836.25	4,688.59	6,171.55	8,553.50
Other Current Liabilities	29		1,237.93		1,279.58
Provisions	30		1,243.63		1,223.30
Employee Benefit Obligations	31		105.67		116.89
Current Tax Liabilities (Net)	32		39.18		17.87
Total Current Liabilities			7,315.00		11,191.14
Total Liabilities (i + ii)			9,697.16		13,788.44
TOTAL			30,864.06		29,999.57
Summary of Material Accounting Policy Information	1-3				
The accompanying notes are an integral part of the Consolidated Financial Statements.	1-56				

As per our report of even date attached

For S K Patodia & Associates LLP

Chartered Accountants

Firm's Registration No. : 112723W/W100962

Dhiraj Lalpuria

Partner

Membership No.: 146268

Place : Mumbai

Date : April 26, 2025

For and on behalf of the Board of Directors

Vakrangee Limited

CIN : L65990MH1990PLC056669

Divya Nandwana

Chairperson & Whole-time Director

DIN : 08085537

Place : Mumbai

Date : April 26, 2025

Vedant Nandwana

Managing Director

DIN: 08420950

Amit Gadgil

Company Secretary

Ajay Jangid

Chief Financial Officer

Consolidated Statement of Profit and Loss for the year ended 31 March 2025

		(₹ in lakhs)	
Particulars	Note No.	For the year ended March 31, 2025	For the year ended March 31, 2024
I Income			
Revenue from Operations	33	25,500.74	21,258.21
Other Income	34	401.88	233.89
Total Income		25,902.62	21,492.10
II Expenses			
Cost of Materials Consumed	35	3,155.08	
Operating Expenses	36	14,781.05	15,239.94
Purchase of Stock-in-Trade		-	-
Changes in Inventories	37	(161.30)	150.23
Employee Benefits Expense	38	3,574.48	1,938.80
Finance Costs	39	182.76	771.17
Depreciation and Amortization Expense	40	1,669.69	1,569.08
Other Expenses	41	1,740.97	1,291.05
Total Expenses		24,942.73	20,960.27
III Profit Before Tax and exceptional Items		959.89	531.83
IV Exceptional Items	42	-	54.44
V Profit Before Tax		959.89	586.27
VI Tax Expense:			
(a) Current Tax		335.47	112.38
(b) Deferred Tax		(14.59)	38.63
		320.88	151.01
VII Profit for the year		639.01	435.26
VIII Other Comprehensive Income			
Items that will be reclassified subsequently to profit and loss			
Exchange difference on translation of foreign operations		19.58	7.48
Items that will not be reclassified subsequently to profit or loss			
i) Fair value gain on financial instrument at fair value through OCI		-	-
ii) Remeasurement of net defined benefit obligations (net of taxes)		(17.70)	(11.46)
Other Comprehensive Income (net of tax)		1.88	(3.98)
Total Comprehensive Income for the period		640.89	431.28
Profit is attributable to :			
Owners of the parent		665.61	435.26
Non-controlling Interests		(26.60)	-
Other comprehensive income is attributable to :			
Owners of the parent		(9.79)	(3.98)
Non-controlling Interests		11.67	-
Total comprehensive income is attributable to :			
Owners of the parent		655.82	431.28
Non-controlling Interests		(14.93)	-
IX Weighted Average No. of equity shares for computing EPS (in lakhs)	43		
(1) Basic		10,771.43	10,595.13
(2) Diluted		11,195.19	10,596.21
X Earnings Per Equity Share (Face Value ₹ 1/- Per Share):	43		
(1) Basic (₹)		0.06	0.04
(2) Diluted (₹)		0.06	0.04
Summary of Material Accounting Policy Information	1-3		
The accompanying notes are an integral part of the Consolidated Financial Statements.	1-56		

As per our report of even date attached

For S K Patodia & Associates LLP

Chartered Accountants

Firm's Registration No. : 112723W/W100962

Dhiraj Lalpuria

Partner

Membership No.: 146268

Place : Mumbai

Date : April 26, 2025

For and on behalf of the Board of Directors

Vakrangee Limited

CIN : L65990MH1990PLC056669

Divya Nandwana

Chairperson & Whole-time Director

DIN : 08085537

Place : Mumbai

Date : April 26, 2025

Vedant Nandwana

Managing Director

DIN: 08420950

Amit Gadgil

Company Secretary

Ajay Jangid

Chief Financial Officer

Consolidated Financial Statements

Statement of Consolidated Cash Flows

for the year ended March 31, 2025

		(₹ in lakhs)	
S. No	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
I	Cash flow from operating activities		
	Profit before tax from continuing operations	959.89	586.27
	Profit before tax	959.89	586.27
	Non-cash adjustment to reconcile profit before tax to net cash flows		
	Depreciation of property, plant and equipment	1,669.69	1,569.08
	Employee share based payment expenses	72.62	(235.68)
	Net foreign exchange differences	0.23	0.05
	Allowance for credit losses	242.87	(10.38)
	Fair value gain on financial instrument at fair value through Profit and loss	(84.91)	(55.16)
	Remeasurement of defined benefit obligations	17.70	(15.31)
	Gain on disposal of property, plant and equipment	-	(54.44)
	Conversion of investment to subsidiary	333.03	-
	Interest income	(245.34)	(142.44)
	Dividend income	(1.50)	(1.50)
	Operating profit before working capital changes	2,964.27	1,640.47
	Movements in assets and liabilities :		
	Decrease / (increase) in inventories	(1,759.35)	150.23
	Decrease / (increase) in trade receivables	1,533.80	(460.41)
	Decrease / (increase) in loans and other financial assets	(3,651.40)	1,157.81
	Decrease / (increase) in other current assets	1,581.81	(21.32)
	Decrease / (increase) in other non-current assets	(28.43)	297.55
	Increase / (decrease) in trade payables	(159.71)	111.33
	Increase / (decrease) in employee benefit obligations	97.93	54.25
	Increase / (decrease) in provisions	20.33	(454.48)
	Increase / (decrease) in other financial liabilities	(3,246.21)	722.81
	Increase / (decrease) in other current liabilities	(41.65)	451.83
	Cash generated from operations	(2,688.61)	3,650.07
	Income taxes paid (net of refunds)	630.36	(539.05)
	Net cash flow from operating activities (A)	(2,058.25)	3,111.02
II	Cash flow from investing activities		
	Purchase of property, plant and equipment, including CWIP and ROU Assets	(1,437.78)	(684.62)
	Proceeds from sale of property, plant and equipment	-	217.91
	Investment in unquoted shares	-	(333.03)
	Decrease in foreign currency translation reserve	(12.25)	(7.35)
	Interest received	245.34	142.44
	Dividends received	1.50	1.50
	Net cash flow from/(used in) investing activities (B)	(1,203.19)	(663.15)

		(₹ in lakhs)	
S. No	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
III	Cash flow from financing activities		
	Proceeds from borrowings	(1,205.77)	(4,571.28)
	Share application money received against preferential share warrants	4,718.52	4,175.00
	Share application money received against employee stock options	1.73	-
	Dividend paid to company's shareholders	(540.34)	(529.76)
	Net cash flow (used in) in financing activities (C)	2,974.14	(926.04)
	Net increase / (decrease) in cash and cash equivalents (A + B + C)	(287.30)	1,521.83
	Effects of exchange rate changes on cash and cash equivalents	(0.23)	(0.05)
	Cash and cash equivalents at the beginning of the year	4,110.05	2,588.26
	Cash and cash equivalents at the end of the year	3,822.52	4,110.05

Note : The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

Summary of Material Accounting Policy Information

1-3

The accompanying notes are an integral part of the Consolidated Financial Statements.

1-56

As per our report of even date attached
For S K Patodia & Associates LLP
 Chartered Accountants
 Firm's Registration No. : 112723W/W100962

Dhiraj Lalpuria
 Partner
Membership No.: 146268

Place : Mumbai
 Date : April 26, 2025

For and on behalf of the Board of Directors
Vakrangee Limited
 CIN : L65990MH1990PLC056669

Divya Nandwana
 Chairperson & Whole-time Director
 DIN : 08085537

Place : Mumbai
 Date : April 26, 2025

Vedant Nandwana
 Managing Director
 DIN: 08420950

Amit Gadgil
 Company Secretary

Ajay Jangid
 Chief Financial Officer

Consolidated Financial Statements

Consolidated Statement of Changes in equity

for the year ended March 31, 2025

Particulars	Other Equity										Total equity attributable to equity holders of the Company
	Reserves and Surplus					Other Comprehensive Income					
	Equity Share Capital	Securities Premium	Retained Earnings	General Reserve	Amalgamation Reserve/Capital Reserve	Share Options Outstanding Account	Share Application Money Pending Allotment	Equity instruments through other comprehensive income	Other items of other Comprehensive Income	Foreign Currency Translation Reserve	
Balance as at April 1, 2023	10,595.13	42,808.83	10,177.23	812.72	(49,762.68)	264.30	-	-	(3,148.81)	638.38	12,385.10
Increase in share capital on account of conversion of ESOPs	-	-	-	-	-	-	-	-	-	-	-
Reserve created on account of Shares allotted in Non-Promoter Category on Preferential basis during the period	-	-	-	-	-	-	-	-	-	-	-
Share Application Money Received Pending for Allotment	-	-	-	-	-	-	4,175.00	-	-	-	4,175.00
Allotment of shares during the year due to conversion of share warrants	-	-	-	-	-	-	-	-	-	-	-
Allotment of shares during the year	-	-	-	-	-	-	-	-	-	-	-
Transferred from Share Options Outstanding Account	-	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	435.26	-	-	-	-	-	-	-	435.26
Dividends (including corporate dividend tax)	-	-	(529.76)	-	-	-	-	-	-	-	(529.76)
Transfer to General Reserve	-	-	-	-	-	-	-	-	-	-	-
Share-based payments (net)	-	-	-	-	-	(235.68)	-	-	-	-	(235.68)
Goodwill on consolidation	-	-	-	-	-	-	-	-	-	-	-
Remeasurement of net defined benefit obligations (net of taxes)	-	-	-	-	-	-	-	-	(11.46)	-	(11.46)
Exchange Translations	-	-	-	-	-	-	-	-	-	(7.33)	(7.33)
Balance as at March 31, 2024	10,595.13	42,808.83	10,082.73	812.72	(49,762.68)	28.62	4,175.00	-	(3,160.27)	631.05	16,211.13
Reserves acquired through acquisition of subsidiary	-	-	(17.95)	-	-	-	-	-	-	-	(17.95)
Increase in share capital on account of conversion of ESOPs	0.12	-	-	-	-	-	-	-	-	-	0.12
Reserve created on account of Shares allotted in Non-Promoter Category on Preferential basis during the period	-	6,153.31	-	-	-	-	-	-	-	-	6,153.31
Share Application Money Received Pending for Allotment	-	-	-	-	-	-	4,718.52	-	-	-	4,718.52
Allotment of shares during the year due to conversion of share warrants	236.67	-	-	-	-	-	(6,389.97)	-	-	-	(6,153.31)
Allotment of shares during the year	-	291.55	-	-	-	-	-	-	-	-	291.55
Transferred from Share Options Outstanding Account	-	3.89	-	-	-	(2.28)	-	-	-	-	1.61
Profit for the year	-	-	677.28	-	-	-	-	-	-	-	677.28

Particulars	Other Equity										Total equity attributable to equity holders of the Company
	Reserves and Surplus					Other Comprehensive Income					
	Equity Share Capital	Securities Premium	Retained Earnings	General Reserve	Amalgamation Reserve/Capital Reserve	Share Options Outstanding Account	Share Application Money Pending Allotment	Equity instruments through other comprehensive income	Other items of other Comprehensive Income	Foreign Currency Translation Reserve	
Dividends (including dividend distribution tax)	-	-	(540.34)	-	-	-	-	-	-	-	(540.34)
Transfer to General Reserve	-	-	-	-	-	-	-	-	-	-	-
Share-based payments (net)	-	-	-	-	-	72.62	-	-	-	-	72.62
Goodwill on consolidation	-	-	-	-	(1,172.81)	-	-	-	-	-	(1,172.81)
Remeasurement of net defined benefit obligations (net of taxes)	-	-	-	-	-	-	-	-	(17.70)	-	(17.70)
Exchange Translations	-	-	-	-	-	-	-	-	-	19.56	19.56
Balance as at March 31, 2025	10,831.92	49,257.58	10,201.71	812.72	(50,935.49)	98.96	2,503.55	-	(3,177.97)	650.61	20,243.58
Summary of Material Accounting Policy Information	1-3										
The accompanying notes are an integral part of the Consolidated Financial Statements.	1-56										

As per our report of even date attached

For S K Patodia & Associates LLP

Chartered Accountants

Firm's Registration No. : 112723W/W100962

Dhiraj Lalpuria

Partner

Membership No.: 146268

Place : Mumbai

Date : April 26, 2025

For and on behalf of the Board of Directors

Vakrangee Limited

CIN : L65990MH1990PLC056669

Divya Nandwana

Chairperson & Whole-time Director

DIN : 08085537

Place : Mumbai

Date : April 26, 2025

Vedant Nandwana

Managing Director

DIN: 08420950

Amit Gadgil

Company Secretary

Ajay Jangid

Chief Financial Officer

Consolidated Financial Statements

Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

Note 1 - Corporate Information

Vakrangee Limited (hereinafter referred to as "the Company") is a public limited company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at 'Vakrangee Corporate House', Plot No. 93, Road No. 16, M.I.D.C, Andheri (East), Mumbai – 400 093, Maharashtra, India. The Company's shares are listed on two stock exchanges in India, namely BSE Limited (formerly known as the Bombay Stock Exchange) and National Stock Exchange of India (NSE).

Vakrangee Limited along with its subsidiaries, Vakrangee e-Solutions Inc. (Philippines), Vakrangee Finserve Limited, Vakrangee Digital Ventures Limited and Vortex Engineering Private Limited (w.e.f June 4, 2024) (hereinafter referred to as "Group") is engaged in providing diverse solutions, activities in e-commerce sector, including bullion and jewellery, through its Vakrangee Kendra (on B2B and B2C basis) with special competencies in handling massive, multi-state, and data digitization, software and license.

The Consolidated financial statements were authorized for issue by the Board of Directors on April 26, 2025.

Note 2 - Material Accounting Policy Information

This note provides a list of the material accounting policies adopted in the preparation of these consolidated financial statements. These accounting policies have been consistently applied to all the years presented by the Group unless otherwise stated.

A. Basis of preparation

i. Statement of compliance

These consolidated financial statements are prepared in accordance with Indian Accounting Standards (hereinafter referred to as "Ind AS") under the provisions of the Companies Act, 2013 (hereinafter referred to as 'the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Group has adopted the Ind AS in accordance with Ind AS 101 First time adoption of Ind AS was done during the year ended March 31, 2017.

The accounting policies have been consistently applied by the Group unless otherwise stated or where a newly issued accounting standard is initially adopted.

ii. Basis of Preparation

The consolidated financial statements have been prepared on historical cost basis except the following asset and liabilities which have been measured at fair value amount:

- certain financial assets and liabilities (including derivative instruments);
- defined benefit plans- plan assets; and
- Equity -settled Share Based Payments

The Consolidated Financial statements of the Group are presented in Indian Rupees (₹), which is also its functional currency and all values are rounded off to Lakhs, except when otherwise indicated.

iii. Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company, entities (including structured entities) controlled by the Company and its Subsidiaries.

Control is achieved when the Company

- has power over the investee.
- it 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.

The Company reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements listed above.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than the majority of the voting or similar rights of the investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangement with the other vote holders of the investee.
- rights arising from other contractual arrangements.
- the Group's voting rights and potential voting rights. In assessing control, potential voting rights that currently are exercisable are considered; and

Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

- the size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholder's meetings.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and ceases control when the Group loses control of the subsidiary. The income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit and loss from the effective date the Company gains control until the date when the Company ceases to control the subsidiaries.

The financial statements of the subsidiary companies and entities (including structured entities) controlled by the Company used in the consolidation are drawn up to the same reporting date as of the Company. Accounting policies of the respective subsidiaries are adjusted wherever necessary, so as to ensure consistency with the accounting policies that are adopted by the Group under Ind AS.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

The financial statements of the Company and its subsidiary companies have been consolidated on a line-by-line basis by adding together of like items of assets, liabilities, equity, income, expenses and cash flows, after fully eliminating intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group on consolidation.

Changes in the Group's ownership interests in existing subsidiaries:

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Company's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's

identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interest having a deficit balance.

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

When the Company loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognized in other comprehensive income in relation to the subsidiary are accounted for (i.e., reclassified to profit or loss) in the same manner as would be required if the relevant assets or liabilities were disposed of.

B. Summary of material accounting policies

i. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current /non-current classification.

For the Purpose of Balance Sheet, an asset is classified as current if:

- It is expected to be realized or intended to be sold or consumed in normal operating cycle.
- It is held primarily for the purpose of trading; or
- It is expected to be realized within twelve months after the reporting date; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Consolidated Financial Statements

Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

- It is expected to be settled in normal operating cycle; or
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as noncurrent.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products and services offered by the Company, the operating cycle determined is 12 months for the purpose of current and non-current classification of assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents,

ii. Segment Reporting

The Group identifies operating segments based on the internal reporting provided to the chief operating decision-maker.

The chief operating decision-maker, who is responsible for allocating resources and assessing the performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

iii. Foreign Currencies

Transaction and balances

Transactions in foreign currencies are initially recorded by the company in their functional currency at the exchange rate prevailing on the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency using rate of exchange prevailing on the balance sheet date.

Exchange differences arising on the settlement or translation of monetary items are recognized in the statement of profit or loss except where:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.
- exchange differences on transactions entered in order to hedge certain foreign currency risks.
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates on the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Effective 1st April, 2018, the Company has adopted Appendix B to the Ind-AS 21-foreign currency transaction and advance consideration, which clarify the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related assets, expenses or income when an entity has received or paid advance consideration in foreign currency. The effect on account of adoption of this amendment was insignificant.

Group Companies

For the purposes of presenting these consolidated financial statements, the financial statements of foreign operations/foreign subsidiaries that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated into INR at the exchange rate prevailing at the end of each reporting period.

Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

- Income and expenses are translated at average exchange rates for the period (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions),
- Equity is recorded at the historical rate on the date of issue and hence, is not required to be re-translated at each subsequent reporting date, and
- All the resulting foreign exchange differences are recognised in other comprehensive income and held in foreign currency translation reserve ('FCTR'), a component of Equity.

When the foreign operation is either partially or fully disposed of, the proportionate share or entire cumulative foreign exchange differences (pertaining to the said operation that are held in FCTR as at the date of disposal) respectively, are re-classified from Equity and considered in calculating the resulting profit / (loss) on sale of the operation. The said profit / (loss) on sale of the operation is recognized in the Statement of Profit and loss.

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognized in other comprehensive income.

iv. Revenue recognition

The Company derives revenue primarily from activities in BFSI and ATM Services (ATM, Insurance Services and Banking & financial services), Assisted E-Commerce Service (Online shopping, Pharmacy, Bill payment and recharge, logistics) including bullion and Jewellery, through its Vakrangee Kendra (on B2B and B2C basis) with special competencies in handling massive, multi-state, and data digitization, software and license.

Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers notified on March 28, 2018. This standard will supersede all current revenue recognition requirements. The Company has decided to use the modified retrospective approach for transition method, applied to contracts that were not completed as of April 1, 2018. Please refer Note 2(B)(iv) "Material Accounting Policies," in the Company's 2018 standalone financial statement for the policies in effect

for revenue prior to April 1, 2018. The effect on adoption of Ind AS 115 was insignificant.

The following is a summary of new and/or revised Material accounting policies related to revenue recognition.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Arrangements for software-related services are either on a fixed price, fixed-timeframe or on a time-and material basis.

Revenue from software usages and license where the customer obtains a "right to use" the revenue from software and license is recognized at the time the software and license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period.

Trade receivable and unbilled revenues are presented net of impairment in the Balance Sheet

Revenue from sale of goods and services is shown as net of sales tax, value added tax, service tax, goods and services tax and applicable discounts and allowances.

Interest Income

Interest income from financial assets is recognized when it is probable that economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

Dividend Income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

Consolidated Financial Statements

Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

v. Property, Plant and Equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

All items of property, plant and equipment are initially recorded at cost. Such cost includes the cost of replaced part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The cost of an item of property, plant and equipment is recognized as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Subsequent to recognition, property, plant and equipment (excluding freehold land) are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the company recognizes such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement cost only if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and useful lives.

Depreciation is recognised so as to write off the cost

of assets (other than freehold land and properties under construction) less their residual values over the useful lives, using the straight-line method ("SLM"). Management, based on a technical evaluation, believes that the useful lives of the assets reflect the periods over which these assets are expected to be used, which are as follows:

Description of Asset	Useful lives
Buildings	60 years
Computers and Printers, including Computer Peripherals	3 years
Office Equipments	5 years
Furniture & Fixtures	10 years
Motor Vehicles	8 years
Plant & Machinery	15 years
ATM Machine	10 years
Leasehold Land and Building, including leasehold improvements (Also refer Note 4)	51 years
Project Assets (comprising of Computers and Printers, including Computer Peripherals, Furniture and Fixtures and Office Equipments)	3-4 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

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

vi. Intangible Asset

Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated

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amortisation and accumulated impairment, if any.

Intangible assets consist of rights under licensing agreement and software licenses which are amortised over license period which equates the useful life ranging between 2-5 years on a straight-line basis.

vii. Taxation

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognized statement of profit and loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in other comprehensive income or equity respectively.

Current taxes

The current income tax expense includes income taxes payable by the Company and its subsidiaries in India and overseas. The current income tax expense for overseas subsidiaries has been computed based on the tax laws applicable to the subsidiary in the respective jurisdiction in which it operates.

Current income tax is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The Company offsets, on a year to year basis, the current tax assets and liabilities, where it has legally enforceable right to do so and where it intends to settle such assets and liabilities on a net basis.

Deferred taxes

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax relating to items recognised outside the profit and loss is recognised (either in other comprehensive income or in equity).

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

viii. Fair Value measurement

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to settle a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique

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 significant 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 significant to the fair value measurement is directly or indirectly observable.
- **Level 3** – Valuation techniques for which the lowest level input that is significant 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 significant to the fair value measurement as a whole) at the end of each reporting period.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

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for the year ended March 31, 2025 (continued)

ix. Investment property

Investment properties are properties that is held for long-term rentals yields or for capital appreciation (including property under construction for such purposes) or both, and that is not occupied by the Company, is classified as investment property.

Investment properties are measured initially at cost, including transaction costs. After initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Investment properties are depreciated using the straight-line method over their estimated useful lives. The useful life has been determined based on technical evaluation performed by the management expert.

Though the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

x. Impairment of Non-Financial Assets

At the end of each reporting period, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for

impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized in the profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

xi. 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.

Financial Assets**a) Initial recognition and measurement**

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. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

b) Subsequent measurement**Debt Instruments at amortised cost:**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset

Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate method. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognized in profit or loss when the asset is derecognized or impaired.

Debt instrument at Fair Value through Other Comprehensive Income (OCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate method. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment gains or losses and foreign exchange gains and losses in the statement of profit and loss. On derecognition of the asset, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit and loss.

Debt instrument at Fair Value through Profit or Loss (FVTPL)

A financial asset which does not meet the criteria for categorization as at amortized cost or as fair value through other comprehensive income is classified as fair value through profit or loss. Debt instruments subsequently measured at fair value through profit or loss are measured at fair value with all changes recognized in the statement of profit and loss.

Equity instruments

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

Dividends from such investments are recognized in profit or loss as other income. There is no recycling of

the amounts from OCI to Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments subsequently measured at fair value through profit or loss are measured at fair value with all changes recognized in the statement of profit and loss.

c) De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the company balance sheet) when:

The rights to receive cash flows from the asset have expired, or

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

d) Impairment of financial assets

The Company recognises impairment loss applying the expected credit loss (ECL) model on the financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual right to receive cash or other financial asset and financial guarantee not designated as at FVTPL.

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Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 months expected credit losses.

For trade receivables or any contractual right to receive cash or other financial assets that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company applies 'simplified approach' permitted by Ind AS 109 Financial Instruments. This expected credit loss allowance is computed based on a provision matrix which considers historical credit loss experience and adjusted for forward-looking information.

Financial Liabilities

a) Initial recognition and measurement

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

b) Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered by the company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

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

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Loans and borrowings

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

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Such amortisation is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

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for the year ended March 31, 2025 (continued)

c) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

xii. Inventories

Inventories are valued at lower of cost on First-In-First-Out (FIFO) or net realizable value after providing for obsolescence and other losses, where considered necessary. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of purchased inventory is determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

xiii. Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

The Company has adopted Ind AS 116 using the modified retrospective method of adoption under the transitional provisions of the Standards, with the date of initial application on 1st April 2019. The Company also elected to use the recognition exemptions for lease contracts.

The Company assesses at contract inception whether a contract is, or contains, a lease, that is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

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

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

Lease Liabilities

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

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in

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the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Company is the lessor.

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

xiv. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets that necessarily takes a substantial period of time to get ready for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

xv. Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

xvi. Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

xvii. 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.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

xviii. Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Payments in respect of such liabilities, if any are shown as advances.

xix. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equities shares outstanding during the year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to consider

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- Weighted average number of equity shares that would have been outstanding assuming the conversion of all the dilutive potential equity.

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xx. Cash and Cash Equivalent

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), and highly liquid time deposits that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

xxi. Employee Benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the undiscounted amounts of the benefits expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Other Long-term employee benefit obligations

The liabilities for compensated absences (annual leave) which are not expected to be settled wholly within 12 months after the end of the period in which the employee render the related service are presented as non-current employee benefits obligations. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the Projected Unit Credit method. The benefits are discounted using the market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations. Remeasurements as a result of experience adjustments and changes in actuarial assumptions (i.e. actuarial losses/ gains) are recognised in Other comprehensive income.

The obligations are presented as current in the balance sheet if the Company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Post-employment obligations

The Company operates the following post-employment schemes:

- I. Defined benefit plans such as gratuity
- II. Defined contribution plans such as provident fund.

Defined benefit plan - Gratuity Obligations

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is actuarially determined using the Projected Unit Credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash flows outflows by reference to market yields at the end of the reporting period on government bonds that have a terms approximating to the terms of the obligation.

The net interest cost, calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets, is recognised as employee benefit expenses in the statement of profit and loss.

Remeasurements gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the other comprehensive income in the year in which they arise and are not subsequently reclassified to Statement of Profit and Loss.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

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Defined Contribution Plan

The Company pays provident fund contributions to publicly administered provident funds as per local regulatory authorities. The Company has no further 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.

xxii. Share-based Payments

Shared based compensation benefits are provided to employees via Vakrangee Limited Employee Stock Option Plan.

Employee options

The cost of equity-settled transactions is determined by the fair value of the options granted at the date when the grant is made. The fair value of options granted under the Employee Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the Company's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining employee of the entity over a specified time period), and
- Including the impact of any non-vesting conditions (e.g. the requirement for employee to save or holding shares for a specific period of time.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the Company revises its estimates of the number of options that are expected to be vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

Recent pronouncements

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 a significant impact in its financial statements.

Note 3 (a) - Critical Accounting Judgements and Estimates

The preparation of financial statements in conformity with Ind AS requires judgements, estimates and assumptions to be made by the management of the Company that affect the reported amount of assets, liabilities, revenue, expenses, accompanying disclosures and the disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses for the periods presented.

The estimates and associate's assumptions are based on historical experience and other factors that are considered to be relevant. Actual results could differ from those estimates. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future period.

Application of accounting policies that require critical accounting estimates and the use of assumptions in the financial statements are as follows:

- **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 requiring 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. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 45.

- **Defined benefit plans**

The cost of the defined benefit gratuity plan and other post-employment medical 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

Notes Forming part of the Consolidated financial statements

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defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 44.

- **Fair value measurement of financial instruments**

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. See Note 46 for further disclosures.

- **Depreciation and useful lives of Property, Plant and Equipment**

Property, Plant and Equipment are depreciated over the estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and taken into account anticipated technological changes. The Depreciation for future periods is revised if there are significant changes from previous estimates.

- **Provision and Contingent Liabilities**

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

for the year ended March 31, 2025 (continued)

(a)	Description	Buildings	Plant and Machinery	Furniture and Fixtures	Motor Vehicle	Office Equipments	Computers including Computer Peripherals	Tools and Moulds	Leasehold Improvements	Right-of-use asset	Total	Capital Work-In-Progress	Grand Total
Cost or Valuation													
	At April 1, 2023	639.06	13,032.10	542.90	192.63	424.96	1,961.19	-	-	4,258.29	21,051.13	347.21	21,398.34
	Additions	-	417.20	-	-	0.22	-	-	-	-	417.42	718.96	1,136.37
	Disposals/Transfers	26.55	134.10	43.78	137.05	10.49	24.44	-	-	-	376.42	451.76	828.18
	At March 31, 2024	612.51	13,315.20	499.12	55.58	414.68	1,936.75	-	-	4,258.29	21,092.13	614.41	21,706.54
	Additions through acquisition of subsidiary	-	100.25	41.17	-	64.01	205.05	449.15	18.84	117.51	995.98	-	995.98
	Additions	-	439.60	12.39	-	3.84	51.61	-	-	607.29	1,114.73	1,105.09	2,219.82
	Disposals/Transfers	-	-	-	-	-	-	-	-	6.81	6.81	482.92	489.73
	At March 31, 2025	612.51	13,855.05	552.69	55.58	482.53	2,193.41	449.15	18.84	4,976.28	23,196.03	1,236.58	24,432.61
Depreciation and Impairment													
	At April 1, 2023	41.92	4,713.86	416.63	122.77	317.18	1,839.25	-	-	890.45	8,342.06	-	8,342.06
	Depreciation charged for the year	10.56	1,273.85	23.55	9.34	24.67	67.03	-	-	160.14	1,569.14	-	1,569.14
	Disposals/Transfers	6.85	64.89	29.90	81.36	9.59	20.37	-	-	-	212.95	-	212.95
	At March 31, 2024	45.63	5,922.82	410.28	50.75	332.26	1,885.92	-	-	1,050.60	9,698.25	-	9,698.25
	Additions through acquisition of subsidiary	-	75.35	38.71	-	60.03	163.39	379.35	17.89	90.26	824.98	-	824.98
	Depreciation for the year charged to P&L	10.21	1,324.57	20.47	2.48	18.81	46.72	18.92	-	227.51	1,669.69	-	1,669.69
	Disposals/Transfers	-	-	-	-	-	-	-	-	-	-	-	-
	At March 31, 2025	55.84	7,322.74	469.46	53.24	411.09	2,096.02	398.27	17.89	1,368.37	12,192.91	-	12,192.91
Net Book Value													
	At March 31, 2025	556.67	6,532.31	83.23	2.34	71.44	97.38	50.88	0.95	3,607.91	11,003.12	1,236.58	12,239.70
	At March 31, 2024	566.88	7,392.38	88.84	4.82	82.43	50.83	-	-	3,207.69	11,393.88	614.41	12,008.29
	At April 1, 2023	597.14	8,318.24	126.28	69.86	107.78	171.93	-	-	3,367.84	12,709.07	347.21	13,056.28

Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

- (b) Immovable Property situated at Vakrangee Corporate House, Plot No. 93, Road No 16, MIDC, Marol, Near Hotel Suncity Residency, Andheri East, Mumbai - 400 093 with total built up area of entire building is 21,050 Sq ft has been mortgaged as collateral security against borrowings from Union Bank of India.
- (c) Title deeds of all the Immovable Property are held in name of the Holding Company.
- (d) The Group has not revalued its Property, Plant and Equipment during the year.
- (e) **CWIP ageing schedule as at March 31, 2025**

(₹ in lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in Progress	622.17	365.61	248.80	-	1,236.58
Project temporarily suspended	-	-	-	-	-

CWIP ageing schedule as at March 31, 2024

(₹ in lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in Progress	365.61	248.80	-	-	614.41
Project temporarily suspended	-	-	-	-	-

(f) Finance Lease arrangement (Right-of-Use Asset)

The net carrying amount of Property, Plant and Equipment under finance lease arrangements are as follows:

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Right-of-Use Asset	3,607.91	3,207.69

During the the year ended on March 31, 2018, the company has entered into a long term finance lease arrangement for a land and building situated at Plot No.93, Road No.16, MIDC, Marol, Andheri (East) Mumbai 400093 for the remaining period of 51 years out of the total lease term of 95 years in consideration of a lump sum premium amounting to ₹ 3,000.00 lakhs.

In consideration to the provisions of Ind AS 116 - Leases, the leasehold land and building have been assessed for classification as finance lease based on the evaluation of the facts and circumstances of the lease arrangement. The lease arrangement does not contain any clause for renewal or escalation.

Consideration paid shall be equally amortized over the period of leases and the company is not subject to any other future minimum lease rental commitments.

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Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

Note 5 - Intangible Assets

Other Intangible Assets

(₹ in lakhs)		
Description	Software	Amount
Gross Block		
April 1, 2023	-	-
Additions	-	-
Disposal	-	-
March 31, 2024	-	-
Additions through acquisition of subsidiary	283.26	283.26
Additions	20.25	20.25
Disposal	-	-
March 31, 2025	303.51	303.51
Depreciation and Impairment		-
April 1, 2023	-	-
Depreciation Charged for the year	-	-
Disposal	-	-
March 31, 2024	-	-
Additions through acquisition of subsidiary	247.85	
Depreciation Charged for the year	24.81	24.81
Disposal	-	-
March 31, 2025	272.66	272.66
Net Book Value		
March 31, 2025	30.85	30.85
March 31, 2024	-	-
April 1, 2023	-	-

Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

Note 5A-Intangible Assets under development

(₹ in lakhs)

Description	Amount
Gross Block	
At April 1, 2023	434.79
Additions	-
Disposal	-
At March 31, 2024	434.79
Additions	-
Disposal	-
At March 31, 2025	434.79
Depreciation and Impairment	-
At April 1, 2023	-
Depreciation Charged for the year	-
Impairment during the year	-
Disposal	-
At March 31, 2024	-
Depreciation Charged for the year	-
Impairment during the year	-
Disposal	-
At March 31, 2025	434.79
Net Book Value	434.79
March 31, 2025	434.79
March 31, 2024	-
April 1, 2023	-

(c) Intangible Assets under Development ageing schedule as at March 31, 2025

(₹ in lakhs)

Intangible Assets under Development	Amount in Intangible Assets under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in Progress	-	-	-	434.79	434.79
Project temporarily suspended	-	-	-	-	-

Intangible Assets under Development ageing schedule as at March 31, 2024

(₹ in lakhs)

Intangible Assets under Development	Amount in Intangible Assets under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in Progress	-	-	434.79	-	434.79
Project temporarily suspended	-	-	-	-	-

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Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

Note 6 - Investments

(Non - Current)

		(₹ in lakhs)	
	Particulars	As at March 31, 2025	As at March 31, 2024
(a)	Unquoted		
	Investment carried at Cost		
	- Investments in Equity Instruments of Subsidiaries		
	66,050 Equity Shares of Vortex Engineering Private Limited of ₹ 10/- each fully paid up	-	333.04
	(A)	-	333.04
	Investment carried at Fair value through Profit and Loss (FVTPL)		
	- In Equity Shares		
	2,500 Equity Shares of CSC e-Governance Services India Limited of ₹ 1,000/- each fully paid up	439.08	354.17
	(March 31, 2024 : 2,500 Equity shares)		
		439.08	354.17
	TOTAL (A + B)	439.08	687.21
	Aggregate amount of unquoted investments	439.08	687.21

Investment at fair value through profit and loss reflect investment in unquoted equity securities.

The fair value of the unquoted equity shares have been estimated using valuation techniques for which the lowest level input that is significant to the fair value measurement is directly observable

Note 7 - Trade Receivables

(Non Current)

		(₹ in lakhs)	
	Particulars	As at March 31, 2025	As at March 31, 2024
(a)			
	Trade Receivable considered good (Secured)	-	-
	Trade Receivable considered good (Unsecured)	-	-
	Trade Receivable which have significant increase in Credit Risk	-	-
	Trade Receivable - credit impaired	-	100.76
		-	100.76
	Less: Allowance for credit losses	-	11.18
	TOTAL	-	89.58

(b) Detailed note on disclosure as required by Schdeule III for ageing

Refer Note 51 for ageing of Trade Receivables

Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

Note 8 - Other Financial Assets

(Non - Current)

(₹ in lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
Deposits with bank				
- with maturity period of more than 12 months		1,642.79		245.17
Other Deposits				
Security Deposit	101.51		16.71	
Earnest Money Deposit	96.00		36.00	
		197.51		52.71
		1,840.30		297.88
* Amount held as margin money or security against borrowings, guarantee, other commitments		130.83		121.86

Note 9 - Other Non-Current Assets

(Non - Current)

(₹ in lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
Capital Advances		-		-
Prepaid Expenses		65.59		35.48
Balances with statutory / revenue authorities				
- Income Tax (net of provision for taxation)	61.23		750.99	
- Other	1.69		1.68	
		62.91		752.67
TOTAL		128.51		788.15

Note 10- Inventories

(₹ in lakhs)

(a)	Particulars	As at March 31, 2025		As at March 31, 2024	
	(i) Raw Materials		526.26		
	(ii) Work-in-Progress		138.63		
	(iii) Stock-in-Trade		311.31		70.60
	(iv) Consumables		-		-
	(v) Stores & Spares		853.76		-
	TOTAL		1,829.95		70.60

Consolidated Financial Statements

Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

(b) Basis of valuation of Inventories

Inventories are valued at lower of cost or net realizable value on FIFO basis which is in accordance with Ind AS-2.

Note 11 - Trade Receivables**(Current)**

		(₹ in lakhs)	
	Particulars	As at March 31, 2025	As at March 31, 2024
(a)	Trade Receivable considered good (Secured)	2,120.82	-
	Trade Receivable considered good (Unsecured)	731.65	4,388.72
	Trade Receivable which have significant increase in Credit Risk	94.81	-
	Trade Receivable - credit impaired	-	-
		2,947.28	4,388.72
	Less: Allowance for credit Losses	245.66	-
	TOTAL	2,701.62	4,388.72

(b) Debts due from related parties

(c) Detailed note on disclosure as required by Schdeule III for ageing

Refer Note 51 for ageing of Trade Receivables

Note 12 - Cash & Cash equivalents

		(₹ in lakhs)	
	Particulars	As at March 31, 2025	As at March 31, 2024
(a)	(A) Cash and Cash Equivalents		
	(i) Balances with Banks :		
	- Current Accounts	3,706.23	4,026.40
	- Deposit Accounts	-	-
	(ii) Cash-in-hand	116.29	83.65
		3,822.52	4,110.05
	(B) Bank Balances other than above		
	(i) Earmarked balances in unclaimed dividend account	36.84	61.76
	(ii) Fixed Deposits with maturity period of more than 3 months but less than 12 months **	4,328.80	696.23
	TOTAL	4,365.64	757.99

Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
** Amount held as margin money or security against borrowings, guarantee, other commitments	24,914.66	810.07

(b) For the purpose of cash flow statement

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
(A) Cash & Cash Equivalents		
(i) Balances with Banks :		
- Current Accounts	3,706.23	4,026.40
- Deposit Accounts	-	-
(ii) Cash-in-hand	116.29	83.65
	3,822.52	4,110.05
Less : - Cash Credit	-	-
TOTAL	3,822.52	4,110.05

Note 13 - Loans

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Loans Receivable considered good (Secured)	-	-
(ii) Loans Receivable considered good (Unsecured)	-	-
(a) Loan to Others	-	-
Staff Advances	4.58	3.07
Inter Corporate Deposits	-	-
	4.58	3.07
(iii) Loans Receivable which have significant increase in Credit Risk	-	-
(iv) Loans Receivable - credit impaired	-	-
TOTAL	4.58	3.07

Consolidated Financial Statements

Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

Note 14 - Other Financial Assets

(Current)

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Others		
Advance for Outlets	20.65	0.64
Advance to BCAs	5.15	5.04
Insurance claim Receivable	-	-
Security Deposit	100.06	23.46
Accrued Interest on FD	10.52	4.35
Receivable from resulting company	-	1,516.27
UBI Settlement Receivable	-	-
Other Receivable	-	-
CC Settlement Receivable	-	-
ATM Settlement Receivable	235.75	322.54
COD Receivables	-	-
Less : - Allowance for credit losses	-	-
TOTAL	372.13	1,872.30

Note 15 - Current Tax Assets (Net)

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Income Tax (net of provision for taxation)	191.75	446.50
TOTAL	191.75	446.50

Note 16 - Other Current Assets

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Advances to Vendors	531.66	2,419.70
Prepaid Expenses	39.87	(0.00)
Other Receivable		
- Accrued Revenue	1,198.72	749.16
Balances with statutory / revenue authorities		
- Goods & Service Tax	692.41	875.59
TOTAL	2,462.65	4,044.45

Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

Note 17 - Equity Share Capital

Equity share capital

(i) Authorised share capital

(₹ in lakhs)		
Particulars	Number of shares (in lakhs)	Amount
As at March 31, 2024	12,500.00	12,500.00
Increase during the year	2,500.00	-
As at March 31, 2025	15,000.00	12,500.00

(ii) Paid up Equity share capital

(₹ in lakhs)		
Particulars	Number of shares (in lakhs)	Amount
As at March 31, 2023	10,595.13	10,595.13
Exercise of options	-	-
As at March 31, 2024	10,595.13	10,595.13
Exercise of options	0.12	0.12
Shares allotted in Non-Promoter Category	236.67	236.67
As at March 31, 2025	10,831.92	10,831.92

(iii) Details of shareholders holding more than 5% shares in the Company

(₹ in lakhs)				
Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares (in lakhs)	% Holding	Number of shares (in lakhs)	% Holding
Vakrangee Holdings Private Limited	2,509.50	23.17%	2,509.50	23.69%
NJD Capital Private Limited	1,311.00	12.10%	1,311.00	12.37%
Life Insurance Corporation of India	478.16	4.41%	658.65	6.22%
Late Dinesh Nandwana	516.07	4.76%	691.07	6.52%

(iv) Disclosure of shareholders holding of Promoters

Shares held by promoters as at March 31, 2025

(₹ in lakhs)			
Name of Promoter	Number of shares (in lakhs)	% of Total shares	% Change during the period
Vakrangee Holdings Private Limited	2,509.50	23.17%	0.00%
NJD Capital Private Limited	1,311.00	12.10%	0.00%
Late Dinesh Nandwana	516.07	4.76%	(1.62)%
Late Dinesh Nandwana HUF	1.96	0.02%	0.00%

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Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

Shares held by promoters as at March 31, 2024

(₹ in lakhs)			
Name of Promoter	Number of shares (in lakhs)	% of Total shares	% Change during the period
Vakrangee Holdings Private Limited	2,509.50	23.17%	0.00%
NJD Capital Private Limited	1,311.00	12.10%	0.00%
Late Dinesh Nandwana	691.07	6.38%	0.00%
Late Dinesh Nandwana HUF	1.96	0.02%	0.00%

(v) Detailed note on the terms of the rights, preferences and restrictions relating to each class of shares including restrictions on the distribution of dividends and repayment of capital.

The Holding Company has only one class of Equity Shares having a par value of ₹ 1/- per share. Each holder of Equity Share is entitled to one vote per share. The Holding Company declares and pays dividend in Indian Rupees. During the year ended March 31, 2025, the amount of per share dividend recognised as distributions to Equity Shareholders is ₹ 0.05/- per share of ₹ 1/- each for the year ended March 31, 2024.

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

(vi) Aggregate details for five immediately previous reporting periods for each class of shares

Particulars	(No. of shares in lakhs)	
	As at March 31, 2025	As at March 31, 2024
- No. of shares allotted as fully paid up pursuant to contracts without payment being received in cash	-	-
- No. of shares allotted as fully paid by way of Bonus Shares	-	-
- No. of shares bought back	-	-
- No. of shares issued on exercise of options granted under the ESOP scheme.	1.20	7.10
- No. of shares issued due to the allotment of shares in Non-promoter category due to the conversion share warrants	236.67	-

(vii) Capital Management

The Company's objectives when managing capital are to :

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by total 'equity' (as shown in the balance sheet, including non-controlling interests).

The Company's strategy is to maintain a gearing ration within 1:1. The gearing ratios were as follows :

Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Net debt	-	1,205.77
Total equity	20,243.58	16,211.13
Net debt to equity ratio	-	0.07

Note 18 - Other Equity

(i) Reserves and surplus

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Securities Premium	49,257.58	42,808.83
Share Options Outstanding Account	201.07	271.92
Deferred Employee Compensation Expense	(102.11)	(243.30)
General Reserve	812.72	812.72
Amalgamation Reserve / Capital Reserve	(50,935.49)	(49,762.68)
Retained Earnings	10,201.71	10,082.73
Share application money pending allotment	2,503.55	4,175.00
TOTAL (A)	11,939.02	8,145.21

(a) Securities Premium

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	42,808.83	42,808.83
Add:- On shares issued during the period	6,444.86	-
Add:- Transfer from shares options outstanding account	3.89	-
Closing balance	49,257.58	42,808.83

(b) Share Options Outstanding Account

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	271.92	402.17
Add:- On further grant of options	27.58	237.27
Less:- Reversal due to Lapsation of option	(96.14)	(367.53)
Less: Transfer to Securities premium account	(2.28)	-
Closing balance	201.07	271.92

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Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

(c) Deferred Employee Compensation Expense

(₹ in lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	(243.30)	(137.87)
Add:- On further grant of options	(27.58)	(237.27)
Less:- Reversal due to Lapsation of option	60.59	92.32
Less:- Amortised during the year	108.17	39.53
Closing balance	(102.11)	(243.30)

(d) Amalgamation Reserve / Capital Reserve

(₹ in lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	(49,762.68)	(49,762.68)
Less : On demerger (Refer Note 50)	-	-
Add : Goodwill on consolidation	(1,172.81)	-
Closing balance	(50,935.49)	(49,762.68)

(e) General Reserve

(₹ in lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	812.72	812.72
Add:- Transfer from Profit & Loss account	-	-
Closing balance	812.72	812.72

(f) Retained Earnings

(₹ in lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	10,082.73	10,177.23
Add:- Pre-Aquisition profit/ (loss)	(17.95)	-
Add:- Profit for the year	677.28	435.26
Less:- Transfer to General Reserve	-	-
Less:- Dividend declared	(540.34)	(529.76)
Less:- Dividend distribution tax	-	-
Closing balance	10,201.71	10,082.73

Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

(g) Share application money pending allotment

(₹ in lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	4,175.00	-
Add: Consideration Received for Allotment of Preferential Issue of Share Warrants	4,718.52	4,175.00
Less: Allotment of shares during the period due to conversion of share warrants	(6,389.97)	-
Add: Consideration Received against employee stock options	-	-
Less: Allotment of shares during the period of employee stock options	-	-
Closing balance	2,503.55	4,175.00

(ii) Other Comprehensive Income

(a)

(₹ in lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	(3,160.27)	(3,148.81)
Remeasurement of net defined benefit obligations (net of taxes)	(17.70)	(11.46)
CLOSING BALANCE (I)	(3,177.97)	(3,160.27)

(b) Foreign Currency Translation Reserve

(₹ in lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	631.05	638.38
Translation reserve for the year	19.56	(7.33)
Closing balance (ii)	650.61	631.05
Total (B)	(2,527.36)	(2,529.23)
TOTAL (A+B)	9,411.67	5,616.00

Nature of Reserves:

(a) Securities Premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of Companies Act, 2013.

(b) Share Options Outstanding Account

It is a reserve which represents the difference between the market value and issue price of the shares issued to the employees under Employees Stock Option Scheme.

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Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

(c) Deferred Employee Compensation Expense

The deferred employee compensation expenses means the total cost incurred by the company towards the stock options granted by the Company to the eligible employees. Deferred Employee Compensation will appear in the Balance Sheet as a negative item as part of Net Worth or Shareholders' Equity.

(d) General Reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, Items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

(e) Amalgamation Reserve / Capital Reserve

This reserve is outcome of business combinations carried out during the current year (Refer Note 50).

(f) Share application money pending allotment

Share Application Money Pending Allotment means the amount received on the application on which allotment is not yet made (pending allotment). It has been classified under Other Equity unless actual allotment of equity shares takes place.

(g) Retained Earnings

Retained earnings are the profits that Company has earned to date, less any dividends or other distributions paid to investors.

(h) Foreign Currency Translation Reserve

Exchange differences arising on translation of foreign operations are recognised in other comprehensive income and accumulated in a separate reserve within equity.

For movement in other equity during the year, refer Consolidated Statement of Changes in Equity.

Note 19 - Borrowings

(Non - Current)

Particulars	(₹ in lakhs)	
	As at March 31, 2025	As at March 31, 2024
Secured Loans		
- From Bank	-	1,205.77
Less: Current Maturities of Long Term Debt	-	(445.33)
TOTAL	-	760.44

Note 20 - Lease Liabilities

(Non - Current)

Particulars	(₹ in lakhs)	
	As at March 31, 2025	As at March 31, 2024
Lease Liabilities	385.01	-
TOTAL	385.01	-

Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

Note 21 - Trade Payables

(Non - Current)

(₹ in lakhs)				
Particulars	As at March 31, 2025		As at March 31, 2024	
- Dues of micro enterprises and small enterprises				
	Principal	Interest	Principal	Interest
Amount due to vendor	-	-	-	-
Principal amount paid (including unpaid) beyond the appointed date	-	-	-	-
Interest due and payable for the year	-	-	-	-
Interest accrued and remaining unpaid	-	-	-	-
		-		-
Total Dues of micro enterprises and small enterprises				
- Dues of Creditors other than micro enterprises and small enterprises		-		1.77
TOTAL		-		1.77

Dues to Micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by Management.

Detailed note on disclosure as required by Schedule III for ageing

Refer Note 52 for ageing of Trade Payable

Note 22 - Other Financial Liabilities

(Non - Current)

(₹ in lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Security Deposit	77.19	78.17
Business Deposit from Franchisee / Master Franchisee	1,185.65	1,095.57
TOTAL	1,262.84	1,173.75

Note 23 - Deferred Tax Liabilities (net)

(₹ in lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Assets		
(i) On account of difference in depreciation on Property, Plant and Equipment	-	-
(ii) Provision for Employees' obligations	128.79	128.98
(iii) Temporary differences on Tax Provisions	-	-
(iv) On account of Expected Credit Loss	0.05	2.82
(v) Unused tax credits	-	-

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Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

(₹ in lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024
(A)		128.84	131.80
Liabilities			
(i) On account of difference in depreciation on Property, Plant and Equipment	373.71		412.86
(B)		373.71	412.86
Balance carried to Balance Sheet (B - A)		244.87	281.06

(a) Movement in deferred tax account during the year is as follows:

(₹ in lakhs)

Particulars	Opening balance	Recognised in profit and loss	Recognised in other comprehensive income	Closing Balance
For the year ended March 31, 2025 :				
Deferred tax liabilities/(assets) in relation to :				
Difference between WDV of Property, Plant and Equipment as per books and Income taxes	412.86	(39.15)	-	373.71
Expenses provided but allowable in Income Tax on payment	(128.98)	22.00	(21.82)	(128.80)
Allowance for expected credit losses	(2.82)	2.77	-	(0.05)
	281.06	(14.37)	(21.82)	244.87
Others	-	-	-	-
	-	-	-	-
TOTAL	281.06	(14.37)	(21.82)	244.87
For the year ended March 31, 2024 :				
Deferred tax liabilities/(assets) in relation to :				
Difference between WDV of Property, Plant and Equipment as per books and Income taxes	380.49	32.37	-	412.86
Expenses provided but allowable in Income Tax on payment	(128.78)	3.65	(3.85)	(128.98)
Allowance for expected credit losses	(5.43)	2.61	-	(2.82)
	246.28	38.63	(3.85)	281.06
Others	-	-	-	-
	-	-	-	-
TOTAL	246.28	38.63	(3.85)	281.06

Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

The analysis of Deferred Tax Liabilities is as follows:

(₹ in lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Deferred Tax Liabilities to be recovered after more than 12 months	244.87	281.06
Deferred Tax Liabilities to be recovered within 12 months	-	-
	244.87	281.06

(b) Explanation of changes in the applicable tax rate(s) compared to the previous accounting period

(₹ in lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Applicable Tax rate considered for deferred tax asset or liability	25.168%	25.168%

The applicable tax rates have been changed on the basis of using the tax rates that have been enacted as at the end of the each reporting period.

Note 24 - Employee Benefit Obligations

(Non - Current)

(₹ in lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Employees' benefits	489.44	380.28
TOTAL	489.44	380.28

Note 25 - Borrowings

(Current)

(₹ in lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Secured Loans		
Loan Repayable on Demand		
- From Bank	-	-
- From Holding Co. (Unsecured)	-	-
Unsecured Loans		
- Intercompany Deposit	-	-
Current Maturities of Long Term Debts	-	445.33
TOTAL	-	445.33

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Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

Note 26 - Lease Liabilities

(Current)

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Lease Liabilities	73.66	-
TOTAL	73.66	-

Note 27 - Trade Payables

(Current)

(₹ in lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
Trade Payables				
- Dues of micro enterprises and small enterprises				
	Principal	Interest	Principal	Interest
Amount due to vendor	-	-	0.06	-
Principal amount paid (including unpaid) beyond the appointed date	3.96	-	-	-
Interest due and payable for the year	-	-	-	-
Interest accrued and remaining unpaid	-	-	-	-
	3.96	-	0.06	-
Total Dues of micro enterprises and small enterprises		3.96		0.06
- Dues of Creditors other than micro enterprises and small enterprises		1,774.72		1,936.57
TOTAL		1,778.68		1,936.62

Dues to Micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by Management.

Detailed note on disclosure as required by Schdeule III for ageing

Refer Note 52 for ageing of Trade Payable

Note 28 - Other Financial Liabilities

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Payable to Franchisee under WLA	1,921.04	5,544.77
Franchisee amount refundable	878.37	552.06
Payable towards CSR Expenses	-	12.96
Unpaid Dividend	36.84	61.76
TOTAL	2,836.25	6,171.55

Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

Note 29 - Other Current Liabilities

(₹ in lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Statutory dues	303.98	484.79
Advance from customers	107.42	4.43
Kendra money received pending allotment	127.31	45.53
Franchisee Wallet Balance	51.84	89.31
Staff Emoluments Payable	334.22	268.82
Other Payable		
- Amount received in advance	313.16	386.71
TOTAL	1,237.93	1,279.58

Note 30 - Provisions

(₹ in lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Expenses for Goods & services	1,243.63	1,223.30
TOTAL	1,243.63	1,223.30

Note 31 - Employee Benefit Obligations (Current)

(₹ in lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Employees' benefits	105.67	116.89
TOTAL	105.67	116.89

Note 32 - Current Tax Liabilities (Net)

(₹ in lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Income Tax (net of tax deducted at source)	39.18	17.87
TOTAL	39.18	17.87

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Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

Note 33 - Revenue from Operations

(₹ in lakhs)

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
(a) Revenue from Vakrangee Kendra		20,053.44		20,717.78
(b) Revenue from Sale of Services		1,906.07		
		-	533.49	533.49
(c) Revenue from Sale of Goods		3,539.30		
(d) Other Operating Revenues				
- Scrap Sales		1.93	6.94	6.94
TOTAL		25,500.74		21,258.21

Note:- The amount of revenues are exclusive of indirect taxes i.e. Goods and Service Tax

Note 34 - Other Income

(₹ in lakhs)

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
(i) Interest Income				
(a) Interest Income on the financial assets at amortized cost				
- Bank Deposits	205.36		142.40	
(b) Other Interest Income	39.98	245.34	0.04	142.44
(ii) Dividend income		1.50		1.50
(iii) Other non-operating income				
- Rent Received	-		-	
- Gain on Sale of Asset	-		-	
- Gain on Foreign Exchange Fluctuation	(8.35)		10.54	
- Fair value gain on financial instrument at fair value through Profit and loss	84.91		55.16	
- Miscellaneous Income	78.48		24.25	
		155.04		89.95
TOTAL		401.88		233.89

Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

Note 35 - Cost of Materials Consumed

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Raw Materials*		
- Opening Stock	1,019.84	-
- Add : Purchases (net)	3,515.26	-
- Less : Closing Stock	1,380.02	-
TOTAL	3,155.08	-

Note 36 - Operating Expenses

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Project Delivery Cost		
- Opening Stock	-	15.94
- Add : Purchase of goods and services	2,483.65	1,063.55
- Less: Project stock transferred into trading stock	-	(15.94)
- Less : Closing Stock	-	-
	2,483.65	1,063.55
Project Expenses	3.61	1.54
Commission Expenses	13,001.32	14,174.86
Consumption - Manufacturing	(707.53)	
Consumption - CST	-	
TOTAL	14,781.05	15,239.94

Note 37 - Changes in Inventories

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) At the beginning of the period		
(i) Work-in-Progress	36.24	-
(ii) Stock-in-Trade	213.18	204.90
Add: Trading stock transferred from Project stock	-	15.94
	249.42	220.84
Less : at the end of the period		
(i) Work-in-Progress	97.94	-
(ii) Stock-in-Trade	312.78	70.60
	410.72	70.60
TOTAL	(161.30)	150.23

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Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

Note 38 - Employee Benefits Expenses

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) (i) Salaries & Wages	2,686.67	1,759.05
(ii) Directors' Remuneration	548.32	373.55
(iii) Contribution to Provident & Other Funds	205.57	22.41
(iv) Share-based Payment Expenses	72.62	(235.68)
(v) Staff Welfare Expenses	61.30	19.47
	3,574.48	1,938.80
TOTAL	3,574.48	1,938.80

(b) Detailed note on disclosure as required by Ind AS-19

For details, refer Note No. 44.

Note 39 - Finance Costs

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest Expense		
- On Bank Loans	74.11	771.17
- On Lease Liability	96.41	-
- Others	12.24	-
TOTAL	182.76	771.17

Note 40 - Depreciation and Amortisation Expense

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation of property, plant and equipment	1,423.36	1,376.20
Amortization of intangible assets	18.82	-
Depreciation of Right of Use Assets	227.51	175.36
TOTAL	1,669.69	1,551.56

Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

Note 41 - Other Expenses

(₹ in lakhs)

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
Repairs & Maintenance :				
- Building	-		12.50	
- Others	128.67	128.67	574.95	587.45
Advertisement and Publicity		4.07		7.42
Business Promotion		16.68		10.30
Rent Expenses		37.56		48.43
Rates & Taxes		27.36		12.64
Insurance		13.29		39.15
Electricity Charges		41.89		39.80
Printing and Stationery		0.09		-
Testing and certification charges		88.70		
Freight and forwarding charges		83.66		
Power and fuel		17.54		
Contract labour costs		125.61		
Royalty		(1.76)		
Warranty Cost		(22.38)		
Communication Costs		119.21		30.73
Fees & Subscriptions		12.53		13.00
Listing, Registrar & Share Issue/Transfer Charges		7.40		19.10
Loss on Foreign Exchange Fluctuation		25.18		0.10
Legal & Professional Fees - Other than payments to Auditor:				
- Legal & Professional	251.78		202.52	
- Filing Stamp Duty and Franking Charges	35.82		10.33	
- Registration charges	-	287.60	-	212.84
Payments to Auditors :				
- Audit fees (including limited review)	50.64		14.20	
- Tax Audit fees	1.00	51.64	1.00	15.20
Conveyance & Travelling		262.10		35.88
Vehicle Expenses		-		3.20
Corporate Social Responsibility Expenditure (Refer Note 41)		9.46		60.27
Penalty		12.07		18.80
Directors' Sitting Fees		15.80		15.35
Office & General Expenses		69.58		86.47
Allowance for credit losses				
Opening Allowances	-		(21.57)	

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Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Less : Written off during the year	-	-
Add : Allowances of Credit Lossess	242.87	(10.38)
Less : Closing Allowances	-	(11.18)
Miscellaneous Expenses	64.54	45.30
TOTAL	1,740.97	1,291.05

Note 42 - Exceptional Item

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
- Net gain on disposal of Property plant and equipment	-	54.44
TOTAL	-	54.44

Exceptional item consists of net gain on sale of various items of property, plant and equipment.

Note 43 - Earnings Per Equity Share

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Net profit after tax attributable to equity shareholders for		
Basic EPS	639.01	435.26
Add/Less: Adjustment relating to potential equity shares	-	-
Net profit after tax attributable to equity shareholders for Diluted EPS	639.01	435.26
(b) Weighted average no. of equity shares (in lakhs) outstanding during the year		
For Basic EPS	10,771.43	10,595.13
For Diluted EPS	11,195.19	10,596.21
(c) Face Value per Equity Share (₹)	1	1
Basic EPS (₹)	0.06	0.04
Diluted EPS (₹)	0.06	0.04
(d) Reconciliation between no. of shares (in lakhs) used for calculating basic and diluted EPS		
No. of shares used for calculating Basic EPS	10,771.43	10,595.13
Add: Potential equity shares	423.77	1.08
No. of shares used for calculating Diluted EPS	11,195.19	10,596.21

Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

Note 44 - Contingent Liabilities and Commitments (to the extent not provided for)

			(₹ in lakhs)
Particulars	As at March 31, 2025	As at March 31, 2024	
(A) Contingent Liabilities			
(i) Claims against the company not acknowledged as debts	92.13	-	
(ii) Company has provided Counter Guarantee in relation to Bank Guarantee to various parties which is not acknowledged in books of accounts	196.32	196.32	
(iii) Company has provided Counter Guarantee in relation to Bank Guarantee to various parties on behalf of subsidiary company which is not acknowledged in books of accounts	-	-	
(iv) Demand raised by VAT/GST (Refer Note 1 below)	-	34,074.79	
(A)	288.45	34,271.11	
(B) Commitments			
(i) Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)	-	-	
(B)	-	-	
TOTAL (A + B)	288.45	34,271.11	

Note :

- The Holding Company has received demand orders from Rajasthan VAT/SGST department for the period from 01.04.2017 to 31.03.2019 for the above amounts (interest and penalty thereon to be computed additionally) citing incorrect Schedule/ HSN code of e-governance activities. However, the company has been complying with the relevant compliance procedure according to the said schedule/HSN code over the years. The same e-governance activities and its schedule/HSN code has also been assessed and accepted by other GST and Sales Tax departments including Rajasthan CGST audit and Maharashtra SGST investigation department. Therefore, the Holding Company has filed a written petition in Rajasthan High Court against the said impugned order. The Holding Company is confident that the said order will be quashed, and the decision will be in favor of the Company.
- The timing of outflow in respect of above matter (A)(i) are determinable only on receipt of judgement/decisions pending before various forums/authorities.
- For Capital Commitment, the amount of liabilities, which may occur on levying of penalty and/or charges by clients for delays in execution of contracts within the time prescribed in the agreement, is unascertained.

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Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

Note 45 - Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Company as per the Act.

Particulars	(₹ in lakhs)	
	As at March 31, 2025	As at March 31, 2024
a) Gross Amount required to be spent by the Group during the year	9.46	60.27
b) Amount of expenditure incurred on:		
(i). Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	9.46	46.55
c) Shortfall at the end of the year	-	13.72
d) Total of previous years' short fall	13.72	-
e) Reason for short fall	Pertains to ongoing projects	Pertains to ongoing projects
f) The nature of CSR activities undertaken by the Company	Eradication of hunger and malnutrition, promoting education, healthcare	Eradication of hunger and malnutrition, promoting education, healthcare

Note: As at March 31, 2025, the Holding Company has ₹ 32.45 lakhs in unspent CSR account.

Note 46 - Segment Reporting

The Group's activities predominantly comprise providing various services through Vakrangee Kendra and Sale of Automated Teller Machines ('ATM') Products/Services. Considering the nature of the Group's business and operations, there are two reportable operating segments i.e. Vakrangee Kendra and Sale of Automated Teller Machines ('ATM') Products/Services in accordance with Indian Accounting Standard 108 'Operating Segments'.

	Particulars	(₹ in lakhs)	
		For the year ended March 31, 2025	For the year ended March 31, 2024
1	Segment Revenue		
a)	Vakrangee Kendra	21,243.66	21,492.10
b)	Sale of Automated Teller Machines ('ATM') Products/Services	5,478.96	-
c)	Unallocable	-	-
	Total	26,722.62	21,492.10
	Less: Inter Segment Revenue	820.00	-
	Total Revenue	25,902.62	21,492.10
2	Segment Results		
a)	Vakrangee Kendra	1,114.77	586.27
b)	Sale of Automated Teller Machines ('ATM') Products/Services	(154.88)	-

Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

		(₹ in lakhs)	
	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
c)	Unallocable	-	-
	Profit before Tax	959.89	586.27
	Less: Tax Expenses	320.88	151.01
	Profit after Tax	639.01	435.26
3	Segment Assets		
a)	Vakrangee Kendra	24,447.93	29,999.57
b)	Sale of Automated Teller Machines ('ATM') Products/Services	6,416.13	-
c)	Unallocable	-	-
	Total Assets	30,864.06	29,999.57
4	Segment Liabilities		
a)	Vakrangee Kendra	6,877.59	13,788.44
b)	Sale of Automated Teller Machines ('ATM') Products/Services	2,819.57	-
c)	Unallocable	-	-
	Total Liabilities	9,697.16	13,788.44

Note 47 - Related Party Details

(a) Key Management Personnel and Directors

Late Mr. Dinesh Nandwana	Chairman Emeritus (w.e.f. 12.08.2024 and up to 31.01.2025) Managing Director & Group CEO (up to 11.08.2024)
Ms. Divya Nandwana	Chairperson & Whole-time Director (w.e.f. 12.08.2024)
Mr. Vedant Nandwana	Managing Director (w.e.f. 12.08.2024)
Mr. Amit Keval Sabarwal	Director & Group CEO (w.e.f. 12.08.2024 and up to 03.12.2024)
Mrs. Sujata Chattopadhyay	Director (up to 30.03.2025)
Mr. Hari Chand Mittal	Director
Mr. L K Shamsunder	Nominee Director (w.e.f. 24.05.2024)
Mr. Shiv Narain Kaushik	Director (w.e.f. 12.08.2024)
Mrs. Savita Keni	Director (w.e.f. 12.08.2024)
Mr. Ramesh Mulchand Joshi	Non-Executive Chairman (up to 11.08.2024)
Dr. Nishikant Hayatnagarkar	Whole-Time Director (up to 11.08.2024)
Mr. Sunil Agarwal	Director (up to 11.08.2024)
Mr. Babulal Meena	Director (up to 11.08.2024)
Mr. Avinash Chandra Vyas	Director (up to 11.08.2024)
Mr. Ranbir Datt	Nominee Director (up to 24.05.2024)
Mr. Ajay Jangid	Chief Financial Officer
Mr. Amit Gadgil	Company Secretary and Compliance Officer (w.e.f. 12.08.2024)
Mr. Sachin Khandekar	Company Secretary and Compliance Officer (up to 15.06.2024)

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Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

- (b) Relative of key management personnel and Name of the enterprises having same key management personnel and/ or their relatives as the reporting enterprises with whom the Group has entered into transactions during the year

- Ms. Divya Nandwana	Director - Subsidiary and Daughter of Chairman Emeritus (also the Chairperson w.e.f. 12.08.2024)
- Mr. Vedant Nandwana	Director - Subsidiary and Son of Chairman Emeritus (also the Managing Director w.e.f. 12.08.2024)
- Mr. Amit Keval Sabarwal	Director - Subsidiary (also the Group CEO w.e.f. 12.08.2024 and up to 03.12.2024)
- Mr. Ponnath Gopalan Sathyan	Whole Time Director & CEO - Subsidiary
- Mr. S. Gopalakrishnan	Additional Director & Chief Financial Officer - Subsidiary
- VL E-Governance & IT Solutions Limited (formerly known as Vakrangee Logistics Private Limited)	Common Director (up to 31.01.2025)

- In relation to (a)

(₹ in lakhs)

Nature of Transactions	For the year ended March 31, 2025	For the year ended March 31, 2024
Remuneration to Key Managerial Personnel		
- Late Dinesh Nandwana	201.97	378.10
- Dr. Nishikant Hayatnagarkar	63.37	63.37
- Divya Nandwana	58.39	-
- Vedant Nandwana	35.04	-
- Amit Keval Sabarwal	189.55	-
- Ajay Jangid	39.76	36.33
- Amit Gadgil	9.48	-
- Sachin Khandekar	3.30	11.49
Post-employment benefits to Key Managerial Personnel		
- Late Dinesh Nandwana	-	124.66
- Dr. Nishikant Hayatnagarkar	-	23.97
- Divya Nandwana	-	-
- Vedant Nandwana	7.18	-
- Amit Keval Sabarwal	-	-
- Ajay Jangid	5.86	4.28
- Amit Gadgil	0.27	-
- Sachin Khandekar	-	1.04
Directors Sitting Fees		
- Ramesh Mulchand Joshi	1.10	2.20
- Sunil Agarwal	1.25	2.25
- Babulal Meena	1.10	2.20
- Sujata Chattopadhyay	2.50	2.00
- Avinash Chandra Vyas	1.35	2.45

Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

(₹ in lakhs)

Nature of Transactions	For the year ended March 31, 2025	For the year ended March 31, 2024
- LK Sham Sunder	2.00	
- Ranbir Datt	-	2.00
- Savita Keni	1.75	
- Shiv Narain Kaushik	1.75	
- Hari Chand Mittal	3.00	2.25
Balance outstanding as on March 31 :		
(Expenses and Salaries Payable)		
- Late Dinesh Nandwana	-	18.06
- Dr. Nishikant Hayatnagarkar	3.54	3.48
- Divya Nandwana	4.58	-
- Vedant Nandwana	3.46	-
- Amit Keval Sabarwal	-	
- Ajay Jangid	0.21	1.35
- Amit Gadgil	0.88	-
- Sachin Khandekar	-	0.77

- In relation to (b)

(₹ in lakhs)

Nature of Transactions	For the year ended March 31, 2025	For the year ended March 31, 2024
Reimbursement of Expenses Paid		
- Vedant Nandwana	-	-
Employee Benefit Expenses		
- Divya Nandwana	15.58	42.93
- Vedant Nandwana	7.79	21.45
- Amit Keval Sabarwal	49.77	214.87
- Mr. Ponnath Gopalan Sathyan	38.71	-
- Mr. S. Gopalakrishnan	23.41	-
Balance outstanding as on March 31 :		
(Expenses and Salaries Payable)		
- Divya Nandwana	-	2.71
- Vedant Nandwana	-	1.48
- Amit Keval Sabarwal	-	12.18
- VL E-Governance & IT Solutions Limited (Receivable) (formerly known as Vakrangee Logistics Private Limited)	-	3,461.44

Consolidated Financial Statements

Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

Note 48 - Employee Benefit Obligations

((i) Leave obligations

The leave obligations cover the Company's liability for earned leave.

The amount of provision of ₹ 175.08 lakhs (March 31, 2024 - ₹ 260.39 lakhs) is presented as current and non-current, since the Holding Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employee to take the full amount of accrued leave or require payment within the next 12 months. The Holding Company and its subsidiaries has accounted for provision of leave encashment as per Ind-AS 19 based on actuarial valuation undertaken by a registered valuer.

((ii) Gratuity (post-employment benefits)

The Company provides for gratuity to employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised/ approved funds in India. The Company has funded group gratuity plan against this liability with LIC of India. The Company has accounted for provision of gratuity as per Ind-AS 19 based on actuarial valuation undertaken by a registered valuer.

((iii) Defined contribution plans

The Holding Company and its subsidiaries also have certain defined benefit obligations. Contributions are made to provident fund in India for employees at the specified rate of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligations of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹ 77.53 lakhs (March 31, 2024 - ₹ 45.85 lakhs).

((iv) Compensated Absences

Compensated absence, which are expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

During the year, the total charge to statement of profit and loss is amounting to ₹ 20.51 lakhs (March 31, 2024 - ₹ Nil).

Gratuity

The following table sets out the amount recognised in the balance sheet and the movements in the net defined benefit obligations over the year are as follows:

(₹ in lakhs)			
Particulars	Present value of obligation	Fair value of Plan assets	Net amount
01-Apr-23	314.83	(112.73)	202.11
Current Service cost	31.75	-	31.75
Past Service Cost	-	-	-
Interest expense/(income)	20.77	(6.68)	14.09
Total amount recognised in profit and loss	52.52	(6.68)	45.85
Remeasurements			
Return on plan assets, excluding amounts included in interest expense / (income)	-	-	-
Due to change in demographic assumption	(20.06)	-	(20.06)

Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

(₹ in lakhs)

Particulars	Present value of obligation	Fair value of Plan assets	Net amount
(Gain)/loss from change in financial assumptions	41.97	3.98	45.95
Experience (gains)/losses	(24.90)	-	(24.90)
Total amount recognised in other comprehensive income	(2.99)	3.98	1.00
Employer contributions	-	(12.17)	(12.17)
Benefit payments	(51.91)	51.91	-
31-Mar-24	312.46	(75.69)	236.78

(₹ in lakhs)

Particulars	Present value of obligation	Fair value of Plan assets	Net amount
01-Apr-24	312.46	(75.69)	236.78
Additions through acquisition of subsidiary	131.58	(9.35)	122.23
Current Service cost	109.03	-	109.03
Past Service Cost	-	-	-
Interest expense/(income)	29.75	(5.69)	24.07
Total amount recognised in profit and loss	270.36	(15.03)	255.33
Remeasurements			
Return on plan assets, excluding amounts included in interest expense / (income)		3.19	3.19
Due to change in demographic assumption	-	-	-
(Gain)/loss from change in financial assumptions	16.59	-	16.59
Experience (gains)/losses	(25.86)	-	(25.86)
Total amount recognised in other comprehensive income	(9.27)	3.19	(6.08)
Employer contributions	(3.22)	(60.00)	(63.22)
Benefit payments	(85.68)	85.68	-
31-Mar-25	484.64	(61.84)	422.80

The net liability disclosed above relates to funded plans are as follows:

(₹ in lakhs)

Particulars	31-Mar-25	31-Mar-24
Present value of funded obligations	484.64	312.46
Fair value of plan assets	(61.84)	(75.69)
Deficit/(Surplus) of gratuity plan	422.80	236.78

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Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

Significant estimates- actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows

Particulars	31-Mar-25	31-Mar-24
Discount rate	6.36 % to 6.80%	7.20%
Salary growth rate (per annum)	7.00 % to 8.00 %	7.00%
Mortality Table	IALM 2006-08 Ultimate and IALM 2012-14 Ultimate	IALM 2012-14 Ultimate

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is w.r.t. Holding Company:

Particulars	Change in assumption		Impact on defined benefit obligation		
	31-Mar-25	31-Mar-24	Increase in assumption		
				31-Mar-25	31-Mar-24
Discount rate	1%	1%	Decrease by	11.50%	11.14%
Salary growth rate	1%	1%	Increase by	6.79%	6.90%
Withdrawal Rate	10%	NA	Increase by	0.55%	0.55%

Particulars	Change in assumption		Impact on defined benefit obligation		
	31-Mar-25	31-Mar-24	Decrease in assumption		
				31-Mar-25	31-Mar-24
Discount rate	1%	1%	Increase by	9.72%	9.41%
Salary growth rate	1%	1%	Decrease by	6.87%	7.03%
Withdrawal Rate	10%	NA	Decrease by	0.58%	0.56%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is w.r.t. a subsidiary acquired during the year, Vortex Engineering Private Limited:

Assumptions	Discount rate	
Particulars	As at March 31, 2025	As at March 31, 2024
Impact of decrease in 50 bps on obligations	159.99	-
Impact of increase in 50 bps on obligations	154.61	-

Assumptions	Discount rate	
Particulars	As at March 31, 2025	As at March 31, 2024
Impact of decrease in 50 bps on obligations	154.63	-
Impact of increase in 50 bps on obligations	159.93	-

Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

Assumptions	Discount rate	
Particulars	As at March 31, 2025	As at March 31, 2024
Impact of decrease in 50 bps on obligations	157.25	-
Impact of increase in 50 bps on obligations	157.24	-

Assumptions	Discount rate	
Particulars	As at March 31, 2025	As at March 31, 2024
Impact of decrease in 50 bps on obligations	158.34	-
Impact of increase in 50 bps on obligations	156.21	-

Assumptions	Discount rate	
Particulars	As at March 31, 2025	As at March 31, 2024
Impact of ₹10 lakhs Benefit Ceiling	156.57	-
Impact of No Benefit Ceiling	157.25	-

The sensitivity analysis has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting year.

The estimates of future salary increases considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The expected rate of return on assets is determined based on the assessment made at the beginning of the year on the return expected on its existing portfolio, along with the estimated increment to the plan assets and expected yield on the respective assets in the portfolio during the year.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

***The major categories of plans assets are as follows :**

Particulars	In Percentage %	
	31-Mar-25	31-Mar-24
Equity instruments	10.19	10.19
Debt instruments	89.46	89.46
Government bonds	80.72	80.72
Corporate bonds/debentures	8.74	8.74
Asset backed securities	-	-
Cash and cash equivalents	0.35	0.35
Total	100.00	100.00

*The Company contributes all the ascertained liabilities towards gratuity to Life Insurance Corporation of India (LIC) which is the insurer- managed fund. Since the investments in the plan assets is managed by LIC the detailed breakup of the investments is not made available to the Company.

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Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

Risk Exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed

Investment risk	The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Most of the plan asset investment is in fixed income securities with high grades and in government securities which are subject to interest rate risk. A portion of the funds are invested in equity securities. The Company intends to maintain the above investment mix in the continuing years.
Interest risk	A decrease in the market yields in the government bond will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Note 49 - Share based payments

The company has formulated Employee Stock Option Scheme, 2008 (ESOP Scheme) which was approved by the members/ shareholders of the Company at their annual general meeting held on September 23, 2008, as modified on January 10, 2011 and June 1, 2012 annual general meeting. Further the company has formulated the new "ESOP Scheme 2014" approved by the members of the company through postal ballot on May 23, 2014. The Employee Option Plan is designed to provide incentives to all the existing employees serving with the Company. Under the plan, employees are granted options which vest proportionately from 2 – 6 years from the grant date which includes lock in period.

Once vested, the options remain exercisable for a period of 4 /5 years.

Options are granted under the plan for no consideration and carry no dividend or voting rights. When exercisable, each option is convertible into one equity share. The exercise price of the options is a price which is determined on the basis of market price of the scrip of the company (on the highest traded Stock Exchange) as decided by the Nomination and Remuneration and Compensation Committee. During the year the committee has decided to grant options at closing price on previous day of grant of options.

Set out below is a summary of options granted under the plan:

Particulars	31-Mar-25		31-Mar-24	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	21.66	1,279,475	40.52	1,593,025
Granted during the year	18.49	149,000	22.88	1,106,200
Exercised during the year	19.07	11,950	-	-
Lapsed / cancelled during the year	22.07	435,655	25.89	1,419,750
Closing Balance	20.69	980,870	21.66	1,279,475

The weighted average share price at the dates of exercise of options exercised during the year ended March 31, 2025 were ₹ 22.95 and ₹ 15.73 respectively. (March 31, 2024 : ₹ Nil).

No options expired during the periods in the above tables.

Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant Date	Expiry Date	Exercise Price (₹)	Share options	Share options
			31-Mar-25	31-Mar-24
26/11/2014	26/11/2023	32.35	-	-
11/3/2016	10/3/2025	56.54	-	-
26/7/2017	25/7/2026	109.40	-	-
26/10/2017	25/10/2026	137.33	-	-
9/1/2018	8/1/2027	202.28	-	-
13/4/2018	12/4/2027	69.85	-	-
10/7/2018	9/7/2027	25.93	3,750	23,200
5/10/2018	4/10/2027	14.38	1,920	11,350
3/1/2019	2/1/2028	18.03	-	600
15/4/2019	14/4/2028	32.95	-	-
10/7/2019	9/7/2028	17.95	11,775	11,775
9/10/2019	8/10/2028	14.18	7,625	21,850
11/1/2022	10/1/2030	42.70	-	-
26/4/2022	25/4/2030	34.55	-	-
20/7/2022	19/7/2030	29.75	9,600	37,500
3/11/2022	2/11/2030	34.00	-	-
20/2/2023	19/2/2031	23.55	28,000	69,400
22/2/2024	21/2/2032	25.80	131,200	281,100
22/3/2024	21/3/2032	19.95	661,800	822,700
30/9/2024	29/9/2032	31.56	59,300	
4/1/2025	3/1/2033	35.08	65,900	
Total			980,870	1,279,475

Fair value of options granted

The fair value at respective grant date of options granted during the year ended March 31, 2025 was ₹ 31.56, and ₹ 35.08, respectively. The fair value at respective grant date of options granted during the year ended March 31, 2025 was ₹ 25.80, and ₹ 19.95. The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model inputs for options granted during the year ended March 31, 2025 included:

- Options are granted for consideration and vest upon completion of service for a period of one year. Vested options are exercisable for a period of four years after vesting.

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for the year ended March 31, 2025 (continued)

Particulars	Year ended March 31, 2025	
	Grant I	Grant II
b) Exercise price	31.56	35.08
c) Grant date	30/9/2024	4/1/2025
d) Expiry date	29/9/2032	3/1/2033
e) Share price at grant date (₹)	35.73	36.03
f) Expected price volatility of the company's shares	52.00%	52.00%
g) Expected dividend yield	0.25%	0.25%
h) Risk free interest rate	6.79%	6.85%
i) Fair value (₹)	18.90	18.08

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

j) Expense arising from share based payment transactions

Total expenses arising from share based payment transactions recognized in profit or loss as part of employee benefit expense were as follows:

Particulars	(₹ in lakhs)	
	March 31, 2025	March 31, 2024
Employee Stock Option Plan	72.62	(235.68)

Note 50 - Financial Risk Management

(i) Method and assumptions used to estimate the fair value

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial as well as non-financial assets and liabilities. 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. A fair value measurement assumes 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 market or the most advantageous market must be accessible to 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.

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

Level 1 : Unadjusted quoted prices in active markets for identical assets and liabilities.

Level 2 : Inputs other than prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 : Unobservable inputs for the asset or liability.

Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

The carrying value and fair value by each classification as at March 31, 2025 were as follows:-

(₹ in lakhs)						
Particulars	Amortised cost	FVTPL	FVOCI	Carrying value	Level 1	Level 2
Financial Assets						
Long Term Loans	-	-	-	-	-	-
Trade Receivables	2,701.62	-	-	2,701.62	-	-
Cash & Cash equivalents	3,822.52	-	-	3,822.52	-	-
Other Bank Balances	4,365.64	-	-	4,365.64	-	-
Short Term Loans	4.58	-	-	4.58	-	-
Other Financial Assets	2,212.43	-	-	2,212.43	-	-
Investments	-	439.08	-	439.08	-	439.08
TOTAL	13,106.78	439.08	-	13,545.86	-	439.08

(₹ in lakhs)						
Particulars	Amortised cost	FVTPL	FVOCI	Carrying value	Level 1	Level 2
Financial Liabilities						
Borrowings	-	-	-	-	-	-
Lease Liabilities	458.67	-	-	458.67	-	-
Trade Payables	1,778.69	-	-	1,778.69	-	-
Other Financial Liabilities	4,099.09	-	-	4,099.09	-	-
TOTAL	6,336.44	-	-	6,336.44	-	-

The carrying value and fair value by each classification as at March 31, 2024 were as follows:-

(₹ in lakhs)						
Particulars	Amortised cost	FVTPL	FVOCI	Carrying value	Level 1	Level 2
Financial Assets						
Long Term Loans	-	-	-	-	-	-
Trade Receivables	4,478.28	-	-	4,478.28	-	-
Cash & Cash equivalents	4,110.05	-	-	4,110.05	-	-
Other Bank Balances	757.99	-	-	757.99	-	-
Short term Loans	3.07	-	-	3.07	-	-
Other financial assets	2,170.18	-	-	2,170.18	-	-
Investments	333.04	354.17	-	687.21	-	354.17
TOTAL	11,852.62	354.17	-	12,206.79	-	354.17

(₹ in lakhs)						
Particulars	Amortised cost	FVTPL	FVOCI	Carrying value	Level 1	Level 2
Financial Liabilities						
Borrowings	1,205.77	-	-	1,205.77	-	-
Trade Payables	1,938.40	-	-	1,938.40	-	-
Other Financial Liabilities	7,345.29	-	-	7,345.29	-	-
TOTAL	10,489.46	-	-	10,489.46	-	-

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Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

(ii) Financial Risk Management

The Respective Board of Directors of the Holding and Component Company has overall responsibility for the establishment and overview of the company's risk management framework. The Board of Directors has established a risk management policy to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risk and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the company's activities. The Audit Committee oversees how management monitors compliances with the company's risk management policies and procedures, and reviews the risk management framework. The Audit Committee is assisted in its role by Internal Audit. Internal Audit covers review of risk management controls and procedures, the results of which are reported to the Audit Committee.

The Group's activities are exposed to various risk viz. Credit Risk, Liquidity Risk and Market Risk. In order to minimise any adverse effects on the financial performance of the Company, it uses various instruments and follows policies set up by the Board of Directors / Management of the Company.

a) Credit Risk :

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Credit risks from balances with banks and financial institutions are managed in accordance with the Company policy. For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit ratings assigned by credit rating agencies.

In addition, the Holding Company is exposed to credit risk in relation to financial guarantees given to banks and other counter parties for the facilities availed by subsidiary. The Company's maximum exposure in this respect is the maximum amount the Company would have to pay if the guarantee is called upon.

Trade receivables consists of large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

Table showing age of gross trade receivables and movement in expected credit loss allowance:

	(₹ in lakhs)	
Age of receivables	March 31, 2025	March 31, 2024
Within the credit period	2,242.25	887.23
1-90 days past due	-	-
91-180 days past due	-	-
181-270 days past due	41.05	-
More than 270 days past due	663.98	3,602.24
Total	2,947.28	4,489.47

	(₹ in lakhs)	
Movement in the expected credit loss allowance	March 31, 2025	March 31, 2024
Balance at beginning of the year	11.18	21.56
Additions through acquisition of subsidiary	237.58	-
Net movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	(3.10)	(10.38)
Total	245.66	11.18

Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

b) Liquidity Risk :

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's approach for managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Company's reputation, typically the company ensures that it has sufficient cash on demand to meet expected operational expenses, servicing of financial obligations.

Maturities of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities :

(₹ in lakhs)				
As on March 31, 2025	< 1 Year	1 - 5 years	> 5 years	Total
Non-Current borrowings	-	-	-	-
Current borrowings	-	-	-	-

(₹ in lakhs)				
As on March 31, 2024	< 1 Year	1 - 5 years	> 5 years	Total
Non-Current borrowings	760.44	445.33	-	1,205.77
Current borrowings	-	-	-	-

c) Market Risk :

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments.

(i) Market Risk - Foreign Exchange

Foreign currency Risk is that risk in which fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates. The Company operates internationally and a portion of its business is transacted in several currencies and therefore the Company is exposed to foreign exchange risk through its overseas sales and purchases in various foreign currencies. The Company hedges the receivables as well as payables by forming view after discussion with Forex consultant and as per policies by Management. The Company is also exposed to the Foreign currency loans availed from various banks to reduce the overall interest cost.

The carrying amount of the Company's foreign currency denominated monetary assets and liabilities as at the end of the reporting period is as follows:

(₹ in lakhs)				
Currency	Liabilities		Assets	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
US Dollar (USD)	82.55	-	81.06	-

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Foreign Currency Exposure

A) For Assets:

Particulars	USD in Lakhs	
	As on March 31, 2025	As on March 31, 2024
Trade Receivables	0.95	-
Loans Receivable	-	-
TOTAL	0.95	-

A) For Liabilities:

Particulars	USD in Lakhs	
	0.94717	0
Trade Payable	0.96	-
Loan Payable	-	-
TOTAL	0.96	-
Net Foreign Currency Exposure (Assets - Liabilities) (A-B)	(0.01)	-

Foreign Currency Sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on Profit after Tax and impact on Equity.

(₹ in lakhs)

Currency	Impact of Profit and Loss / Equity			
	For year ended March 31, 2025		For year ended March 31, 2024	
	5% increase	5 % decrease	5% increase	5 % decrease
US Dollar (USD)	(0.06)	0.06	-	-

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

ii) Market Risk - Interest Rate

The interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Note 51 - Income Taxes

(a) A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:

(₹ in lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit before income taxes	959.89	586.27
Enacted tax rates in India *	25.168%	25.168%
Computed expected tax expense	290.69	145.84
Effect of non-deductible expenses	42.41	(30.82)

Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Absorption of unabsorbed brought forward losses and depreciation	-	
Others	2.36	(2.64)
Income Tax expense	335.47	112.38
Earlier year tax expenses	-	-
Current Income Tax expense	335.47	112.38

* Tax rate on subsidiaries have been considered at 25.168%, being rate for companies having turnover of less than 250 crores.

- (b) The following table provides the details of income tax liabilities and income tax assets as of March 31, 2024 and March 31, 2023 :

Particulars	(₹ in lakhs)	
	As at March 31, 2025	As at March 31, 2024
Current Income Tax Liabilities	39.18	17.87
Income Tax Assets	252.96	1,197.47
Net current income tax liabilities / (assets) at the end	(213.77)	(1,179.59)

The gross movement in the current income tax liability / (asset) for the year ended March 31, 2024 and March 31, 2023 is as follows:

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Net current income tax liability / (asset) at the beginning	(1,179.59)	(752.92)
Income Tax paid	630.36	(539.05)
Current Income Tax expense	335.47	112.38
Net current income tax liability / (asset) at the end	(213.77)	(1,179.59)

- (c) The gross movement in the deferred income tax account for the year ended March 31, 2024 and March 31, 2023, are as follows:

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Net deferred income tax liabilities / (asset) at the beginning	281.06	246.28
Movements relating to temporary differences	(14.38)	38.63
Temporary differences on other comprehensive income	(21.82)	(3.85)
Unused Tax Credit	-	-
Net deferred income tax liabilities / (asset) at the end	244.87	281.06

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Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

Note 52- Ageing of Trade Receivable

Trade receivables ageing schedule for the year ended as on March 31, 2025 and March 31, 2024:

(₹ in lakhs)

Particulars	Outstanding for the following period from invoice date					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	2,242.26	34.04	-	-	330.73	2,607.03
	558.90	-	100.76	-	-	659.66
Undisputed Trade receivables – which have significant increase in Credit Risk	94.80	7.01	53.46	2.61	182.37	340.25
	-	-	-	-	-	-
Undisputed Trade receivables – credit impaired	-	-	-	-	-	-
	-	-	-	-	-	-
Disputed Trade receivables – considered good	-	-	-	-	-	-
	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-
	-	-	-	-	-	-
Total Trade Receivables	2,337.06	41.05	53.46	2.61	513.11	2,947.28
	558.90	-	100.76	-	-	659.66
Less: Allowance for credit loss	-	-	-	-	-	245.66
	-	-	-	-	-	11.18
Net Trade Receivables	-	-	-	-	-	2,701.62
	-	-	-	-	-	648.48

Note 53 - Ageing of Trade Payable

Trade payables ageing schedule for the year ended as on March 31, 2025 and March 31, 2024:

(₹ in lakhs)

Particulars	Outstanding for the following period from invoice date				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Outstanding dues to MSME	2.75	0.08	1.13	-	3.96
	0.06	-	-	-	0.06
Others	1,767.41	6.76	0.55	-	1,774.72
	1,936.56	1.77	-	-	1,938.33
Total trade payables	1,770.16	6.84	1.68	-	1,778.68
	1,936.62	1.77	-	-	1,938.39

Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

Note 54 - Statutory Information

- (a) There are no proceedings initiated or are pending against the Group for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (b) The Group has not entered into any transactions with struck off companies during the year.
- (c) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (d) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (e) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (f) The Group has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) 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, whether, 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.
Further, the Company has not received any funds from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."
- (g) The Group has complied with the number of layers prescribed under clause (87) of the Section 2 of the Companies Act read with the Companies (Restrictions on Number of Layers) Rule, 2017.
- (h) The Group is not declared wilful defaulter by bank or financial institutions or any lender during the financial year.
- (i) Quarterly returns or statements of current assets filed by the Group with banks or financial institutions are in agreement with the books of accounts.
- (j) The Group has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.

Note 55 - Relationship with Struck-off Companies

(₹ in lakhs)

Name of Struck off Company	Nature of Transaction	Balance outstanding at the end of the year as at March 31, 2025	Relationship with the Struck off company, if any, to be disclosed
Emmel Financial Services	Shares held by struck off company	0.305	Shareholder
Yes Equities Private Limited	Shares held by struck off company	0.004	

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Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

Note 56 - Ratios

The following are analytical ratios for the year ended March 31, 2025 and March 31, 2024

Particulars	Numerator	Denominator	As at March 31, 2025	As at March 31, 2024	Variance
Current Ratio	Total Current assets	Total Current liabilities	2.15	1.40	53.55 %

Note: Increase in the current assets and reduction in the current liabilities has resulted in to the increase in the ratio.

Debt-Equity Ratio	Total Debt (including borrowings & lease liabilities)	Total Equity	-	0.37	(100.00)%

Note: The Company has repaid all of its borrowings during the current financial year, hence the ratio has become zero.

Debt Service Coverage Ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	0.49	0.44	13.11 %
Return on Equity (ROE)	Net Profits after taxes	Average Shareholder's Equity	3.51 %	3.04 %	15.16 %

Note: Due to increase in net profit, the ratio has increased

Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	3.15	1.03	205.59 %

Note: Due to the acquisition of subsidiary during the year, the ratio has increased.

Trade receivables turnover ratio	Revenue	Average Trade Receivable	7.10	5.01	41.77 %

Note: Due to the acquisition of subsidiary during the year and increase in net sales, the ratio has increased.

Trade payables turnover ratio	Total Purchases	Average Trade Payable	1.34	0.56	136.56 %

Note: Due to the acquisition of subsidiary during the year and increase in purchases, the ratio has increased.

Notes Forming part of the Consolidated financial statements

for the year ended March 31, 2025 (continued)

Particulars	Numerator	Denominator	As at March 31, 2025	As at March 31, 2024	Variance
Net capital turnover ratio	Revenue	Working Capital	3.02	4.72	(35.97)%
Note: Due to significant increase in working capital, the ratio has decreased.					
Net profit ratio	Net Profit	Revenue	2.51 %	2.05 %	22.39 %
Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	12.20 %	11.65 %	4.70 %
Return on Investment(ROI)	Income generated from investments	Average invested fund	13.89 %	17.72 %	(21.59)%

As per our report of even date attached

For S K Patodia & Associates LLP

Chartered Accountants

Firm's Registration No. : 112723W/W100962

Dhiraj Lalpuria

Partner

Membership No.: 146268

Place : Mumbai

Date : April 26, 2025

For and on behalf of the Board of Directors

Vakrangee Limited

CIN : L65990MH1990PLC056669

Divya Nandwana

Chairperson & Whole-time Director

DIN : 08085537

Place : Mumbai

Date : April 26, 2025

Vedant Nandwana

Managing Director

DIN: 08420950

Amit Gadgil

Company Secretary

Ajay Jangid

Chief Financial Officer

Office Addresses

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VORTEX ENGINEERING PRIVATE LIMITED

(Manufacturing Plant)

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Vakrangee 
नशाक परिवर्तन