



SHIKSHA FINANCIAL SERVICES INDIA PRIVATE LIMITED

ANNUAL REPORT 2024-25

CONTENTS

Corporate Information	1
Notice of Annual General Meeting	2
About Shiksha Finance	4
Director's Profile	5
Management Team Profile	7
Geographical Coverage – Portfolio Concentration	8
Business Highlights	9
Significant Developments During the Year	10
Management Discussion and Analysis	11
Directors Report	18
Auditors Report – Standalone	32
Financial statements – Standalone	44
Auditors Report – Consolidated	68
Financial statements – Consolidated	75
Form No. MGT - 11 Proxy Form	99



CORPORATE INFORMATION

Board of Directors

Mr. Pradeep Vasudeo Bhide, Chairman, Independent Director
Mrs. Pushya Sitaraman, Independent Director
Mr. V.L. Ramakrishnan, Chief Executive Officer
Mr. Pankaj Raina, Nominee Director
Mr. Mohamed Salim Asaria, Nominee Director

Management Team

Mr. Srinivasaraghavan Soundararajan, Chief Financial Officer & Chief Risk Officer
Mr. Karthik S, National Collection & Legal Head
Mr. Gururaj R, National Business Head - LAP
Mr. Sampath Kumar T A, National Head - Operations
Mr. Suresh Natarajan, Head - IT
Ms. Leela Bhanu S, Head - Human Resource, Administration and Policies

Company Secretary

Mr. Manoj Kumar Jena

Statutory Auditors

N. C. Rajagopal & Co., Chartered Accountants
No. 22, Krishnaswamy Avenue, Luz Church Road,
Mylapore, Chennai - 600004, Tamil Nadu.

Internal Auditors

Sundaram & Srinivasan
23, C. P. Ramaswamy Road,
Alwarpet, Chennai – 600018, Tamil Nadu.

Bankers

HDFC Bank
ICICI Bank
Kotak Mahindra Bank

Lenders

MAS Financial Services Limited
Profectus Capital Private Limited
UC Inclusive Credit Private Limited
RAR Fincare Limited
RevX Capital Trust

Business Partner – Business Correspondence

Federal Bank

Co-lending Partner – LAP

Singularity Credit World Private Limited

Registered Office

No.497, 3rd Floor, Kattima Isana Mall, Poonamallee High Road,
Arumbakkam, Chennai - 600106, Tamil Nadu, India



NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twelfth Annual General Meeting of the Members of the Company will be held on Monday, 29th September 2025, at 11:00 A.M. at the Registered Office of the Company situated at No. 497, 3rd Floor, Kattima Isana Mall, Poonamallee High Road, Arumbakkam, Chennai - 600106, Tamil Nadu, India, to transact the following business(s):

Ordinary Business:

1. To receive, consider and adopt the Financial Statements including the Audited Balance Sheet as on 31st March 2025, the Statement of Profit & Loss for the year ended 31st March 2025 along with the Cash Flow Statement, the Auditors' Report and Boards Report thereon.

By order of the Board
For Shiksha Financial Services India Private Limited

Place: Chennai

Date: September 2, 2025

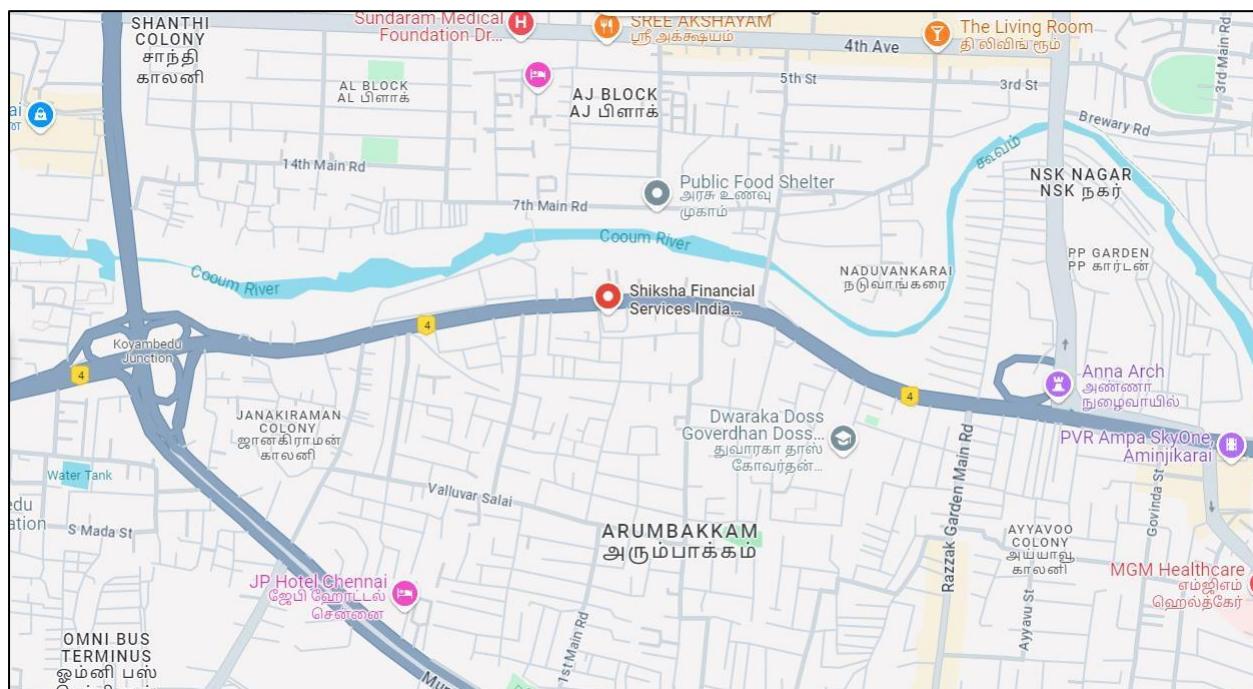
Manoj Kumar Jena
Company Secretary
No.497, Kattima Isana Mall, 3rd Floor,
Poonamallee High Road, Arumbakkam,
Chennai – 600106, Tamil Nadu

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and a proxy need not be a member of the company. A person can act as a proxy on behalf of members not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the Company. However, a member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member. Form of proxy is attached at the end of the Notice.
2. Instrument of Proxies, in order to be effective, must be deposited at the Company's registered office not less than 48 hours before the commencement of the meeting.
3. Corporate Members intending to send their authorized representative to attend an Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of relevant Board resolution together with the respective specimen signatures of those representative(s) authorized under the said resolution to attend and vote on their behalf at the meeting.
4. In case of Joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. All documents referred to in the Notice as available for inspection shall be open for inspection without any fee by the members at the Registered Office of the Company during normal business hours (9:00 A.M. to 5:00 P.M.) from the date of circulation of this Notice up to the date of the Annual General Meeting.



ROAD MAP TO AGM VENUE



ABOUT SHIKSHA FINANCE

Shiksha Financial Services India Private Limited ("SHIKSHA")

Shiksha Financial Services India Private Limited is a Non-Banking Financial Company (NBFC) registered with Reserve Bank of India (RBI), incorporated in the year 2014 with registered office in Chennai, Tamil Nadu.

Shiksha is promoted by Mr. V. L. Ramakrishnan who is also serving as the Chief Executive officer of the Company. Besides the promoter, the Company has three major investors i.e., Zephyr Peacock, Lightrock (erstwhile Aspada Investment Company) and Michael & Susan Dell Foundation.

Shiksha was initially engaged in the business of providing educational loans. Due to the challenges faced by Shiksha during the pandemic and slowdown of the education sector, the Company has diversified its business to Loan against property and Business Correspondence for Micro Finance Product.

Shiksha has incorporated a wholly owned subsidiary in the name of Shiksha Business Services Private Limited in November 2023. The Subsidiary commenced business operation from 1st April 2024. The business correspondence operations for Micro Finance product is being carried out through the subsidiary.

Shiksha currently has thirty two branches including one satellite branch, spread over five states and manages over 33,000 customers.



DIRECTORS' PROFILE

Mr. Pradeep Vasudeo Bhide - Independent Director and Chairman

Mr. Pradeep Vasudeo Bhide, I.A.S. (Retd.) (75 years; DIN-03304262) is a Graduate in Science and Law. He also holds a master's degree in business administration with a specialization in Financial Management. He joined the Board in December 2016. In a career spanning 40 years in the Indian Administrative Service, Mr. Bhide has held senior positions at the State and Central levels. He is on the Board of various companies including A.P.I.D.C. Venture Capital Private Limited and TRL Krosaki Refractories Limited.

Mr. Bhide has been associated with the company as an Independent Director since December 2016.

Mrs. Pushya Sitaraman - Independent Director

Mrs. Pushya Sitaraman (72 years; DIN-06537196) is a Law graduate from Madras Law College and holds a bachelor's degree in arts from Stella Maris College. She is a designated Senior Advocate of the Madras High Court and has been practicing as an advocate for over 38 years, specializing in the field of taxation and corporate laws. She is on the Board of various companies including Asirvad Micro Finance Limited and LMW Limited.

Mrs. Sitaraman has been associated with the company as an Independent Director since July 2019.

Mr. V. L. Ramakrishnan – Whole time Director and Chief Executive Officer

Mr. V L Ramakrishnan (56 years; DIN-02326543) is a Chartered Accountant with 27 years of extensive experience across BFSI and extensive expertise and knowledge in the retail lending business. He was co-founder and ex-CFO at Suryoday Micro Finance Ltd. Prior to that, he was associated with DCB Bank, GE Capital, Cholamandalam Finance and Modi Xerox. He is also a member of the Institute of Company Secretaries of India.

Mr. Ramakrishnan is the promoter of the Company and holds the position of CEO and Whole time Director, since incorporation of the Company.

Mr. Pankaj Raina – Nominee Director

Mr. Pankaj Raina (40 years; DIN-06584042) is the Managing Director of Zephyr Peacock India. He is nominated to the Board by Zephyr Peacock India Growth Fund Ltd. He has over a decade of experience in impact and responsible investing. Prior to Zephyr, he worked with CapAleph Advisors, Aavishkaar Group. He is on the Board of various companies including Intelligent Retail Private Limited, Zippmat Private Limited and Divik Advisors LLP. He holds Masters in Finance from the London Business School and an MBA from IBS, Hyderabad.

Mr. Pankaj has been associated with the Company as Nominee Director since February 2020.



Mr. Mohamed Salim Asaria – Nominee Director

Mr. Mohamed Salim Asaria (61 Years; DIN - 08880222) is a Partner at Lightrock and works with the sector teams on evaluating, underwriting new investments and portfolio value creation as well as playing a supportive role in the healthcare and education sectors. He currently serves on the Board of Sukoon Healthcare Services and Capfloat Financial Services. Prior to this, he spent the majority of his career in the UK, building and running healthcare and education businesses of size. He was the founder CEO of the Cambian Group Plc, which grew to become one of the largest behavioral health services companies in the UK and was listed on the London Stock Exchange in 2014. Mr. Salim qualified with an honors degree in Pathology and Basic Medical Sciences from the University of London.

Mr. Salim has been associated with the Company as Nominee Director since November 2021.



MANAGEMENT TEAM - PROFILE

Mr. Srinivasaraghavan Soundararajan – Chief Financial Officer & Chief Risk Officer

Mr. Srinivasaraghavan Soundararajan is a Cost and Management Accountant with 42 years of extensive experience across BFSI and extensive expertise and knowledge in Corporate & Retail banking, Treasury, Finance, ALM, Investment Banking, Risk Management, Credit Management, Auditing Accounts and Financial inclusion. He has work experience in SBI Group, IDBI Bank Group, Arman Group, Basix Group, Dhanalaxmi Bank, NKGSB Coop Bank and KBS Local Area Bank. He has been with Shiksha since July 2023.

Mr. Gururaj R – National Business Head - LAP

Mr. Gururaj R is an MBA Graduate having 23 years of experience in Credit Underwriting across Banks and NBFCs. He has significant expertise in Mortgage Credit Underwriting and Portfolio Management. He has work experience in companies such as Barclays, Bajaj Finserv, Standard Chartered Bank etc. He has been with Shiksha since February 2019.

Mr. Karthik S – National Collection and Legal Head

Mr. Karthik S. is an MBA Graduate having 27 years of experience in the field of collections including Legal Collections, Repossessions and Recoveries. He has expertise in negotiations across various segments. He has work experience in companies such as Daimler Financial, Cholamandalam, DCB Bank, ICICI Bank etc. He has been with Shiksha since October 2018.

Mr. Sampathkumar T A – National Operations Head

Mr. Sampathkumar T.A. is an MBA Graduate having 34 years of experience in Banking & Financial Services Industry. His areas of expertise include business transformation, operational excellence & strategic business planning in the customer market domain. He is also the Nodal Officer for Customer Complaints and Redressal of Grievances. He has work experience in companies such as CITI Bank, TCS etc. He has been with Shiksha since July 2019.

Mr. Suresh Natarajan – Head - IT

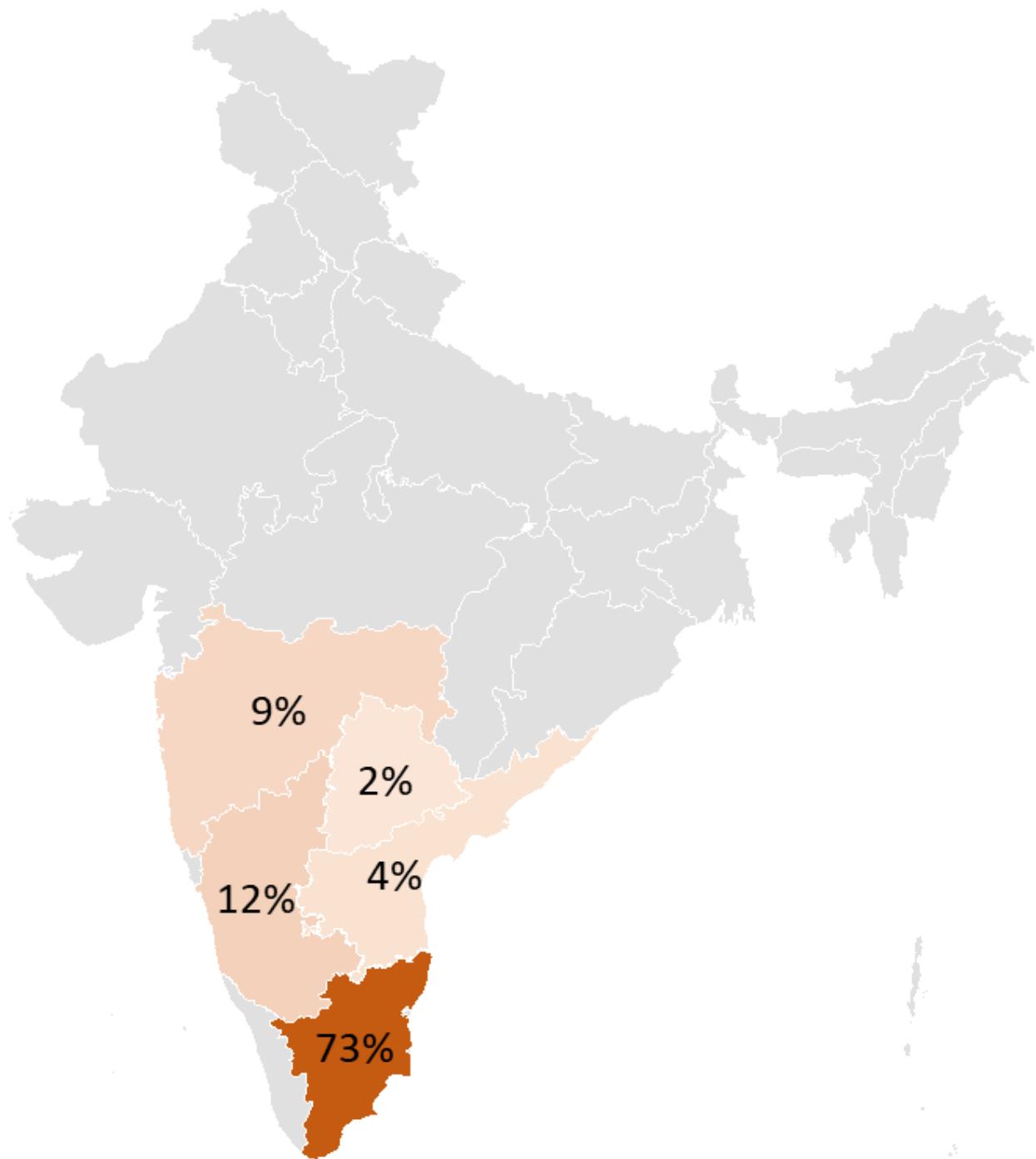
Mr. Suresh Natarajan is a qualified MCA Graduate with over 16 years of experience in the field of Information Technology. He has Specialized knowledge in implementing and leading projects related to Loan Origination System (LOS), Loan Management System (LMS), Dealer Funding (DF) and Collections. He has work experience in Cholamandalam, EBIX Inc etc. He has been with Shiksha since November 2023.

Ms. Leela Bhanu – HR and Admin Head

Ms. Leela is an M. Com Graduate with over 25 years of experience in the field of Credit Assessment, Risk Management, Policy Formulation and Human Resources Management. Her BFSI experience includes Bank of Baroda and Standard Chartered Shared Services Centre, Scope International etc. predominantly relating to Commercial Banking & lending products. She is also involved in policy formulation and reviewing the same. She has been with Shiksha since December 2023.



GEOGRAPHICAL COVERAGE – PORTFOLIO CONCENTRATION



The Company presently operates in five States across the Southern and Western regions of India, having an employee strength of 311 and Assets Under Management of INR 13,891 Lakhs including Managed Portfolio of INR 6,140 Lakhs.

BUSINESS HIGHLIGHTS

(Rupees in Lakhs)

Disbursement	2024-25	2023-24	2022-23
Education Portfolio	-	-	489
LAP	3,270	2,343	152
BC-MFI (Managed Book)	4,050	7,331	5,045
Total	7,320	9,674	5,686

(Figures in Nos.)

Outreach (Geography)	2024-25	2023-24	2022-23
State and UTs	5	6	6
Branches	32	35	39

(Figures in Nos.)

Customers -Outreach^	2024-25	2023-24	2022-23
School Loan – Customers	3,560	3,560	3,560
Study Loan – Customers	94,583	94,583	94,583
MFI Customers	42,006	29,419	13,543
LAP Customers	1,668	677	52

[^]Cumulative Disbursals to customers since inception

(Figures in Nos.)

Employee Strength	2024-25	2023-24	2022-23
Feet on Street	253	252	222
Support Staffs	58	67	61
Total	311	319	283

Key Ratios	2024-25	2023-24	2022-23
Debt Equity Ratio	0.37	0.06	0.12
Capital Adequacy Ratio	67.16%	87.50%	88.85%
Return on Assets	1.30%	1.05%	-17.55%
Return on Equity	1.57%	1.16%	-26.96%
Net Interest Margin (NIM)	17.57%	17.32%	11.01%
Opex as a % of Average AUM*	14.93%	16.85%	17.54%
GNPA	28.60%	35.20%	43.40%
NNPA	5.90%	3.10%	15.70%
GNPA - LAP	0.55%	0.00%	0.00%
NNPA - LAP	0.50%	0.00%	0.00%

*Including managed portfolio

Financial Results	2024-25	2023-24	2022-23
Profit before Tax (Rs. in Lakhs)	138.40	73.30	-2105
Profit after Tax (Rs. in Lakhs)	90.12	66.28	-1688
Earnings per Share - Basic	1.29	0.95	-24.20
Earnings per Share - Diluted	0.96	0.71	-18.14



SIGNIFICANT DEVELOPMENTS DURING THE YEAR

Company is Profitable for Second Consecutive Year

The Company is profitable for the second consecutive financial year, due to increased LAP business, increased collections and reduced operating expenses. Its profit after tax amounted to Rs.90.12 Lakhs as of FY 2024-25 as against Rs.66.28 Lakhs in FY 2023-24 at a growth of 36%.

Debt Raise of Rs.24 Crores

The Company has raised debt of Rs.24 Crores in FY 2024-25 compared to Rs.2.50 Crores in FY 2023-24. Raising Debts have considerably aided the LAP Disbursals of the Company. This also indicates the lenders' confidence in our financials and repayment capacity.

Provision Coverage at 84%

The Company's provision coverage ratio stands at 84%. The provision coverage ratio is a key indicator of our ability to mitigate and absorb potential credit losses and maintain a healthy loan portfolio. By diligently setting aside provisions, higher than what is required as per regulatory requirements, we have strengthened our ability to address potential credit risks and ensure the adequacy of our reserves.

Secured Loans at 79%

The proportion of secured loans increased from 63% to 79% due to the increased LAP Portfolio. This notable improvement underscores our commitment to strengthening the quality and security of our loan portfolio. By increasing the proportion of secured loans, we have enhanced our ability to recover collateral in the event of default, mitigating potential credit losses.

Adequate Liquidity with Low Debt Equity Ratio

The company always maintained adequate liquidity during FY 2024-25. The Company has been maintaining liquidity to cover more than 3 months of expenses and obligations continuously. This is done with a low debt equity ratio of 0.37. The unencumbered cash and cash equivalents as on 31st March 2025 were Rs.14.90 Crores.

Write Off Recovery at 52%

The Company had written off Rs.25.24 Crores in FY 2021-22. Out of this, due to the efforts of our Collection Team, the company could recover Rs.1.73 Crores in FY 2024-25. The aggregate recovery from the written off cases till FY 2024-25 was Rs.13.13 Crores (52%). In contrast, according to the reports published by the Ministry of Finance in December 2024, industry has recovered only 23% from write off accounts during the last three years.

Growth of LAP AUM at 113%

The LAP AUM of the Company has grown significantly from Rs.24 Crores in FY 2023-24 to Rs.51 Crores in FY 2024-25, registering a growth of 113%.



MANAGEMENT DISCUSSION AND ANALYSIS

Global Economy

The Reserve Bank of India, in its Annual Report, stated that the Global economic growth slowed down to 3.3% in 2024, falling short of the historical average of 3.7% (2000–2019). Growth is projected to decelerate further to 2.8% in 2025 and 3.0% in 2026, as the global economy faces intensifying challenges such as:

- Persistent geopolitical tensions
- Rising trade protectionism
- Elevated levels of public debt across economies

These factors continue to weigh on global demand and investment, prompting caution in monetary and fiscal policy globally.

Indian Economy

According to the Reserve Bank of India, the Indian economy demonstrated strong resilience in FY 2024–25, maintaining its position as the fastest-growing major economy globally, despite moderating growth. Real GDP expanded by 6.5%, reflecting a robust domestic demand environment amid global headwinds.

NBFC Sector Outlook

After weathering countless challenges over the past three fiscals, exacerbated by the Covid-19 pandemic, fiscal 2024 has brought growth back into focus for NBFCs. This continued in fiscal 2025 with moderation of growth in fiscal 2026, The acceleration will ride on improving economic activity, strengthened balance sheet buffers, and better asset quality metrics.

According to ICRA Ratings, retail focused NBFCs are expected to grow 16-18 per cent while the housing finance companies may grow by 13-15 per cent. In the FY 2025-26. The growth is expected to moderate further in FY 2026 given the higher base created in the post-covid expansion of this segment, amid concerns of borrower overleveraging, which has impacted loan quality in some asset segments within this space. ICRA also noted that the sectoral profitability would moderate by 30-50 basis points (bps) this fiscal, as operating conditions has stiffened for NBFCs.

ICRA also highlighted that sectoral profitability is likely to decline by 30–50 basis points in FY 2025–26, as operating conditions have become increasingly challenging.

Education Sector – Challenges

The pandemic has severely impacted affordable private schools (APSs), which are facing numerous challenges such as delayed fee payments, shortage of qualified and skilled teachers, insufficient funds for infrastructure, and lack of effective parent engagement. According to a UNESCOs Blog post on 30th January 2025, while private schools make up 31.3% of the schools



in India, only 22% of the rural households can afford private schools compared to 67% in urban areas. The future of affordable private schools still remains as a question amid higher educational costs and lower incomes. This has become more challenging in Tier 2 and Tier 3 cities wherein the Govt schools are offering free Noon Meal Scheme and other concessions to students. Hence, the management has decided to take a cautious view on the education sector funding.

MSME Sector Lending Opportunity

The Micro, Small, and Medium Enterprises (MSME) sector in India contributes 33% of India's GDP and has 45% share of total employment, making it a key sector in the country's economy. Over 94% of MSMEs in India are micro businesses, 4.5% are small and only 1% are medium-sized. NBFCs are off-late playing a crucial role in financing these sectors.

As detailed in Union budget for 2025-26, The MSME sector continues to be a cornerstone of India's economic growth, contributing significantly to employment, manufacturing, and exports. In recent years, the sector has displayed remarkable resilience, highlighting its growing role in national economic output. Exports from MSMEs have seen substantial growth, rising from Rs.3.95 Lakh Crore in 2020-21 to Rs.12.39 Lakh Crore in 2024-25. The number of exporting MSMEs has also surged, increasing from 52,849 in 2020-21 to 1,73,350 in 2024-25.

The Government of India has implemented a robust array of initiatives aimed at bolstering the Micro, Small, and Medium Enterprises (MSME) sector, recognizing its pivotal role in the economy. These efforts range from financial support and procurement policies to capacity building and market integration. Key initiatives include the Udyam Registration Portal, PM Vishwakarma scheme, PMEGP, SFURTI, and the Public Procurement Policy for MSEs, all aimed at fostering entrepreneurship, enhancing employment, and integrating informal sectors into the formal economy. These initiatives reflect the government's commitment to supporting MSMEs and driving inclusive economic growth nationwide.

According to Transunion CIBIL and SIDBI, India has approximately 630 lakhs MSME Corporates out of which only 250 Lakhs have availed loan facility. While the sector continues to grow at a CAGR of 2.5%, in the coming times, the approximate number of MSME Corporate entities is expected to touch 750 Lakhs. Out of this, 500 Lakhs are expected to be NTC (New to Credit) MSME entities. MSMEs face a major credit gap of Rs.33 trillion. The overall finance demand of MSMEs is Rs.69.3 trillion.

The Small Ticket Loan Against Property (S-LAP) market is witnessing a strong push from NBFCs, capturing over 50% of the market share in secured MSME loans below Rs.30 Lakhs.

Credit to MSMEs grew by 13% YoY in FY25 according to Small Industries Development Bank of India (SIDBI). In contrast, credit to MSMEs by Banks have decelerated. Players in the MSME sector said risk averseness makes banks reluctant to provide loans to small units, leading to a deceleration in bank credit growth. However, private banks still have a major share in credit to MSMEs.



According to an ICICI Securities Report, NBFCs are increasingly favoring the Small Ticket LAP Loan Against Property (S-LAP) segment over medium ticket loans. The market potential for S-LAP is estimated at a substantial Rs.22 Lakhs Crores.

The S-LAP market is currently concentrated in five states, namely Maharashtra, Tamil Nadu, Gujarat, Karnataka and Rajasthan, accounting for a significant 53% of the total market. While overall S-LAP penetration remains low, the analysis indicates that penetration in these top 5 states exceed 20%, emphasizing the concentrated growth in specific regions.

Shiksha in the upcoming years is expected to play a pivotal role in the MSME lending space.

Portfolio Performance – Shiksha Finance

Own book:

The Product Wise AUM, Disbursements and Collections of Own Book are as follows:

Product Wise Assets Under Management (AUM) (Rs in Lakhs)

Product	FY 2024-25	FY 2023-24	FY 2022-23
School (A)	2,162	3,286	5,240
Study (B)	470	511	1,111
Legacy Books (C = A+B)	2,632	3,797	6,351
Loan Against Property [#] (D)	5,089	2,371	180
Own Book AUM (E = C+D)	7,721	6,168	6,531
Managed Portfolio (BC MFI/Co-Lending) (F)	6,170	7,443	4,277
Total AUM (E+F)	13,891	13,611	10,808

including Co-Lending (Own Share)

The Company focuses on disbursals only in LAP Segment, and in legacy books, only recoveries are made. The Company also entered into a Co-Lending Arrangement with Singularity Credit world Private Limited for its LAP Disbursals. LAP Disbursals in Co-Lending Segment amounted to Rs.44 Lakhs including Rs.13 Lakhs of Shiksha's share. The Disbursements of ST-LAP loans constituted ~100% of overall disbursements of the company during FY 2024-25.

The Company's Collections towards its Legacy Books and LAP amounted to Rs.1,602 Lakhs and Rs.1,453 Lakhs respectively.

The Company remains focused on asset quality growth and looks for opportunities to enable efficient utilization of resources to grow its ST-LAP portfolio. As of March 31, 2025, the Company operates in a total of 32 branches including one satellite branch, spread over 5 states namely Tamil Nadu, Karnataka, Maharashtra, Andhra Pradesh and Telangana.

The Company continues to undertake a proper risk assessment of its credit exposures to curb deterioration in the macroeconomy and any uncertainty in credit evaluations. The Company held provisions aggregating to Rs.1,418 Lakhs as per RBI prudential provisioning norms and an additional provision of Rs.462 Lakhs. This additional provision created forms part of risk mitigation for any future contingencies.



BC MFI - Managed book:

During FY 2021-2022, a Banking Correspondence (BC) arrangement was entered by the Company with Federal Bank to originate MFI loans and service their EMI collections. Under this BC arrangement, while sourcing and collections shall be our responsibility, Federal Bank shall take care of disbursals. We are entitled to get a share in interest and processing charges as well. This arrangement has significantly increased income generation, cash inflows and the liquidity position of the company.

The MFI sector has faced heightened delinquencies in recent times, and the Company's BC MFI portfolio was also impacted. Despite this, the portfolio's non-performing assets (NPAs) stood at 7% as of March 2025 - better than the industry average of 16%. Exercising prudence, the Company consciously moderated disbursements under this segment, resulting in a 17% contraction of the BC MFI portfolio.

As of March 31, 2025, the Company is managing a MFI loan portfolio of Rs.6,140 Lakhs from across 21 branches present in states of Tamil Nadu, Karnataka and Maharashtra. The disbursements made during the Financial Year 2024-25 amount to Rs.4,050 Lakhs and its disbursement since inception is Rs.16,655 Lakhs.

Financial Performance

The Pandemic and its aftermath have considerably impacted the Company and its business, and the Company had to declare losses during FY 2021-22 and FY 2022-23. Your Company considerably improved its financial performance during FY 2023-24 and FY 2024-25 and had taken the following strategic measures:

- A. halting disbursement in its education portfolio and concentrating on collections
- B. Focused on collections in written off portfolio.
- C. Diversifying own book and increasing LAP Portfolio,

Key Metric Ratios

Particulars	2024-25	2023-24	2022-23
Profit before Tax (Rs. in Lakhs)	138.40	73.30	-2105
Profit before Tax (Rs. in Lakhs)	90.12	66.28	-1688
Earning per Shares – Basic	1.29	0.95	-24.20
Earning per Shares – Diluted	0.96	0.71	-18.14
Net Interest Margin	17.57%	17.32%	11.01%
Opex as a % of Average AUM*	14.93%	16.85%	17.54%
Return on Assets	1.30%	1.05%	-17.55%
Return on Equity	1.57%	1.16%	-26.96%

* including managed portfolio



The company has maintained a Provision Coverage Ratio of 84% in FY 2024-25 and the Provisions in the books are higher than adequate quantum required for any eventualities, strategic focus on business expansion, coupled with reduced borrowing costs and improved collection efficiencies, has contributed to a commendable financial outcome. As a result, the Company achieved a Profit After Tax (PAT) of Rs.90.12 Lakhs as compared to Rs.66.28 Lakhs i.e., a growth of 36%.

Capital Profile and Leverage Ratio

The Net worth of the Company increased from Rs.57.07 Crores as at the end of March 31, 2024, to Rs.57.97 Crores as at the end of March 31, 2025. The Company has maintained a capital adequacy ratio of 67.16% in March 2025 as against 87.50% in March 2024. As the debt equity ratio of the company is just 0.37, the company has head room to raise more debts. No capital infusion was made in Financial Year 2024-25.

Debt Profile

The Company raised debt of Rs.2,400 Lakhs for onward lending of LAP loans in FY 2024-25 as against Rs.250 Lakhs in FY 2023-24. The borrowings of Rs.2,400 Lakhs also include Rs.1,000 Lakhs of NCDs. The Company received few commitments from prospective lenders for LAP product. Lenders are attracted mainly due to turn around of the Company to operating profits, Confidence reposed by Investors, higher provision coverage ratio, Increased secured loan portfolio, high proportion of MSME segment in LAP, and the presence of an experienced team of professionals.

The Company continues to make prompt repayment of its obligations. As on 31st March 2025 the company had an outstanding debt of Rs.2,123 Lakhs as against Rs.354 Lakhs as on 31st March 2024. The company also repaid NCDs of Rs.140 Lakhs in FY 2024-25.

The Company could partner with three new lenders viz UC Inclusive Credit Private Limited, RevX Capital Trust & RAR Fincare Limited in FY 2024-25.

Asset Liability Management

The Company ensures adherence to the risk tolerance/limits and liquidity buffer. The Management oversees the Company's short, medium and long-term funding and liquidity management requirements. It also reviews the liquidity position based on future cash flows. The unencumbered cash and cash equivalents of the company stood at Rs.14.9 Crores as the end of 31st March 2025.

With challenges arising from ALM mismatches plaguing the wider NBFC in the last 12 months, The Company has been proactive in maintaining adequate liquidity, through increased LAP business and collections. The Company maintained liquidity of more than 3 months of obligations including repayment of loans & meeting Operating expenses. Increased borrowings also helped to ease liquidity.



Information Technology – Systems and Automation

The Company took several measures to promote and encourage digital collections. More than 60% of the collections are through NACH. During the year 2024-25, besides other things, HRMS ticketing module to redress IT grievances, Mobile Device Management for tracking etc. was implemented. The Company is also upgrading its current systems from Licensed Version to Software as a Service (SaaS). This shall facilitate ease of LAP business, reducing TAT and increased customer retention. Digitalization shall also help in mitigating human errors and manual interventions.

Reporting and Compliances Culture

Your Company has fully complied with all the periodic guidelines issued by the Rbi and other regulators and adhered strictly to Capital Adequacy, Fair Practice Codes, RBI Reporting, Asset Classification and Provisioning Norms, etc. to ensure zero-tolerance on the non-compliance aspect. Stringent review systems to ensure compliance with the statutory guidelines and norms of the NBFC industry are also in place. Apart from RBI, the Company strictly complies with the other applicable regulations.

Internal Control Systems

The Company has put in place adequate internal control mechanisms to safeguard all its assets and to ensure operational excellence. The mechanism also meticulously records all transaction details and ensures regulatory compliance. Further, lender/investor covenants have been tracked and are periodically updated from time to time. At periodic intervals, the management team and statutory auditors check and ensure that the controls are adequate and operative. Besides Statutory Auditors, the Company has also engaged a professional audit firm for internal audit of various systems & control in place and to recommend suggestive actions wherever required.

Besides, the Company has a dedicated team of internal auditors to conduct internal audit. This team defines the audit agenda for the year, which is implemented. They also ensure that all transactions are correctly authorized and reported in accordance with the relevant regulatory framework. The Company has also been subject to due diligence by lenders.

Human Resources

The Company's major strength is its human resources. The Company recognizes that employees are the pillars for Company's growth. Their collaborative skill and expertise has been part of the growth story. There exists a structured framework which nurtures the functional and leadership capabilities of all employees across verticals. Reward & Recognition programs take place in the company periodically. The Company also has a policy to recognize and celebrate talents for extraordinary performance at work with a cash reward.

The Company invests in the training and development of its employees on a continuous basis. As on 31st March 2025, the Company had 311 employees as against 319 employees as at the end of 31st March 2024.



Human Resources – Key Metrics

Age Wise	Count	Composition
< 30 yrs	123	40%
30 yrs to 35 yrs	89	29%
35 yrs to 40 yrs	58	19%
40 yrs to 50 yrs	31	10%
Above 50 yrs	10	3%
Total	311	100%

Years from Joining Date	Count	Composition
Below 1 year	133	43%
1 to 3 years	111	36%
3 to 5 years	34	11%
Above 5 years	33	11%
Total	311	100%

The average age of an employee in Shiksha is 32 years. An employee stays in Shiksha for an average of 1.84 years.



DIRECTORS' REPORT

Dear Members,

Your directors take pleasure in presenting the Twelfth Annual Report together with the audited Financial Statements of the Company for the financial year ended March 31, 2025.

1. Financial Highlights

The financial highlights of your company are as follows:

Particulars	Standalone		Consolidation	
	2024-25	2023-24	2024-25	2023-24
Total Income	1,848.15	2,228.76	2,424.01	2,228.76
Add: Total Expenses	1,717.24	2,154.77	2,285.61	2,155.46
Profit Before Tax (PBT)	130.91	73.99	138.40	73.30
Less: Tax expenses	46.57	7.02	48.28	7.02
Profit After Tax (PAT)	84.34	66.97	90.12	66.28

2. State of affairs of the Company

2.1 Business and Financial Performance Overview

The affordable private school segment has witnessed a slower recovery post-pandemic compared to other sectors. The education landscape underwent a significant transformation during COVID-19, leading to a considerable migration of students from private to government schools, spurred by various government schemes and benefits. The reverse migration remains minimal. In addition, the financial stress on education loan borrowers has intensified, with many unable to repay their existing loans due to the economic aftereffects of the pandemic.

In response to these challenges, the Company prioritized strengthening its collections strategy to maximize cash flows and improve liquidity.

Key initiatives included:

- Proactive and sustained follow-up with customers to enhance regular demand collections.
- Encouragement of negotiated settlements and voluntary pre-closures for delinquent accounts.
- Implementation of performance-based incentives to staff to boost overdue collections.

Despite these challenges, the Company maintained a robust liquidity position throughout the year. The Asset Liability Management (ALM) profile remained comfortable with no negative cumulative mismatches.



Financial Overview

- Total disbursements for FY 2024–25 stood at ₹3,471 lakhs, a notable increase from ₹2,343 lakhs in the previous year.
- Assets under management (AUM) grew to ₹7,721 lakhs as of March 31, 2025, up from ₹6,168 lakhs a year earlier.
- Gross income rose to ₹2,424.01 lakhs (FY 2024–25) from ₹2,228.76 lakhs in the prior year.
- Profit after tax (PAT) increased to ₹90.12 lakhs, compared to ₹66.28 lakhs in FY 2023–24.

Strategic Diversification Initiatives

As part of its strategic diversification beyond the education segment, the Company commenced the disbursement of small-ticket Loan Against Property (LAP) products, including business loans and small mortgage loans. These secured loans, backed by residential property collateral, are tailored to support micro-entrepreneurs and self-employed individuals for various needs such as business expansion, home improvement, or major life events including marriage, healthcare, and education.

MFI Portfolio Performance

The MFI sector has faced heightened delinquencies in recent times, and the Company's BC MFI portfolio was also impacted. Despite this, the portfolio's non-performing assets (NPAs) stood at 7% as of March 2025 - significantly better than the industry average of 16%. Exercising prudence, the Company consciously moderated disbursements under this segment, resulting in a 17% contraction of the BC MFI portfolio.

2.2 Corporate Developments

During the year, the Company has raised debt as follows:

(Figures in Lakhs)

Sources of Debt	2024-25	2023-24
From other than Bank	2,400.00	250.00
Total	2,400.00	250.00

2.3 Asset Quality

Risk assessment of customers is made at the time of initial appraisal for pricing and granting loans. Besides continuous monitoring, the Company also makes a portfolio risk analysis at frequent intervals including geographical analysis. A conservative underwriting approach is followed to maintain asset quality.

2.4 Transfer to Reserves

As per Section 45-IC of the Reserve Bank of India Act, 1934, every non-banking financial Company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and Loss and before any dividend is declared.



Accordingly, your Company has transferred Rs.16.87 Lakhs to Statutory reserve during the current financial year.

2.5 Dividend

The Board of Directors of your company has not declared any Dividend for the year under review.

3. Change in the nature of business

The Company continues its operations as a base layer non-banking financial company. The Company was continuously engaged in the business of disbursing loans against properties. In addition, the Company undertook the business of business correspondence through its subsidiary during the financial year 2024-25. The company has discontinued financing for the education sector from the previous year.

4. Details of Subsidiaries, Joint Ventures or Associate Companies

A wholly owned Subsidiary of Shiksha named Shiksha Business Services Private Limited was incorporated in the month of November 2023 to cater the BC MFI operations. The Wholly Owned Subsidiary has commenced its operations with effect from 1st April 2024.

During the year, no company has become or ceased to be its Subsidiaries, Joint Venture or Associate Company pursuant to the provisions of Rule 8 (5) (iv) of the Companies (Accounts) Rules, 2014.

The disclosures as required pursuant to the provisions of Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing the salient features of the Financial Statement of the Company's Subsidiary in Form No. AOC-1 is attached as **Annexure -1**.

5. Material Changes and Commitments, if any affecting the financial position of the Company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

Pursuant to the provision of Section 134 (3) (l) of the Companies Act, 2013, there have been no material changes and commitments which affect the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

6. Management of the Company

6.1 Directors and Key Managerial Personnel

During the year under review, there were no changes in the Board of Directors of the Company and the following are the directors as on 31st March 2025.



Sl. No.	Name of Director	DIN	Designation
1	Mr. Pradeep Vasudeo Bhide	03304262	Independent Director
2	Ms. Pushya Sitaraman	06537196	Independent Director
3	Mr. V.L. Ramakrishnan	02326543	Whole- time Director
4	Mr. Pankaj Raina	06584042	Nominee Director
5	Mr. Mohamed Salim Asaria	08880222	Nominee Director

Appointment of Company Secretary: Mr. Manoj Kumar Jena has been appointed as the Company Secretary of the Company with effect from 27th August 2024. His appointment was duly approved by the Board of Directors at their meeting held on the same date.

Continuation of Independent Director Beyond 75 Years of Age: Mr. Pradeep Vasudeo Bhide, Independent Director attained the age of 75 years on 8th January 2025. Pursuant to the applicable provisions of the Companies Act, 2013 and based the recommendation of the Board of Directors, the members of the Company have approved his continuation as an Independent Director beyond the age of 75 years, until the completion of his second term ending on 6th December 2026. The said approval was obtained through a special resolution passed at the Extra-ordinary General Meeting held on 31st January 2025.

Re-appointment of Mrs. Pushya Sitaraman, Independent Director: Mrs. Pushya Sitaraman, Independent Director, was re-appointed for the second consecutive term of five years with effect from 23rd July 2024.

6.2 Declaration by Independent Director

The Independent Directors of the Company have submitted a declaration that Independent Directors meet the requisite criteria as provided in Section 149(6) of the Act. There has been no change in the circumstances affecting their status as Independent Directors of the Company. In the opinion of the Board, the Independent Directors possess the requisite integrity, experience, expertise and proficiency required under all applicable laws and the policies of the Company.

6.3 Board Meetings

During the year under review, five Board Meetings, two Extra Ordinary General Meetings on 20th December 2024 & 31st January 2025 and the 11th Annual General Meeting held on 26th September 2024, were duly conducted. The following table details the attendance of the directors during the five board meetings.

Name of Directors	Date of Meeting				
	31.05.2024	10.06.2024	27.08.2024	06.12.2024	11.03.2025
Mr. Pradeep V. Bhide	Yes	Yes	Yes	Yes	Yes
Mr. V. L. Ramakrishnan	Yes	Yes	Yes	Yes	Yes
Ms. Pushya Sitaraman	Yes	Yes	Yes	Yes	Yes
Mr. Pankaj Raina	Yes	Yes	LoA	Yes	LoA
Mr. Mohamed Salim Asaria	LoA	Yes	LoA	LoA	Yes

*LoA – Leave of Absence



6.4 Directors' Responsibility Statement

Pursuant to the requirement of Section 134 (3)(c) of the Companies Act, 2013, it is hereby confirmed that:

- a) in the preparation of the Annual Accounts, the applicable Accounting Standards has been followed along with proper explanation in relation to material departures.
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and the profit of the Company for that year.
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) the Directors have prepared the Annual Accounts on a Going Concern Basis.
- e) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

6.5 Internal Financial Controls

The Company has documented its internal financial controls considering the essential components of various critical processes, physical and operational, which include its design, implementation and maintenance along with periodical internal review of operational effectiveness and sustenance. This ensures orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention of errors, accuracy and completeness of the accounting records and the timely preparation of reliable financial information. The internal financial controls with reference to the financial statements were adequate and operating effectively.

7. Details of Deposits

The Company is registered as a non-deposit taking Non-Banking Financial Company with the Reserve Bank of India and hence, does not accept any deposits. The Company has not accepted any deposits from the public within the meaning of the provisions of Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 during the financial year ended March 31, 2025.

8. Particulars of Loans, Guarantees or Investments

During the year under review, there are no guarantees, investments or security given or made by the Company under the provisions of Section 185 and 186 of Companies Act, 2013. In respect of loans, the provisions of Section 185 and 186 of the Companies Act, 2013 have been complied with, wherever applicable.



9. Particulars of Contracts or Arrangements or transactions with Related Parties

All contracts or arrangements or transactions entered into by the Company during the financial year with the related parties were on arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions with promoters, directors or key managerial personnel, which may have a potential conflict with the interest of the Company at large.

The details of the related party transactions entered during the financial year 2024-25 in Form AOC-2 forms part of this Annual Report and is enclosed as **Annexure - 2**.

10. Corporate Social Responsibility

The provision for the Corporate Social Responsibility as under Section 135(1) of the Companies Act, 2013 is not applicable to your Company.

11. Conservation of Energy, Technology Absorption & Forex Earnings Outgo

Details of Conservation of Energy

Steps taken or impact on conservation of energy	: NIL
Steps taken by the Company for utilizing alternate sources of energy	: NIL
Capital investment on energy conservation equipment	: NIL

Technology Absorption

(i) Efforts made towards technology absorption	: NIL
(ii) Benefits derived as a result of the above efforts e.g., product improvements, cost reduction, product development, import substitution, etc.	: NIL
(iii) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year)	: NIL
(a) Details of technology imported	: NIL
(b) Year of import	: NIL
(c) Whether the technology been fully absorbed	: NIL
(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	: NIL
(iv) Expenditure incurred on Research and Development	: NIL

Foreign Exchange Earnings and Outgo:

Foreign Exchange earned in terms of actual inflows during the year	: NIL
Foreign Exchange outgo during the year in terms of actual outflows	: NIL

12. Risk Management Policy

The Company has a well-established internal financial control and risk management framework to ensure the highest standards of integrity and transparency in its operations and a strong corporate governance structure.



The Company has a comprehensive Risk Management Policy in place and has laid down a well-defined risk management framework to identify, assess and monitor risks and strengthen controls to mitigate risks.

13. Details of Significant and Material Orders Passed by the Regulators

During the year under review, no significant and material orders were passed by the regulators, courts, or tribunals against the Company, impacting its going concern status or its future operations.

14. Statutory Auditors

M/s. N.C. Rajagopal & Co., Chartered Accountants, Chennai, were appointed as the Company's Statutory Auditor at the Tenth Annual General Meeting of the Company for a period of three (3) consecutive Financial Years relating to FY 2024-25 to FY 2026-27. Accordingly, M/s. N.C. Rajagopal & Co., Chartered Accountants conducted the Statutory Audit for FY 2024-25.

15. Explanation or Comments by the Board on every Qualification, Reservation, Adverse Remark or Disclaimer made –

(a) By the Statutory Auditor in his Report

The Statutory Auditors have not made any qualification, reservation, adverse remark or disclaimer in their report for the Financial Year ended 31st March 2025.

(b) By the Company Secretaries in Practice in the Secretarial Audit Report

The Secretarial Audit is not applicable to your Company, therefore, the explanation or comments by the Board of Directors do not arise.

16. Fraud Reported by Auditor

During the year under review, the Statutory Auditor of the Company has not reported any instances of Fraud under sub-section 12 of Section 143 of the Companies Act, 2013.

17. Internal Audit

The Company has an internal audit department that evaluates the adequacy of control measures on a periodic basis. The Internal Audit team plays a vital role in monitoring effectiveness and efficiency of the controls and adherence to Standard Operating Procedures.

In addition, the Company has appointed M/s. Sundaram & Srinivasan, Chartered Accountants, Chennai (FRN: 004207S) who also carry out the Internal audits of the Company. They ensure adherence to Policies, income leakage, systems & procedures etc. Their reports are submitted to the Board every half year for their perusal and guidance, and due care has been taken to ensure that the work done by these two teams does not overlap.



18. Compliance with Secretarial Standards

During the year under review, the Company has complied with the applicable Secretarial Standard on meetings of the Board of Directors ("SS-1") and Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India.

19. Annual Return

Pursuant to the amendments to Section 134(3)(a) and Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return (Form MGT-7) for the financial year ended March 31, 2025, shall be available on the Company's website and can be accessed at www.shikshafinance.com.

20. Capital Structure of the Company

Authorised Share Capital

During the year under review, the Company has not changed its Authorised Share Capital. As on March 31, 2025, the Authorised Share Capital of the Company was Rs.10,00,00,000/- (Rupees Ten Crores Only) divided into 72,14,293 Class A Equity Shares of Rs.10/- each amounting to Rs.7,21,42,930/- (Rupees Seven Crores Twenty One Lakhs Forty Two Thousand Nine Hundred Thirty Only); 30,00,000 Class B Equity Shares of Re.1/- each amounting to Rs.30,00,000/- (Rupees Thirty Lakhs Only); 7,67,652 Series B Compulsorily Convertible Preference Shares of Rs.10/- each amounting to Rs.76,76,520/- (Rupees Seventy Six Lakhs Seventy Six Thousand Five Hundred Twenty Only); 10,88,055 Series B1 Compulsorily Convertible Preference Shares of Rs. 10/- each amounting to Rs.1,08,80,550/- (Rupees One Crore Eight Lakhs Eighty Thousand Five Hundred Fifty Only); and 6,30,000 Series B2 Compulsorily Convertible Preference shares of Rs.10/- each amounting to Rs.63,00,000/- (Rupees Sixty three Lakhs only).

Paid-up Share Capital

During the year under review, the issued, subscribed and paid-up share capital of the Company was Rs.9,38,26,350/- (Rupees Nine Crore Thirty Eight Lakhs Twenty Six thousand Three Hundred Fifty only) divided into 66,76,052 Class A Equity shares of Rs.10/- each amounting to Rs.6,67,60,520/- (Rupees Six Crore Sixty Seven Lakhs Sixty Thousand Five Hundred Twenty Only); 30,00,000 Class B Equity Shares of Re.1/- each amounting to Rs.30,00,000/- (Rupees Thirty Lakhs Only); 7,67,652 Series B Compulsorily Convertible Preference Shares of Rs.10/- each amounting to Rs.76,76,520/- (Rupees Seventy Six Lakhs Seventy Six Thousand Five Hundred Twenty Only); 10,12,623 Series B1 Compulsorily Convertible Preference Shares of Rs. 10/- each amounting to Rs.1,01,26,230/- (Rupees One Crore One Lakhs Twenty Six Thousand Two Hundred Thirty Only); and 6,26,308 Series B2 Compulsorily Convertible Preference shares of Rs.10/- each amounting to Rs.62,63,080/- (Rupees Sixty Two Lakhs Sixty Three Thousand Eighty only).



20.1 Details of Employee Stock Option Plan

The Company has formulated Shiksha Employees Stock Option Plan, 2017 for the benefit of the employees of the Company. The objective of this scheme is to:

- i. Enhance employee motivation,
- ii. Enable employees to participate in the long-term growth and financial success of the Company,
- iii. To act as a retention mechanism for employees

For effective administration of this scheme, the Company has established Shiksha Employees Welfare and Stock Options Trust ("Trust") in the year ended March 31, 2018, with an initial allotment of 10,000 Class-B equity shares of Re.1 each. During the year ended March 31, 2018, the Trust has been allotted by way of Bonus issue- 29,90,000 fully paid Class-B Equity Shares having face value of Re.1 each per equity share to ESOP trust by capitalizing securities premium.

Detailed disclosures as per requirements of the Act are provided as **Annexure - 3** to this report.

21. Capital Adequacy

Your Company is adequately capitalized and has a capital adequacy ratio of 67.16% as of 31st March, 2025 as against the previous year of 87.50% as of 31st March 2024 compared to the regulatory minimum requirement of 15%.

22. Particulars of Employees

There was no employee drawing remuneration in excess of limits prescribed under the provisions of Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

23. Company's Policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matter provided under sub-section 3 of Section 178

The provisions relating to Section 178(1) of the Companies Act, 2013 read with Rule 6 of the Companies (Meeting of the Board and its Power) Rule, 2014 are not applicable to your Company.

24. Details of Application Made or Proceeding pending under Insolvency and Bankruptcy Code, 2016

During the year under review, there were no applications made or proceedings pending in the name of the company under the Insolvency Bankruptcy Code, 2016.



25. Maintenance of Cost Records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, is required by the Company and accordingly such accounts and records are made and maintained

The above provisions are not applicable to the Company during the year under review.

26. Details of difference between Valuation Amount on one time settlement and Valuation while availing loans from Banks and Financial Institutions

During the year under review, there was no one time settlement of loans taken from banks and financial institutions.

27. Disclosure Under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company is committed to providing and promoting a safe and healthy work environment for all its employees. The Company has zero tolerance towards sexual harassment at the workplace & has in place an Anti-Sexual Harassment Policy in line with the requirement of the Sexual Harassment of Women at the workplace (Prevention, Prohibition & Redressal) Act, 2013. No complaints were received during the financial year nor were any pending unresolved as on 31st March 2025.

28. Disclosure under Maternity Benefit Act, 1961

In compliance with Rule 8(5)(xiii) of the Companies (Accounts) Rules, 2014, your Company has been complying with the provisions of the Maternity Benefit Act, 1961.

Acknowledgement

Your Directors take this opportunity to place on record the valuable contribution and continued support received from the Customers, Investors, Bankers, Lenders, Business Associates and the Shareholders. The Directors also whole-heartedly recognize, acknowledge and commend the dedication and commitment of Shiksha Team. The Directors are also grateful to the Company's stakeholders and partners, including its lawyers, valuers, professional consultants and all the vendors/ suppliers, for their consistent and constant support. The Chairman would also like to thank all his colleagues in the Board for their support and encouragement.

By order of the Board
For Shiksha Financial Services India Private Limited

Pradeep Vasudeo Bhide
Director & Chairman
DIN: 03304262

V. L. Ramakrishnan
Whole time Director
DIN: 02326543

Place: Chennai
Date: September 2, 2025



ANNEXURE - A**Form AOC- 1**

(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or Joint ventures

Part "A" Subsidiaries

1. Name of the subsidiary: Shiksha Business Services Private Limited
2. The date since when subsidiary was acquired: 30-11-2023
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period: NA
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries: INR
5. Share capital: Rs.10,00,000
6. Reserves and surplus: Rs.5,09,000
7. Total assets: Rs.78,93,000
8. Total Liabilities: Rs.78,93,000
9. Investments: NIL
10. Turnover: NIL
11. Profit before taxation: Rs.7,49,000
12. Provision for taxation: Nil
13. Profit after taxation: Rs.5,78,000
14. Proposed Dividend: Nil
15. Extent of shareholding (in percentage): 99%

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations: Nil
2. Names of subsidiaries which have been liquidated or sold during the year: NA

Part "B" Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates or Joint Ventures	Not Applicable
1. Latest audited Balance Sheet Date	Not Applicable
2. Date on which the Associate or Joint Venture was associated or acquired	
3. Shares of Associate or Joint Ventures held by the company on the year end	
No.	
Amount of Investment in Associates or Joint Ventures	
Extent of holding (in percentage)	
4. Description of how there is significant influence	
5. Reason why the associate/Joint venture is not consolidated.	



6. Net worth attributable to shareholding as per latest audited Balance Sheet	
7. Profit or Loss for the year i. Considered in Consolidation ii. Not Considered in Consolidation	

- Names of associates or joint ventures which are yet to commence operations: NA
- Names of associates or joint ventures which have been liquidated or sold during the year: NA

By order of the Board

For Shiksha Financial Services India Private Limited

Pradeep Vasudeo Bhide

Director & Chairman

DIN: 03304262

V. L. Ramakrishnan

Whole time Director

DIN: 02326543

Place: Chennai

Date: September 2, 2025



ANNEXURE – B**Form AOC - 2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL
 - a) Name(s) of the related party and nature of relationship
 - b) Nature of contracts/arrangements/transactions
 - c) Duration of the contracts/arrangements/transactions
 - d) Salient terms of the contracts or arrangements or transactions including the value if any
 - e) Justification for entering into such contracts or arrangements or transactions
 - f) Date(s) of approval by the Board
 - g) Amount paid as advances, if any
 - h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of material contracts or arrangement or transactions at arm's length basis:

(a)	Name(s) of the related party and nature of relationship	Mr. V.L. Ramakrishnan (KMP)	Mr. V.L. Ramakrishnan/ Ms. Annapurni R
(b)	Nature of contracts or arrangements or transactions	Managerial Remuneration	KMP & Relative of KMP
(c)	Duration of the contracts or arrangements or transactions	On going Basis	NA
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	NA	NA
(e)	Date(s) of approval by the Board, if any	27-08-2024	NA
(f)	Amount paid as advances, if any	88,35,000	1,00,00,000

By order of the Board
For Shiksha Financial Services India Private Limited

Pradeep Vasudeo Bhide
Director & Chairman
DIN: 03304262

V. L. Ramakrishnan
Whole time Director
DIN: 02326543

Place: Chennai
Date: September 2, 2025



ANNEXURE - C**SHIKSHA EMPLOYEES STOCK OPTION PLAN**

(Pursuant to Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014)

The details of the Shiksha Employees Stock Option Plan, 2017 as on March 31, 2025, are:

1	Options Granted	26,22,500
2	Options Vested	13,35,750
3	Options Exercised	8,40,000
4	The total number of shares arising as a result of exercise of option	8,40,000
5	Options lapsed (vested but not exercised during the Year)	4,53,000
6	Variation of terms of options	There were no variations of terms of options during the Financial Year 2024-25
7	Money realized by exercise of options	Nil
8	Total number of options in force	26,22,500
9	Employee wise details of options granted to: (i) Key Managerial Personnel: (CFO) (ii) Any other employee who receives a grant of options in the year 2024-25 of option amounting to 5 percent or more of options granted during that year (iii) Identified employees who were granted option, during the year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	62,500 Nil Nil

By order of the Board
For Shiksha Financial Services India Private Limited

Pradeep Vasudeo Bhide
 Director & Chairman
 DIN: 03304262

V. L. Ramakrishnan
 Whole time Director
 DIN: 02326543

Place: Chennai
 Date: September 2, 2025



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SHIKSHA FINANCIAL SERVICES INDIA PRIVATE LIMITED

Report on the Audit of the Financial Statements

1. Opinion

We have audited the financial statements of SHIKSHA FINANCIAL SERVICES INDIA PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2025 and the Statement of Profit and Loss, and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2025, and profit, and its cash flows for the year ended on that date.

2. 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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the 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 opinion.

3. Information Other than the Financial Statements and the Auditor's report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report, including Annexures to Board's Report and Shareholder's Information, but does not include the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

4. Responsibility of Management for Financial Statements

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

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

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

5. Auditor's Responsibility for the Audit of the Financial Statements

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

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

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



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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 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 auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

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

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

6. Report on Other Legal and Regulatory Requirements

I. 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.

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

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



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

c) The Balance Sheet, the Statement of Profit and Loss, and the Statement of Cash Flows dealt with by this Report agree with the books of account.

d) In our opinion, the aforesaid 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) Based on the written representations received from the Directors as on 31st March, 2025 taken on record by the Board of Directors, none of the Directors have been disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the Internal Financial Controls Over Financial Reporting of the Company and the operating effect of such controls, refer to our separate Report in "Annexure B."

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

- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 38(xiii) to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented, that, to the best of its knowledge and belief, as disclosed in the note 38(xiii) to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and



(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) of the Companies (Audit and Auditors) Rules, 2014 contain any material misstatement.

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

vi. Based on our examination which included test checks, the company has used an 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 has been preserved by the company as per the statutory requirements for record retention.

For N.C. Rajagopal & Co.
Chartered Accountants
Firm Reg No: 003398S

Arjun S
(Partner)

Place: Chennai
Date: 29-05-2025

M. No: 230448
UDIN: 25230448BMIMYQ3619



ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in Para 6(l) of our Report of Even Date]

i.

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

B. The Company is maintaining proper records showing full particulars of intangible assets.

(b) These Property, Plant and Equipment have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.

(c) The Company does not own any immovable property and hence, reporting under Clause (i) (c) of the Companies (Auditor's Report) Order, 2020 does not arise.

(d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year.

(e) Based on the information and explanations given to us, there have been no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii.

(a) Based on the books and records verified by us, the Company does not hold any inventory. Hence, reporting under Clause (ii) (a) of the Companies (Auditor's Report) Order, 2020 does not arise.

(b) Based on the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions based on security of current assets at any point of time of the year. Hence, reporting under Clause (ii) (b) of the Companies (Auditor's Report) Order, 2020 does not arise.

iii.

(a) Since the Company's principal business is to give loans, reporting under Clause (iii) (a) of the Companies (Auditor's Report) Order, 2020 does not arise.

(b) In our opinion and based on the information and explanations given to us, the Company has not provided any guarantees, securities, or advances in the nature of loans, and the investments made and the terms and conditions of the grant of all loans are not prejudicial to the company's interest.

(c) and (d) The company, being a Non-Banking Financial Company ('NBFC'), registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors repayments of principal and payment of interest by its borrowers as stipulated. In cases where repayment of principal or payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting.



(e) Since the Company's principal business is to give loans, reporting under Clause (iii) (e) of the Companies (Auditor's Report) Order, 2020 does not arise.

(f) According to the information and explanation given to us, 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.

iv. There are no guarantees, investments or security given or made by the Company under the provisions of Section 185 and 186 of Companies Act, 2013. In respect of loans, the provisions of Section 185 and 186 of the Companies Act, 2013 have been complied with, wherever applicable.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under or under the directives of the Reserve Bank of India. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal during the year. Hence, reporting under clause (v) of the Companies (Auditor's Report) Order, 2020 does not arise.

vi. According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost record under Section 148(1) of the Companies Act, 2013 in respect of the company.

vii.

a. According to the information and explanations given to us and as per our verification of the records of the Company, in our opinion, the company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, Employees' Provident Fund, Professional Tax, Income Tax and other statutory dues applicable to it and there are no statutory dues outstanding for a period of more than six months from the date they become payable as on the last day of the financial year.

b. According to the information and explanation given to us and in our opinion, there are no dues on account of Goods and Services Tax, Duty of Customs, Duty of Excise, and other Statutory dues applicable to the Company which have not been deposited on account of any dispute. With respect to Income Tax, refer to Note No. 35 of the financial statements.

viii. According to the information and explanations given to us and as per the records of the Company, there have been no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year.

ix.

(a) The Company has not made any defaults in repayment of loans or other borrowings or in the payment of interest thereon to any lender. Hence, reporting under clause (ix)(a) of the Companies (Auditor's Report) Order, 2020 does not arise.



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

(c) Based on our verification of the books and records, the Company has applied the Term Loans for the purpose which they were obtained.

(d) In our opinion and according to the information and explanations given to us, no funds were raised on a short-term basis. Hence, reporting under clause (ix)(d) of the Companies (Auditor's Report) Order, 2020 does not arise.

(e) According to information and explanation given to us and on an overall examination of 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 information and explanation given to us and based on audit procedures performed by us, the Company has not raised any loans during the year on pledge of securities held in its subsidiary.

Accordingly, the reporting under Clause 3(ix)(f) of the Order is not applicable to the Company.

X.

(a) Based on the information and explanations given to us, the Company has not raised moneys by way of Initial Public Offer or Further Public Offer (including debt instruments) during the year. Hence, reporting under clause (x) (a) of the Companies (Auditor's Report) Order, 2020 does not arise.

(b) According to the information and explanation given to us, the Company has not made any Preferential Allotment or Private Placement of Shares or Convertible Debentures during the year.

xi.

(a) According to the information and explanations given to us, no material fraud on or by the company has been noticed or reported during the year;

(b) No report under section 143 (12) of the Companies Act, 2013 has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;

(c) According to the information and explanation given to us, there have been no whistle blower complaints received by the Company during the year. Hence, reporting under clause (xi) (c) of the Companies (Auditor's Report) Order, 2020 does not arise.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Hence, reporting under clauses (xii) (a) to (c) of the Companies (Auditor's Report) Order, 2020 does not arise.



xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with Section 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the financial statements etc., as required by the applicable accounting standards. The provisions of Section 177 of the Companies Act, 2013 are not applicable since it is a Private Limited Company.

xiv.

(a) Based on the information and explanations given to us and in our opinion, the Company has an internal audit system commensurate with the size and nature of its business;

(b) The reports of the Internal Auditor for the period under Audit were considered by us.

xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with them. Hence, reporting under Clause (xv) of the Companies (Auditor's Report) Order, 2020 does not arise.

xvi.

(a) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) and such registration has been obtained.

(b) Based on the information and explanations given to us, 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.

(c) In our opinion, the Company is not a Core Investment Company (CIC) and hence, reporting under Clause (xvi) (c) of the Companies (Auditor's Report) Order, 2020 does not arise.

(d) According to the information and explanations given to us, the Group does not have more than one CIC as part of the Group.

xvii. According to the information and explanations given to us and based on our examination of the records of the Company, the company have not incurred cash losses during the financial year and the immediately preceding financial year.

xviii. Based on the information and explanations given to us, there has been no resignation of the Statutory Auditors during the year. Hence, reporting under clause (xviii) of the companies (Auditor's Report) order, 2020 does not arise.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, in our opinion, no material uncertainty exists as on the date of the audit report that the Company is capable of meeting its liabilities existing on the balance sheet date as and when they fall due within a period of one year from the balance sheet date.



xx. According to the information and explanations given to us and based on our examination of the records of the Company, the provisions of section 135 (5) of the Companies Act, 2013 are not applicable to the Company. Hence, reporting under Clause (xx) of the Companies (Auditor's Report) Order, 2020 does not arise.

xxi. There have not been any qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order, 2020 Reports of the Companies included in the consolidated financial statements of the Company. This reporting requirement has also been covered in our Independent Auditor's Report on the Consolidated Financial Statements of the Company.

For N.C. Rajagopal & Co.,
Chartered Accountants
Firm Reg No: 003398S

Place: Chennai
Date: 29-05-2025

Arjun S
(Partner)
M. No: 230448
UDIN: 25230448BMIMYQ3619



ANNEXURE - B REFERRED TO PARAGRAPH 6(II)(f) OF OUR REPORT OF EVEN DATE

We have audited the Internal Financial Controls over financial reporting of Shiksha Financial Services India Private Limited ("the Company") as of 31st March, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those standards and the Guidance Note require that we comply 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 aspects.

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 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 is sufficient and appropriate to provide a basis for our opinion on the Company's internal financial control system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting



principles. A Company's internal financial control over financial reporting includes these policies and procedures that:

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directions of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For N.C. Rajagopal & Co.
Chartered Accountants
Firm Reg No: 003398S

Place: Chennai
Date: 29-05-2025

Arjun S
(Partner)
M. No: 230448
UDIN: 25230448BMIMYQ3619



Shiksha Financial Services India Private Limited

CIN: U74900TN2014PTC094623

Standalone Balance Sheet As at March 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

Particulars	Notes	"As at Mar 31, 2025"	"As at Mar 31, 2024"
A Equity And Liabilities			
1 Shareholders' funds			
a) Share capital	3	938.26	938.26
b) Reserves and Surplus	4	4,853.56	4,769.22
2 Non Current liabilities			
a) Long term Borrowings	5	1,053.50	103.33
b) Long term Provisions	6	108.01	1,263.12
3 Current Liabilities			
a) Short term borrowings	7	1,069.68	250.38
b) Other Current liabilities	8	313.37	340.67
c) Short Term Provisions	9	1,791.83	907.34
	Total	10,128.21	8,572.32
B Assets			
1 Non Current Assets			
a) Property, Plant and Equipment & Intangible Assets (net)	10		
(i) Property Plant & Equipment		16.64	55.42
(ii) Intangible assets		22.47	20.75
b) Non-current investments	11	10.00	10.00
c) Deferred Tax Assets (net)	12	513.51	574.24
d) Long term receivables under Financing activities	13	5,071.34	3,656.19
e) Long term Loans and advances	14	66.09	315.80
2 Current assets			
a) Current Investments	15	1,150.00	1,053.00
b) Cash and Bank Balances	16	326.69	36.67
c) Short Term Receivables under Financing activities	17	2,650.31	2,511.52
d) Short Term Loans and advances	18	89.20	25.94
e) Other current assets	19	211.96	312.79
	Total	10,128.21	8,572.32

Significant Accounting policies 1-2

Accompanying notes forming part of the financial statements 28-39

As per our report of even date attached

For N.C. Rajagopal & Co

Chartered Accountants

Firm Registration Number: 0033985

For and on behalf of Board of Directors

Shiksha Financial Services India Private Limited

CIN: U74900TN2014PTC094623

Arjun S

Partner

Membership No.230448

Pradeep V Bhide

Chairman

DIN: 03304262

V.L.Ramakrishnan

Director

DIN: 02326543

Place: Chennai

Date: 29-05-2025

Srinivasaraghavan Soundararajan

Chief Financial officer

Manoj Kumar Jena

Company Secretary



Shiksha Financial Services India Private Limited

CIN: U74900TN2014PTC094623

Standalone Profit and Loss Account for the year ended March 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

Particulars	Notes	2024-25	2023-24
1 Revenue from operations	20	1,498.14	2,119.82
2 Other Income	21	350.01	108.94
3 Total Income (1+2)		1,848.15	2,228.76
4 Expenses			
Finance Cost	22	206.96	71.01
Employee Cost	23	965.85	1,497.57
Administrative and other expenses	24	467.07	495.03
Provisions & Write off	25	25.10	26.50
Depreciation and Amortisation	10	52.26	64.66
Total Expenses		1,717.24	2,154.77
5 Profit / (Loss) before exceptional and extraordinary items and tax (3-4)		130.91	73.99
6 Exceptional and extraordinary items (refer note 33)		-	-
7 Profit / (Loss) before tax (5-6)		130.91	73.99
8 Tax expenses:	26		
Current tax		-	-
Reversal of Current Tax pertaining to earlier years		(14.14)	-
Deferred tax		60.71	7.02
		46.57	7.02
9 Profit / (Loss) for the year (7-8)		84.34	66.97
10 Earning per share	27		
Basic (Rs.10/-)		1.21	0.96
Diluted (Rs.10/-)		0.90	0.71
Significant Accounting policies		1-2	
Accompanying notes forming part of the financial statements		28-39	

As per our report of even date attached

For N.C. Rajagopal & Co

Chartered Accountants

Firm Registration Number: 0033985

For and on behalf of Board of Directors

Shiksha Financial Services India Private Limited

CIN: U74900TN2014PTC094623

Arjun S

Partner

Membership No 230448

Pradeep V Bhide

Chairman

DIN: 03304262

V.L.Ramakrishnan

Director

DIN: 02326543

Place: Chennai

Date: 29-05-2025

Srinivasaghavan Soundararajan

Chief Financial officer

Manoj Kumar Jena

Company Secretary



Shiksha Financial Services India Private Limited

Standalone Cash flow statement for the year ended March 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

Particulars	For the year ended 31 st March 2025	For the year ended 31 st March 2024
Cash flow from Operating Activities:	130.91	73.99
Net profit before tax and after extraordinary items		
<u>Adjustment for</u>		
Depreciation & Amortisation	52.26	64.66
(Gain) / loss on sale of Property, Plant and Equipment	(0.19)	(0.34)
Finance costs	206.96	71.01
Provisions on Loans	(254.71)	(47.33)
Loans written off	-	-
Provision for Leave encashment	(3.71)	(2.98)
Gain on sale of Mutual fund investment	(87.66)	(68.64)
Operating profit/(loss) before working capital changes	43.85	90.37
Changes in working capital		
<u>(Adjustment for (increase) / decrease in operating assets:</u>		
Loans and advances, Financing Operations	(1,553.94)	363.67
Long term Loans and advances, Others	249.71	(91.50)
Short term Loans and advances, Others	(63.26)	19.55
Other current assets	114.97	(28.37)
<u>Adjustments for increase / (decrease) in operating liabilities:</u>		
Short Term Provisions & Other Current Liabilities	(45.95)	27.64
Cash flow from Operations	(1,254.62)	381.36
(A) Net cash flow from Operating Activities	(1,254.62)	381.36
Cash flow from Investing Activities:		
Net Capital expenditure on Property, Plant and Equipment	(15.01)	(18.69)
Net (purchase)/Sale of investments - Mutual funds	(9.33)	(212.36)
Investment in subsidiary company	-	(10.00)
(B) Net cash used in Investing Activities	(24.35)	(241.05)
Cash flow from Financing Activities:		
Proceeds from NCD	1,000.00	-
Redemption of Non-Convertible Debentures	(140.00)	(250.00)
Proceeds from Term loans from financial institutions	1,400.00	300.00
Repayment of Borrowings from financial institutions	(490.53)	(352.96)
Finance cost paid	(200.48)	(74.11)
(C) Net cash used in Financing Activities	1,568.99	(377.07)
Net (Decrease)/Increase in Cash and Cash equivalents (A+B+C)	290.02	(233.76)
Cash and Cash equivalents at the beginning of the year	36.67	273.43
Cash and Cash equivalents at the end of the year	326.69	36.67
Note: Cash and Cash equivalents at the end of the year comprises:		
(a) Cash in Hand	3.96	8.81
(b) Balance in Current Accounts	148.31	27.86
(c) Current Maturities of Bank Deposits	174.42	-
	326.69	36.67

See accompanying notes forming part of the financial statements

For N.C. Rajagopal & Co

Chartered Accountants

Firm Registration Number: 003398S

For and on behalf of Board of Directors

Shiksha Financial Services India Private Limited

CIN: U74900TN2014PTC094623

Arjun S

Partner

Membership No 230448

Pradeep V Bhide

Chairman

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Place: Chennai

Date: 29-05-2025

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Company Secretary



Shiksha Financial Services India Private Limited

Notes to Standalone financial statements for the year ended Mar 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

1 Company overview

Shiksha Financial Services India Private Limited (The Company) is an Non Banking Finance Company (NBFC) registered with Reserve Bank of India (RBI). The Company follows RBI guidelines applicable to NBFCs. The Company is a Private Limited company with registered office in Chennai, Tamil Nadu. The Company is engaged in the business of providing education finance and loan against property.

2 The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

2.1. Basis of preparation

The financial statements of the Company have been prepared and presented in accordance with the Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Reserve Bank of India / Institute of Chartered Accountants of India and the provisions of the Companies Act, 2013, to the extent applicable. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year. The Assets and Liabilities have been classified as Non Current and Current based on 12 month operating cycle.

The Company follows the Prudential norms for income recognition, asset classification and provisioning as prescribed by the Reserve Bank of India (RBI) for Non-Banking Financial Company, Base Layer [NBFC-BL] (earlier, Non-Banking Financial Company Non-Systemically Important Non-Deposit taking Company [NBFC-Non-SI-ND]).

2.2. Use of estimates

The preparation of the financial statements is in conformity with generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements. Management believes that the estimates made in the preparation of financial statements are prudent and reasonable. Actual results could differ from estimates. Revisions to accounting estimates are recognized prospectively in current and future periods.

2.3. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.



Shiksha Financial Services India Private Limited

Notes to Standalone financial statements for the year ended Mar 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

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).

2.4. Revenue recognition

- a) Interest income is recognized on a time proportion basis based on the interest rates implicit in the contracts. Income on Non-Performing assets is recognised only when realised
- b) Fees and commission income are recognised on an accrual basis.
- c) Recovery from bad debts written off, Loan Processing Fees, Legal & Technical Fees, Cheque dishonour charges etc., are recognised on receipt basis.
- d) Income from fixed deposits are recognised on accrual basis.
- e) Income from Mutual funds are recognised when it is realised. Profit or loss on sale of mutual fund units are accounted on First in First out basis.

2.5. Receivables under Financing Activity, Provisioning and De-recognition

All loan exposures to borrowers with installment structure are stated at the full agreement value after netting off unearned income and Installments appropriated up to the Balance Sheet date.

The Company provides for standard assets at 0.40%. This is higher than the minimum provisioning norm of 0.25%, as specified by Reserve Bank of India (RBI) for Non-Banking Financial Company - Base Layer (NBFC-BL).

Provision for Non-Performing Assets are based on management estimates, which is higher than the minimum provisioning requirements specified by the Reserve Bank of India (RBI) for Non-Banking Financial Company in the Base Layer (NBFC-BL).

The Company creates an overarching Contingency Provision as a matter of prudence and abundant caution.

Any interest accrued on Non-Performing Assets until the said asset became a Non performing Asset and remaining overdue is de-recognised by reversing the interest income.

2.6. Property Plant and Equipment and depreciation

Tangible assets

Fixed assets are carried at cost less accumulated depreciation and impairment, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use including the subsequent expenditure after their purchase/ completion if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.



Shiksha Financial Services India Private Limited**Notes to Standalone financial statements for the year ended Mar 31, 2025**

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

Intangible assets

Intangible assets are recorded at the consideration paid for acquisition.

Depreciation

Depreciation on tangible assets are provided on straight line method. Depreciation is provided based on the useful life as prescribed in Part C of Schedule II to the Companies Act, 2013 or Company's estimate whichever is lower. The useful life estimated is as follows:

Category	Useful Life (years) as per Companies Act, 2013	Useful life (years), as per Company
Computers	3	3
Office Equipment	5	3
Furniture, Fixtures, Electrical Equipment	10	5
Vehicles	8	3
Software	5	5

Improvements to leasehold premises are depreciated over the primary lease period or 5 years, whichever is lower.

Intangible assets are amortized over their estimated useful life (presently, 5 years), on a straight line basis.

2.7. Foreign currency transactions and translations

Transactions in foreign currencies, if any, entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

2.8. Investments

Investments are classified as Current and Non Current based on their nature and intended holding period.

Non Current Investments are valued at cost, Current Investments are valued at lower of cost or net realisable value.

2.9. Retirement and other employee benefitsDefined contribution plans

Provident Fund: The Company makes contributions to the Employees' Provident Fund Scheme maintained by the Government of India and Company's contributions to the fund are recognised as an expense in the Profit and Loss account in the period when services are rendered by the employees.



Shiksha Financial Services India Private Limited**Notes to Standalone financial statements for the year ended Mar 31, 2025**

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

Employee State Insurance: The Company contributes to Employees State Insurance Scheme and recognises such contribution as an expense in the Profit and Loss account in the period when services are rendered by the employees.

Defined benefit plans

Gratuity: The Company's liability under The Payment of Gratuity Act is recognised based on an actuarial valuation and the same has been expensed in the Profit and Loss account.

Compensated absences: The liability towards accumulated leave balances, in accordance with the Company's policy are actuarially valued and the same has been recognised as an expense in the Profit and Loss account.

Short term employment benefits

All short term employee benefit plans such as salaries, wages, incentives, special awards and medical benefits which fall due within 12 months of the financial year are recognized on an undiscounted basis and charged to the statement of profit and loss.

2.10. Finance costs

Interest on borrowings is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable on the borrowings. Ancillary costs incurred in connection with the arrangement of borrowings are expensed in the year of occurrence.

2.11. Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. Currently the company is operating in only one reportable business segment i.e., financing and hence reporting segment wise is not warranted for.

2.12. Leases

Leases where the Lessor effectively retains substantially all the risks and benefits of ownership over the lease term, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on accrual basis.

2.13. Basic earnings per share

Basic earnings per share is computed by dividing net profit or loss for the period attributable to equity shareholders by the weighted average number of shares outstanding during the year. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.



Shiksha Financial Services India Private Limited**Notes to Standalone financial statements for the year ended Mar 31, 2025**

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

2.14. Taxation

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Deferred tax is recognized on timing differences, being the difference between taxable and accounting income that originate in one period and is capable of reversal in one or more subsequent periods.

2.15. Impairment

The Company assesses at each balance sheet date whether there is an indication that an asset may be impaired. If any such condition exists, the Company estimates the recoverable amount (defined as higher of cash generating unit's net selling price and its value in use) of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss.

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to maximum of depreciated historical cost.

2.16. Provisions, Contingent Liabilities and Contingent Assets

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognised nor disclosed in the financial statements.



Shiksha Financial Services India Private Limited

Notes to Standalone financial statements for the year ended Mar 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

		As at Mar 31, 2025	As at Mar 31, 2024
3 Share Capital			
Authorised			
72,14,293 (Previous year 72,14,293) Class A equity shares of Rs.10 each		721.43	721.43
30,00,000 (Previous year 30,00,000) Class B equity share of Re.1 each		30.00	30.00
24,85,707 (Previous year 24,85,707) Series B, B1, B2 Compulsorily Convertible Preference Shares of Rs.10 each		248.57	248.57
		1,000.00	1,000.00
Issued, subscribed and paid up			
66,76,052 (Previous year 66,76,052) Class A equity shares of Rs.10 each		667.60	667.60
30,00,000 (Previous year 30,00,000) Class B equity share of Re.1 each		30.00	30.00
7,67,652 (Previous year 7,67,652) Series B 0.1% Compulsorily Convertible Preference Shares of Rs.10 each		76.77	76.77
10,12,623 (Previous year 10,12,623) Series B1 0.1% Compulsorily Convertible Preference Shares of Rs.10 each		101.26	101.26
6,26,308 (Previous year 6,26,308) Series B2 0.01% Compulsorily Convertible Preference Shares of Rs.10 each		62.63	62.63
		938.26	938.26

a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period

	No. of Shares	Amount	No. of Shares	Amount
Equity Shares – Class A				
At the beginning of the year	66,76,052	667.60	66,76,052	667.60
Add: Shares issued during the year				
At the end of the year	66,76,052	667.60	66,76,052	667.60
Equity Shares – Class B				
At the beginning of the year	30,00,000	30.00	30,00,000	30.00
At the end of the year	30,00,000	30.00	30,00,000	30.00

b) Reconciliation of preference shares outstanding at the beginning and at the end of the reporting period

i) Preference Shares - Series B 0.1% Compulsorily Convertible Preference Shares

At the beginning of the year	7,67,652	76.77	7,67,652	76.77
Add: Shares issued during the year				
At the end of the year	7,67,652	76.77	7,67,652	76.77

ii) Preference Shares - Series B1 0.1% Compulsorily Convertible Preference Shares

At the beginning of the year	10,12,623	101.26	10,12,623	101.26
Add: Shares issued during the year				
At the end of the year	10,12,623	101.26	10,12,623	101.26

iii) Preference Shares - Series B2 0.01% Compulsorily Convertible Preference Shares

At the beginning of the year	6,26,308	62.63	6,26,308	62.63
Add: Shares issued during the year				
At the end of the year	6,26,308	62.63	6,26,308	62.63



Shiksha Financial Services India Private Limited

Notes to Standalone financial statements for the year ended Mar 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

As at Mar 31, 2025 As at Mar 31, 2024

c) Details of shareholders holding more than 5% shares of the Company

	No of Shares	%	No of Shares	%
--	---------------------	----------	---------------------	----------

Equity Shares – Class A

Aspada Investment Company	20,06,457	30.05%	20,06,457	30.05%
Zephyr Peacock India Growth Fund, (Trust)	18,73,883	28.07%	18,73,883	28.07%
Individually held by V L Ramakrishnan	1,29,500	14.98%	1,29,500	14.98%
V L Ramakrishnan / Annapurni R	8,70,500		8,70,500	
Individually held by Jacob Abraham	55,000	9.14%	55,000	9.14%
Jacob Abraham / Nandini Raj	5,55,000		5,55,000	
Zephyr Peacock India Growth Fund Ltd	4,35,674	6.53%	4,35,674	6.53%

Equity Shares – Class B

Shiksha ESOP Trust	21,60,000	72.00%	21,60,000	72.00%
ESOP Employees	8,40,000	28.00%	8,40,000	28.00%

Series B 0.1% Compulsorily Convertible Preference Shares

Michael and Susan Dell Foundation	5,19,601	67.69%	5,19,601	67.69%
Aspada Investment Company	2,48,051	32.31%	2,48,051	32.31%

Series B1 0.1% Compulsorily Convertible Preference Shares

Zephyr Peacock India Growth Fund Ltd	2,21,051	21.83%	2,21,051	21.83%
Michael and Susan Dell Foundation	7,91,572	78.17%	7,91,572	78.17%

Series B2 0.01% Compulsorily Convertible Preference Shares

Aspada Investment Company	3,31,819	52.98%	3,31,819	52.98%
Michael and Susan Dell Foundation	1,79,274	28.62%	1,79,274	28.62%
Zephyr Peacock India Growth Fund	1,15,215	18.40%	1,15,215	18.40%

d) Rights, preferences and restrictions attached to shares

Equity shares

The Company has issued Class A and Class B equity shares:

Class A Shares

The face value of Class A Shares is Rs. 10 per share. All equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. Each holder of equity shares is entitled to one vote per share. On winding up of the company, the holders of equity shares will be entitled to receive the residual assets of the company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

Class B Shares

The face value of Class B Shares is Re. 1 per share. All equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. Each holder of equity shares is entitled to one vote per share. On winding up of the company, the holders of equity shares will be entitled to receive the residual assets of the company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.



Shiksha Financial Services India Private Limited

Notes to Standalone financial statements for the year ended Mar 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

Preference Shares

The Company has issued Compulsorily Convertible Preference Shares:

Series B Compulsorily Convertible Preference Shares

The Series B 0.1% CCPS shall be automatically converted into equity shares, at the earlier of a) 10 years from the date of issuance b) prior to a qualified IPO c) at the option of the shareholder. The Series B CCPS allotted, have priority with respect to payment of dividend.

In a liquidation event, the holders of the Series B CCPS shall have priority over the other shareholders of the Company. The proceeds of a liquidation event shall be distributed such that the holder of a Series B CCPS shall be paid the higher of a) total amount invested b) pro rata entitlement.

Series B1 Compulsorily Convertible Preference Shares

The Series B1 0.1% CCPS shall be automatically converted into equity shares, at the earlier of a) 20 years from the date of issuance b) prior to a qualified IPO c) at the option of the investor. The Series B1 CCPS shall rank senior in preference to all other Securities (other than the existing compulsorily convertible preference shares being Series B CCPS, issued to Aspada Investment Company and Michael & Susan Dell Foundation, which will be treated pari passu with the Series B1 CCPS) of the Company, including the Equity Shares as regards payments of any dividends declared by the Company.

In a liquidation event, prior to payments to any class of shareholders including holders of any other preference shares, the holders of the Series B1 CCPS shall have priority over the other shareholders of the Company. The proceeds of a liquidation event shall be distributed such that the holder of a Series B1 CCPS shall be paid the higher of a) total amount invested b) pro rata entitlement.

Series B2 Compulsorily Convertible Preference Shares

The Series B2 CCPS shall be automatically converted into equity shares, at the earlier of a) 20 years from the date of issuance b) prior to a qualified IPO c) at the option of the investor. The Series B2 CCPS shall rank senior in preference to all other securities of the Company, including Equity Shares as regards payments of any dividends declared by the Company.

In a liquidation event, prior to payments to any class of shareholders including holders of any other preference shares, the holders of the Series B2 CCPS shall have priority over the other shareholders of the Company. The proceeds of a liquidation event shall be distributed such that the holder of a Series B2 CCPS shall be paid the higher of a) total amount invested b) pro rata entitlement.

e) In the financial year ended March 31, 2018, The Company established Shiksha Employee Stock Options Trust (Shiksha ESOP Trust) for grant of shares to Eligible employees, under a duly approved ESOP scheme. The ESOP Trust, purchased 10,000 Class B Equity Shares having face value of Re 1 per equity share fully paid through a loan extended to the Trust by the Company. This loan, has since been repaid. Further, 29,90,000 fully paid Class B Equity shares were allotted to Shiksha ESOP trust by a bonus share issuance by capitalising securities premium.

f) Details of Bonus shares issuance in the last five years: NIL

g) During the year 2024-25, the Company has allotted Nil Series B2 Compulsorily Convertible Preference Shares of Rs. 10 each.

h) Details of Shares held by promoters

Equity Shares – Class A

S.No.	Promoter Name	No of Shares	% of total	% Change during the year
1	V.L. Ramakrishnan	1,29,500	1.94%	Nil
2	V.L. Ramakrishnan jointly with Annapurni R.	8,70,500	13.04%	Nil
	Total	10,00,000	14.98%	



Shiksha Financial Services India Private Limited

Notes to Standalone financial statements for the year ended Mar 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

	As at Mar 31, 2025	As at Mar 31, 2024												
4. Reserves and Surplus														
(i) Statutory Reserve														
Balance at the beginning of the year	95.39	82.00												
Add: Additions during the period	<u>16.87</u>	<u>13.39</u>												
Balance at the end of the year	112.26	95.39												
(ii) Securities Premium														
Balance at the beginning of the year	8,781.27	8,781.27												
Securities Premium received during the period	-	-												
Less: Capital raising costs	-	-												
Balance at the end of the year	8,781.27	8,781.27												
(iii) Surplus/Loss (Profit and loss balance)														
Balance at the beginning of the year	(4,107.44)	(4,161.02)												
Add: Profit/(Loss) for the period	84.34	66.97												
Less: Transferred to statutory reserve	<u>(16.87)</u>	<u>(13.39)</u>												
Balance at the end of the year	<u>(4,039.97)</u>	<u>(4,107.44)</u>												
Total	<u>4,853.56</u>	<u>4,769.22</u>												
5. Long term Borrowings														
Secured														
Loans, from other than banks (Note 5.1)	593.50	103.33												
Non-convertible debentures (Note 5.2)	<u>460.00</u>	-												
	<u>1053.50</u>	<u>103.33</u>												
5.1 Term Loans, from other than banks														
MAS Financial Services Ltd	103.33	263.33												
Profectus Capital Pvt Ltd	279.43	90.38												
UC Inclusive Credit Private Limited	757.60	-												
RAR Fincare Limited	122.82	-												
	<u>1,263.18</u>	<u>353.71</u>												
Out of the above														
Long term (maturities beyond 12 months)	593.50	103.33												
Current maturities (maturities within next 12 months)	669.68	250.38												
Note:														
a) Principal and Interest are payable monthly in respect of all lenders.														
b) Secured against hypothecation of book debts for loan taken from MAS, Profectus, UC Inclusive & RAR Fincare.														
c) Additional cash collateral of 5% of loan amount is given to profectus & RAR Fincare.														
d) Interest rates on above borrowings, as per the sanction range between 14.60% p.a. to 16.80% p.a.														
5.2 Non-convertible debentures	as at 31 st March 2025													
From Parties, other than related parties	<table border="1" style="display: inline-table;"><thead><tr><th><1 year</th><th>1-2 years</th><th>2-6 years</th><th>Total</th></tr></thead><tbody><tr><td>400.00</td><td>400.00</td><td>60.00</td><td>860.00</td></tr><tr><td>400.00</td><td>400.00</td><td>60.00</td><td>860.00</td></tr></tbody></table>	<1 year	1-2 years	2-6 years	Total	400.00	400.00	60.00	860.00	400.00	400.00	60.00	860.00	
<1 year	1-2 years	2-6 years	Total											
400.00	400.00	60.00	860.00											
400.00	400.00	60.00	860.00											
From Parties, other than related parties	<table border="1" style="display: inline-table;"><thead><tr><th><1 year</th><th>1-2 years</th><th>2-6 years</th><th>Total</th></tr></thead><tbody><tr><td>-</td><td>-</td><td>-</td><td>-</td></tr><tr><td>-</td><td>-</td><td>-</td><td>-</td></tr></tbody></table>	<1 year	1-2 years	2-6 years	Total	-	-	-	-	-	-	-	-	as at 31 st March 2024
<1 year	1-2 years	2-6 years	Total											
-	-	-	-											
-	-	-	-											



Shiksha Financial Services India Private Limited

Notes to Standalone financial statements for the year ended Mar 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

Note:

- a) Interest is payable Monthly to debenture holders
- b) These debentures are secured against specified receivables under Financing Activity
- c) Interest rates on above NCDs is 16.50% p.a
- d) Defaults if any - Nil (Previous Year - Nil)
- e) Out of the above

Long term maturities (maturities beyond 12 months)	460.00	-
Current maturities (maturities within next 12 months)	400.00	-

	As at Mar 31, 2025	As at Mar 31, 2024
6. Long Term Provisions		
Provision for Loan Assets		
Provision for Standard Assets	18.75	38.45
Provision for Restructuring assets	0.04	7.77
Provision for Sub Standard, Doubtful Assets	79.22	1,167.29
Provision for Contingency	<u>3.25</u>	<u>38.23</u>
	101.26	1,251.74
Provision for Employee Benefits		
Provision for Leave Encashment	<u>6.75</u>	<u>11.37</u>
	<u>108.01</u>	<u>1,263.12</u>

7. Short Term Borrowings

Secured

Current maturities of long term borrowings from others	669.68	250.38
Current maturities of NCD	400.00	-
	<u>1,069.68</u>	<u>250.38</u>

8. Other Current Liabilities

Interest accrued and not due on Loans	8.33	1.87
Statutory dues payable	28.52	34.15
Expenses Payables	113.60	134.40
Employee Payables	50.28	68.15
Gratuity Payables	62.57	53.36
Advances from customers	<u>50.08</u>	<u>48.74</u>
	<u>313.37</u>	<u>340.67</u>

Particulars	Outstanding for following periods from due date of payment				
	<1 year	1-2 years	2-3 years	>3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	113.60	-	-	-	113.60
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-

9. Short Term Provisions

Provision for Loan Assets			
Provision for Standard Assets	3.29	3.57	
Provision for Restructuring assets	0.98	3.96	
Provision for Sub Standard, Doubtful Assets	1,717.55	831.93	
Provision for Contingency	57.10	13.71	
Provision for FLDG Assets	<u>-</u>	<u>1,778.92</u>	<u>29.97</u>
			883.14
Others			
Provision for Leave Encashment	7.93	7.02	
Other provision for employees	4.98	17.18	
	<u>1,791.83</u>	<u>907.34</u>	



Shiksha Financial Services India Private Limited

Notes to Standalone financial statements for the year ended Mar 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

Note 10 – Property, Plant and Equipment & Intangible Assets (Net):

Description	GROSS BLOCK			DEPRECIATION RESERVE			NET BLOCK	
	As at 01.04.2024	Additions	Disposal/ Adjustment	As at 31.03.2025	Upto 31.03.2024	For the year	Disposal/ Adjustment	Upto 31.03.2025
(i) PROPERTY, PLANT & EQUIPMENT								
Office Equipment	101.58	2.91	0.40	104.09	89.87	8.66	0.37	98.16
Furniture and Fittings	86.23	0.46	-	86.69	71.83	9.78	-	81.60
Premises	72.80	-	-	72.80	58.26	14.06	-	72.32
Computers	119.80	1.13	0.81	120.12	105.03	10.71	0.78	114.97
Total	380.41	4.49	1.21	383.69	324.99	43.21	1.14	367.06
								16.64
								55.42
Previous Year	365.43	16.15	1.18	280.41	274.21	51.89	1.10	325.00
								55.41
								91.22
(ii) INTANGIBLE ASSETS								
Software	73.16	10.78	-	83.94	52.41	9.06	-	61.47
Total	73.16	10.78	-	83.94	52.41	9.06	-	61.47
								22.47
								20.75
Previous Year	70.21	2.95	-	73.16	39.63	12.77	-	52.40
								20.75
								30.58
(iii) INTANGIBLE ASSETS UNDER DEVELOPMENT								
Software	-	-	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-	-	-
Total (i + ii + iii)								
Current Year	453.57	15.27	1.21	467.63	377.40	52.27	1.14	428.53
Previous Year	435.64	19.10	1.18	453.57	313.84	64.66	1.10	377.40
								76.16
								121.80

Note: During the year no revaluation was made for fixed assets.



Shiksha Financial Services India Private Limited

Notes to Standalone financial statements for the year ended Mar 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

	As at Mar 31, 2025	As at Mar 31, 2024
11. Non-current Investment		
a) In Equity Shares of Subsidiary Company		
Unquoted, full paid up		
Shiksha Business Services India Pvt Ltd	10.00	10.00
1,00,000 shares of Rs.10 each		
	10.00	10.00
12. Deferred Tax Assets (Net)		
Deferred Tax Asset		
Employee costs	3.69	4.63
Provision for Loan Losses	<u>473.20</u>	<u>537.31</u>
Less: Deferred Tax Liability		
Depreciation	(36.61)	(32.30)
	513.51	574.24
13. Long Term receivables under Financing activities		
Secured, considered good – Standard	4,621.68	2,850.97
Secured, Sub Standard and Doubtful	399.10	241.66
Unsecured, considered good – Standard	6.24	155.53
Unsecured, substandard and doubtful	44.32	408.03
	5,071.34	3,656.19
14. Long Term loans and advances		
Cash collateral with Financial institutions*	20.90	270.61
Rental deposit	<u>45.19</u>	<u>45.19</u>
	66.09	315.80
*Note: Cash collateral includes Rs.0.00 lakh, (previous year, Rs.267.21 Lakh) FLDG placed with a bank, in respect of BC lending activity.		
15. Current Investment		
a) In Mutual Funds (unquoted, non trade, at cost)		
HSBC (earstwhile L&T), Liquid Fund Growth Fund plan (7,751.444 units with NAV of Rs.2,484.3292 as on 31st Mar, 2025 as against 18,852.954 units with NAV of Rs.2,405.9756 as on 31st March, 2024)	200.00	453.00
HSBC (earstwhile L&T), Overnight Fund Growth Fund plan (3,744.780 units with NAV of Rs.1,336.1581 as on 31st Mar, 2025 as against 7,987.379 units with NAV of Rs.1,252.9183 as on 31st March, 2024)	50.00	100.00
HDFC Liquid Fund, Growth Fund plan (9,833.975 units with NAV of Rs.5,110.8493 as on 31st Mar, 2025 as against 10,553.926 units with NAV of Rs.4,743.661 as on 31st March, 2024)	500.00	500.00
ICICI Liquid Fund, Growth Fund plan (1,04,367.530 units with NAV of Rs.383.9667 as on 31st Mar, 2025 as against Nil units with NAV of Nil as on 31st March, 2024)	400.00	-
	1,150.00	1,053.00

Fair market value of above Mutual Fund investment as on 31st Mar, 2025 is Rs.1,153.70 Lakhs
(Previous year Rs. 1054.32 Lakhs)



Shiksha Financial Services India Private Limited

Notes to Standalone financial statements for the year ended Mar 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

	As at Mar 31, 2025	As at Mar 31, 2024
16. Cash and Bank Balances		
a) Cash and cash equivalents		
i) Cash -in-hand	3.96	8.81
ii) Balance with banks In current accounts	148.31	27.86
iii) Current maturities of bank deposits with original maturity of < 3 months	26.32	-
b) Other Bank Balances		
Bank deposits with original maturity of > 3 months	148.10	-
	326.69	36.67
17. Short term receivables under Financing activities		
Secured, considered good – Standard	730.84	472.97
Secured, Sub Standard and Doubtful	106.38	73.33
Unsecured, considered good – Standard	61.26	350.28
Unsecured, Sub standard and Doubtful	263.36	384.87
	1,161.84	1,281.45
Loan instalment overdue, secured, considered good – Standard	17.90	51.39
Loan instalment overdue, unsecured, considered good – Standard	6.35	60.60
Loan instalment overdue, secured, sub standard and doubtful	179.33	135.35
Loan instalment overdue, unsecured, sub standard and doubtful	1,213.47	935.74
	1,417.05	1,183.08
Interest accrued but not due (Considered good) - Standard	71.42	46.99
	2,650.31	2,511.52
18. Short Term Loans and Advances		
Cash collateral with Financial institutions	7.97	7.50
Other Advances	70.79	11.62
Balances with Govt Authorities	10.44	6.82
	89.20	25.94
19. Other current assets		
Interest accrued on Fixed Deposits/Cash collaterals	7.55	19.31
Rental deposit	9.50	12.18
Prepaid Expenses	46.94	43.70
Gratuity Fund - Balance with Trust	62.53	64.31
Advance Income Tax, TDS (net of Provision for Tax)	9.77	22.83
Other recoverable	75.67	150.46
	211.96	312.79



Shiksha Financial Services India Private Limited

Notes to Standalone financial statements for the year ended Mar 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

	For the period ended 31st Mar 2025	For the period ended 31st Mar 2024
20. Revenue from operations		
Interest income	1138.11	853.47
Fees, Charges and Commission income	129.28	858.86
Bad debts recovered	167.75	407.49
	1,498.14	2,119.82
21. Other income		
Treasury Operations income		
-Interest on bank Deposits	15.97	30.57
-Gain on Mutual fund Investment	87.66	68.64
Interest on Income tax refund	1.48	0.99
Management Fee	51.42	-
Others – Miscellaneous	10.58	8.74
Provision Writtenback (refer note 25)	182.90	-
	350.01	108.94
22. Finance Cost		
Interest on debentures	59.75	3.78
Interest on Term loans – Non Banks	135.30	53.84
Other Borrowing Costs	11.91	13.39
	206.96	71.01
23. Employee Cost		
Salaries, wages and bonus	913.09	1,376.97
Contribution to Provident Fund, ESI and Gratuity	50.03	72.60
Staff welfare expenses	2.73	48.00
	965.85	1497.57
24. Administrative and Other expenses		
Rent	68.03	98.31
Electricity, Office maintenance and repairs	31.97	38.63
Insurance expense – others	30.86	23.41
Insurance expense – Loans	-	2.16
Rates and taxes	27.60	22.14
Travelling and Conveyance	116.56	106.64
Information Technology Expenses	47.28	38.60
Legal and Professional fees	51.83	57.12
Collection and Recovery Costs	4.37	6.44
Credit and Loan origination costs	12.93	9.18
Printing, Stationery and Communication Costs	15.34	22.95
Bank and Collection Charges	18.55	19.91
Audit fees		
Statutory Audit	7.50	8.05
Tax Audit	1.25	1.25
Certifications	1.90	1.90
Director's Sitting fees	9.00	9.00
Other expenses	22.10	29.34
	467.07	495.03



Shiksha Financial Services India Private Limited

Notes to Standalone financial statements for the year ended Mar 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

	For the period ended 31st Mar 2025	For the period ended 31st Mar 2024
25. Provisions		
Provision for Standard Assets*	10.77	-
Provision, Sub Standard and Doubtful*	14.33	26.50
Provision for Contingency	-	-
Loans Written off	-	-
	25.10	26.50
*reversal of provision in respect of		
- Standard assets	-	-
- Sub Standard, Doubtful and Restructured assets	182.90	-
Total reversal of provision (refer note 21)	182.90	-
26. Income tax		
Deferred Tax	60.71	7.02
	60.71	7.02
27. Earning per shares		
Profit after tax	84.34	66.97
Weighted average number of Equity Shares (Basic)	69.76	69.76
Add: Dilutive effect relating to CCPS	24.07	24.07
Weighted average number of Equity Shares (Diluted)	93.83	93.83
Earning per Shares – Basic (`)*	1.21	0.96
Earning per Shares – Diluted (`)	0.90	0.71
Face value per share (`)	10.00	10.00

*Note: Earning per Shares calculation are as per Accounting Standard 20 (AS 20) "Earning per Share"



Shiksha Financial Services India Private Limited

Notes to Standalone financial statements for the year ended Mar 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

28. Additional disclosures pursuant to the Reserve Bank of India's Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016

	Particular	Amount outstanding	Amount Overdue
Liabilities Side			
a	Loans and advances availed by the NBFC		
	i) Term Loans	1,271.50	-
	ii) NCD	860.00	-
Assets side:			
b	Break-up of Loans and Advances including bills receivables		
	i) Secured	6,125.61	-
	ii) Unsecured	1,596.04	-
c	Break-up of Investments		
	Current Investments		
	i) Quoted		
	- Units of mutual funds	1,150.00	-
	ii) Unquoted		
	- Equity	10.00	-
d	Borrower group-wise classification of assets financed	Amount net of provisions	
	i) Related Parties	Secured	Unsecured
	- Subsidiaries	-	-
	- Companies in the same group	-	-
	- Other related parties	-	-
	ii) Other than related parties	5,841.47	-
e	Investor group-wise classification of all investments (current and long term) in shares and securities (Both quoted and unquoted)	Market Value/ Fair Value or NAV	Book Value (Net of Provisions)
	i) Related Parties		
	- Subsidiaries	-	-
	- Companies in the same group	-	-
	- Other related parties	-	-
	ii) Other than related parties	1,153.70	1,150.00
f	Other information		
	Particulars	Amount	
	(i) Gross Non-Performing Assets		
	- related parties	-	
	- Other than related parties	2,205.96	
	(ii) Net Non-Performing Assets		
	- related parties	-	
	- Other than related parties	348.84	
	(iii) Assets acquired in satisfaction of debt	-	



Shiksha Financial Services India Private Limited

Notes to Standalone financial statements for the year ended Mar 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

29. The Company is a Non-Banking Financial Company in the Base Layer (NBFC-BL). In addition to the disclosures being made vide Note 28 above, the following disclosure in the Financials Statement are being made

a) Capital Adequacy	As at March 31, 2025	As at March 31, 2024
CRAR - Tier I Capital (%)	66.87%	86.59%
CRAR - Tier II Capital (%)	0.29%	0.91%
CRAR (%)	67.16%	87.50%

b) Asset classification	As at March 31, 2025		
	Gross Loans	Provisions	Net Loans
Standard	5,515.68	23.05	5,492.63
Sub-standard	772.83	478.54	294.29
Doubtful	1,433.14	1,318.23	114.90
Total	7,721.65	1,819.82	5,901.82
Provision for Contingencies			60.36
Net Assets			5,841.46

c) Provisions for loan assets	As at March 31, 2025	As at March 31, 2024
Provision for Standard Assets	22.04	42.02
Provision for Sub Standard and Doubtful Assets*	1,796.77	1,999.22
Provision for Restructured Assets	1.01	11.74
Provision for Contingencies	60.36	51.94
Provision for FLDG Assets	-	29.97
Total Provisions and Contingencies	1,880.18	2,134.89

* including Rs.389.26 Lakhs (Previous Year 1527.08 Lakhs) provision for NPA, in addition to RBI requirement

d) The Company, as a prudent measure, has made a provision at 0.40% (Previous year 0.40%) for Standard Assets on the Balance Sheet date as against the RBI requirement of 0.25% provision.

e) The Company, as a prudent measure, had created an additional provision for Contingencies of Rs.8.42 lakhs during FY 24-25. This is in addition to RBI requirements and as per Company policy.

30. Related Party Disclosures

Key Management personnel	V L Ramakrishnan	Promoter and Whole time Director
Relatives of Key Management Personnel	a) Mrs. Annapurni R	Wife

Transactions	As at March 31, 2025	As at March 31, 2024
V.L. Ramakrishnan		
-Remuneration	88.35	71.75
Jacob Abraham (upto 30 th Sept 2023)		
-Remuneration	-	28.09
Shiksha Business Services Private Limited		
- Creditors Payable	41.57	0.21
- Expenses reimbursement including management fees	565.58	-
Year end balances		
- Equity Share Capital – V L Ramakrishnan/Annapurni R	100.00	100.00

31. Micro, Small and Medium Enterprises Development Act, 2006

There have been no overdue amounts payable to Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 based on the information available with the Company. Further the Company has not paid any interest to Micro, Small and Medium Enterprises during the year ended Mar 31, 2025 hence, the disclosure relating to the same are not applicable.



Shiksha Financial Services India Private Limited

Notes to Standalone financial statements for the year ended Mar 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

32. Pursuant to Reserve Bank of India circular Number DOR/STR/REC.68/21.04.048/2021-22 dated 12 November 2021; read with circular DOR.STR.REC.85/21.04.048/2021-22 dated 15 February 2022, The Company has implemented the necessary changes in Income Recognition, Asset Classification and Provisioning (IRACP) norms.

33. During the year ended 31 March 2022 to relieve COVID-19 pandemic related stress, the Company has invoked resolution plans for eligible borrowers based on the parameters laid down in accordance with the resolution policy approved by the Board of Directors of the Company and in accordance with the guidelines issued by the RBI.

a) Disclosure on Resolution Framework 2.0 implemented in terms of RBI circular no. RBI/2021-22/32 DOR.STR.REC.11/21.04.048/2021-22 dated 5 May 2021 (Resolution of Covid-19 related stress of Micro, Small and Medium Enterprises (MSMEs), as at 31st March 2025

No. of accounts restructured	Amount (Rs. in Lakhs)
3	5.16

34. Having regard to the devastating consequential impact of the COVID pandemic on the Company's customers and its impact on their cashflows/repayment, i.e. a) Lockdowns and mobility restrictions imposed by the central and various state governments due to COVID, impacted smooth functioning of educational institutions b) Customers livelihood, health and cashflows were impacted, affecting their ability to repay loans. the Company has:-

i) During the year ended 31 March 2025, as a prudent measure, the company has maintained an additional provision for Contingencies of Rs 60.36 lakhs (previous year 51.94 lakhs) and an additional provision for NPA, of Rs.389.26 Lakhs (Previous Year 1527.08), in addition to RBI requirements and as per Company policy/estimate.

35. The Company has received an order under Section 143 (3) of the Income Tax Act, 1961 along with a tax demand Rs. 21.94 lakhs for the Assessment year 2022-23. The Company has filed an appeal before the CIT (appeals) and also filed a stay petition for demand dt.14.06.2024. During the year we received a notice u/s 250 of IT act asking for written submission along with supporting documentary evidence against our appeal. In response to said notice we have submitted our written submission on 07.05.2025. The Management is confident of getting a favourable outcome in this matter.

36. Employee Benefits

Defined Benefit Scheme - Leave Encashment: The Company has defined benefit scheme in the form of Leave Encashment to employees. The disclosure under AS – 15 (Revised) in this regard is given hereunder:

Assumptions	2024-25	2023-24
Discount Rate	6.50%	7.10%
Attrition Rate	50.00%	40.00%
Salary Escalation	8.00%	8.00%

Table showing changes in Present Value of Obligations

2024-25	2023-24
Present value of obligations at the beginning of the year	16,43,923
Interest Cost	1,16,635
Current Service Cost	1,02,082
Benefits paid	-3,66,764
Actuarial (Gain) / Loss on Obligations	-28,231
Present value of obligations as at the end of the year	14,67,645
	6,43,923

Actuarial Gain/Loss Recognised

2024-25	20203-24
Actuarial gain/ (loss) on obligation	28,231
Actuarial gain/ (loss) for the year – plan assets	-
Total gain / (loss) for the year	28,231
Actuarial gain / (loss) recognised in the year	28,231
	5,62,491



Shiksha Financial Services India Private Limited

Notes to Standalone financial statements for the year ended Mar 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

Amounts to be recognized in Balance Sheet	As at 31st Mar 2025	As at 31st Mar 2024
Present value of obligations as at the end of the year	14,67,645	16,43,923
Fair value of plan assets as at the end of the year	-	-
Funded Status	-14,67,645	-16,43,923
Net asset/(liability) recognized in balance sheet	-14,67,645	-16,43,923

Expenses Recognized in Statement of Profit and Loss	2024-25	2023-24
Current Service Cost/Past Service Cost (Vested)	1,02,082	1,79,679
Interest Cost	1,16,635	1,54,189
Expected return on plan assets	-	-
Net Actuarial (gain) / loss recognized in the year	-28,231	-5,62,491
Expenses recognized in profit and loss statement	1,90,486	-2,28,623

Defined Benefit Scheme - Gratuity: The Company has defined benefit scheme in the form of gratuity to employees. Contribution to gratuity is made to Life Insurance Corporation of India through the Gratuity Fund as per the scheme framed by the Corporation. The disclosure under AS - 15 (Revised) in this regard is given hereunder.

Assumptions	2024-25	2023-24
Discount Rate	6.50%	7.10%
Attrition Rate	50.00%	40.00%
Salary Escalation	8.00%	8.00%
Expected return on plan assets	6.50%	7.10%

Table showing changes in Present Value of Obligations	2024-25	2023-24
Present value of obligations at the beginning of the year	53,35,603	55,10,444
Interest Cost	3,78,559	3,97,595
Past Service Cost (Vested Employees)*	0	3,24,448
Current Service Cost	11,96,622	10,78,891
Benefits Paid	-6,10,333	-15,96,355
Actuarial (Gain) / Loss on obligations	-43,724	-3,79,420
Present value of obligations as at end of the year	62,56,727	53,35,603

Actuarial Gain/Loss Recognized	2024-25	2023-24
Actuarial gain / (loss) on obligations	43,724	3,79,420
Actuarial gain / (loss) for the year – plan assets	-54,651	-67,571
Total gain / (loss) for the year	-10,927	3,11,849
Actuarial gain / (loss) recognized in the year	-10,927	3,11,849

Amounts to be recognized in Balance Sheet	As at 31st Mar 2025	As at 31st Mar 2024
Present value of obligations as at the end of the year	62,56,727	53,35,603
Fair value of plan assets as at the end of the year	62,53,182	64,31,351
Funded Status	-3,545	10,95,748
Net asset / (liability) recognized in balance sheet	-3,545	10,95,748

Expenses Recognized In Statement of Profit and Loss	2024-25	2023-24
Current Service Cost/Past Service Cost (Vested)	11,96,622	14,03,339
Interest Cost	3,78,559	3,97,595
Interest Earned	-4,56,302	-5,44,790
Net Actuarial (gain) / loss recognized in the year	10,927	-3,11,849
Expenses recognized in profit and loss statement	11,29,806	9,44,295



Shiksha Financial Services India Private Limited**Notes to Standalone financial statements for the year ended Mar 31, 2025**

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

37. Other disclosures:

- a) There are no pending litigations against the Company, as at Mar 31, 2025.
- b) Complaints received by the NBFCs from customers and from the Offices of Ombudsman

Complaints received by the NBFC from its customers

Particulars	As at March 31 2025	As at March 31 2024
No. of Complaints pending as at beginning of the year	0	0
No. of Complaints received during the year	1	4
No. of Complaints redressed during the year	1	4
No. of Complaints pending as at end of the year	0	0

Maintainable complaints received by the NBFC from Office of Ombudsman

Particulars	As at March 31 2025	As at March 31 2024
No. of maintainable complaints received by the NBFC from Office of Ombudsman	4	2
No. of complaints resolved in favour of the NBFC by Office of Ombudsman	4	2
No. of complaints resolved through conciliation / mediation / advisories issued by Office of Ombudsman	0	0
No. of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	0	0

38. Additional disclosures under Schedule III

- (i) Title deeds of Immovable Property not held in name of the Company - Nil
- (ii) During the year no revaluation was made for fixed assets.
- (iii) The Company had not granted any loans or advances to promoters, Directors, KMP's and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person.
- (iv) Capital-Work-in Progress (CWIP) - Nil
- (v) Intangible assets under development - Nil
- (vi) Details of Benami Property held: No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- (vii) Wilful Defaulter - The Company is not declared as a wilful defaulter by any bank or financial institution or other lender.
- (viii) Relationship with Struck off Companies - Nil
- (ix) Registration of charges or satisfaction with Registrar of Companies beyond the statutory period - Nil
- (x) Compliance with number of layers of companies - Not Applicable
- (xi) Ratios:

Name of the Ratios	2024-25	2023-24	Variation	Reason for Variance
(a) Current ratio	NA	NA		
(b) Debt Equity ratio	0.37	0.06	491%	Due to increase in borrowing
(c) Debt Service Coverage ratio	0.47	0.31	52%	Due to increase in borrowing
(d) Return on Equity ratio	1%	1%	24%	Due to profits and increased net income from operations in the current year.
(e) Inventory Turnover Ratio	NA	NA		



Shiksha Financial Services India Private Limited**Notes to Standalone financial statements for the year ended Mar 31, 2025**

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

(f) Trade Receivables turnover ratio	NA	NA		
(g) Trade Payables turnover ratio	NA	NA		
(h) Net capital turnover ratio	NA	NA		
(i) Net profit ratio	5%	3%	52%	Due to profits and increased net income in the current year.
(j) Return on capital employed	4.27%	2.39%	78%	Due to profits and increased net income from operations in the current year.
(k) Return on investment	7.96%	7.52%	6%	Due to higher returns from market

(xii) Compliance with approved Scheme(s) of Arrangements - Not Applicable

(xiii) Utilisation of Borrowed funds and share premium -

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

(xiv) Details of any transaction 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 - Nil

(xv) Corporate Social Responsibility (CSR) : The Provisions of section 135 of the Companies Act is not Applicable to the company for FY 24-25.

(xvi) Details of Crypto Currency or Virtual Currency - Nil

39. Previous year figures have been regrouped, to align with current year disclosure, where relevant. The figures have been rounded off to Indian Rupees Lakhs.

As per our report of even date attached**For N.C. Rajagopal & Co.**

Chartered Accountants

Firm Registration Number 003398S

For and on behalf of the Board of Directors**Shiksha Financial Services India Private Limited**

CIN: U74900TN2014PTC094623

Arjun S

Partner

Membership No. 230448

Pradeep V Bhide

Chairman

DIN: 03304262

V.L.Ramakrishnana

Director

DIN: 02326543

Place: Chennai

Date: 29-05-2025

Srinivasaraghvan Soundararajan

Chief Financial Officer

Manoj Kumar Jena

Company Secretary



INDEPENDENT AUDITOR'S REPORT

To the Members of Shiksha Financial Services India Private Limited Report on the Audit of the Consolidated Financial Statements

1. Opinion

We have audited the Consolidated Financial Statements of **SHIKSHA FINANCIAL SERVICES INDIA PRIVATE LIMITED** (hereinafter referred to as the "Holding Company"), and its subsidiary (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2025, and the Consolidated Statement of Profit and Loss, Consolidated Statement of Cash flows, Notes to Consolidated Financial Statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2025, and consolidated profit, and its cash flows for the year ended on that date.

2. 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 ICAI, and we have fulfilled our other ethical responsibilities in accordance with 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 opinion.

3. Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in Board's report, including Annexure to Board's report, but doesn't 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 the audit of Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in 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 material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.



4. Responsibility of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the 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 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 Consolidated Financial Statements, the respective Board of Directors of the companies included in the group are responsible for assessing the ability of the group 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 Group or to cease operations, or has no realistic alternative but to do so.

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

5. 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 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 Group'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 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 Financial Statements, including the disclosures, and whether the 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 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, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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 communicate with those charged with governance of the Holding Company 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 of the Holding Company 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.



6. Report on Other Legal and Regulatory Requirements

I. With respect to the matter specified in Clause (xxi) of paragraph 3 of the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Independent Auditor's Report, we report that there are no qualifications or adverse remarks in the group company.

II. 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 of the Consolidated Financial Statements.

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

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash flows, dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid Consolidated Financial Statements comply with the 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 the Holding Company as on 31st March, 2025, taken on record by the Board of Directors of the Holding Company, none of the directors of the Group Companies incorporated in India is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**".

(g) 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 Consolidated Financial Statements disclose the impact of pending litigation on the Consolidated Financial position of the Group – Refer Note no. 37 (a) to the Financial Statements.

ii. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to Investor Education and Protection Fund by the Holding Company, and its subsidiary 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 Parent Company and its subsidiary incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Parent Company or its subsidiary incorporated in India or
 - provide any guarantee, security or the like to or 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 Parent Company and its subsidiary incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or its subsidiary incorporated in India shall:
 - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- (c) Based on such audit procedures as 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 (iv) (a) and (iv) (b) contain any material mis-statement.

v. No dividend has been declared or paid during the year by the Group.

vi. Based on our examination which included test checks, the companies have used accounting softwares for maintaining their books of accounts which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and has been preserved by the company as per the statutory requirements for record retention.

For N.C. Rajagopal & Co.,
Chartered Accountants
Firm Reg No. 003398S

Place: Chennai
Date: 29-05-2025

Arjun S
(Partner)
M. No: 230448
UDIN: 25230448BMIMYP1585



ANNEXURE - A
(Referred to in paragraph (6)(II)(f) of our report of even date)

We have audited the internal financial controls over financial reporting of **SHIKSHA FINANCIAL SERVICES INDIA PRIVATE LIMITED** ("the Holding Company") and its subsidiary as of March 31, 2025 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its Subsidiary Company which are companies incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Group's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 consolidated financial statements, whether due to fraud or error.

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



Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For N.C. Rajagopal & Co.,
Chartered Accountants
Firm Reg No. 003398S

Arjun S
(Partner)
M. No: 230448
UDIN: 25230448BMIMYP1585

Place: Chennai
Date: 29-05-2025



Shiksha Financial Services India Private Limited

CIN: U74900TN2014PTC094623

Consolidated Balance Sheet for the year ended March 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

Particulars	Notes	"As at Mar 31, 2025"	"As at Mar 31, 2024"
A Equity And Liabilities			
1 Shareholders' funds			
a) Share capital	3	938.26	938.26
b) Reserves and Surplus	4	4,858.65	4,768.53
2 Non Current liabilities			
a) Long term Borrowings	5	1,053.50	103.33
b) Long term Provisions	6	108.01	1,263.11
3 Current Liabilities			
a) Short term borrowings	7	1,069.68	250.38
b) Other Current liabilities	8	335.64	341.43
c) Short Term Provisions	9	1,791.83	907.34
	Total	10,155.57	8,572.38
B Assets			
1 Non Current Assets			
a) Property, Plant and Equipment & Intangible Assets (net)	10		
(i) Property Plant & Equipment		17.33	55.42
(ii) Intangible assets		22.47	20.75
b) Deferred Tax Assets (net)	11	513.52	574.24
c) Long term receivables under Financing activities	12	5,071.34	3,656.19
d) Long term Loans and advances	13	66.09	315.80
2 Current assets			
a) Current Investments	14	1,150.00	1,053.00
b) Cash and Bank Balances	15	339.83	46.90
c) Short Term Receivables under Financing activities	16	2,650.31	2,511.52
d) Short Term Loans and advances	17	50.17	25.98
e) Other current assets	18	274.51	312.58
		10,155.57	8,572.38

Significant Accounting policies 1-2

Accompanying notes forming part of the financial statements 27-39

As per our report of even date attached

For N.C. Rajagopal & Co

Chartered Accountants

Firm Registration Number: 003398S

For and on behalf of Board of Directors

Shiksha Financial Services India Private Limited

CIN: U74900TN2014PTC094623

Arjun S

Partner

Membership No.230448

Pradeep V Bhide

Chairman

DIN: 03304262

V.L.Ramakrishnan

Director

DIN: 02326543

Place: Chennai

Date: 29-05-2025

Srinivasaraghavan Soundararajan

Chief Financial Officer

Manoj Kumar Jena

Company Secretary



Shiksha Financial Services India Private Limited

CIN: U74900TN2014PTC094623

Consolidated Profit and Loss Account for the year ended March 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

Particulars	Notes	2024-25	2023-24
1 Revenue from operations	19	2,125.42	2,119.82
2 Other Income	20	298.59	108.94
3 Total Income (1+2)		2,424.01	2,228.76
4 Expenses			
Finance Cost	21	206.96	71.01
Employee Cost	22	1,482.30	1,497.57
Administrative and other expenses	23	518.73	495.72
Provisions & Write off	24	25.10	26.50
Depreciation and Amortisation	10	52.52	64.66
Total Expenses		2,285.61	2,155.46
5 Profit / (Loss) before exceptional and extraordinary items and tax (3-4)		138.40	73.30
6 Exceptional and extraordinary items (refer note 33)		-	-
7 Profit / (Loss) before tax (5-6)		138.40	73.30
8 Tax expenses:	25		
Current tax		1.71	-
Reversal of Current Tax pertaining to earlier years		(14.14)	-
Deferred tax		60.71	7.02
		48.28	7.02
9 Profit / (Loss) for the year (7-8)		90.12	66.28
10 Earning per share	26		
Basic (Rs.10/-)		1.29	0.95
Diluted (Rs.10/-)		0.96	0.71
Significant Accounting policies		1-2	
Accompanying notes forming part of the financial statements		27-39	

As per our report of even date attached

For N.C. Rajagopal & Co

Chartered Accountants

Firm Registration Number: 0033985

For and on behalf of Board of Directors

Shiksha Financial Services India Private Limited

CIN: U74900TN2014PTC094623

Arjun S

Partner

Membership No 230448

Pradeep V Bhide

Chairman

DIN: 03304262

V.L.Ramakrishnan

Director

DIN: 02326543

Place: Chennai

Date: 29-05-2025

Srinivasaraghavan Soundararajan

Chief Financial Officer

Manoj Kumar Jena

Company Secretary



Shiksha Financial Services India Private Limited

Consolidated Cash flow statement for the year ended March 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

Particulars	For the year ended 31 st March 2025	For the year ended 31 st March 2024
Cash flow from Operating Activities:	138.40	73.30
Net profit before tax and after extraordinary items		
<u>Adjustment for</u>		
Depreciation & Amortisation	52.52	64.66
(Gain) / loss on sale of Property, Plant and Equipment	(0.19)	(0.34)
Finance costs	206.96	71.01
Provisions on Loans	(254.71)	(47.33)
Loans written off	-	-
Provision for Leave encashment	(3.71)	(2.98)
Gain on sale of Mutual fund investment	(87.66)	(68.65)
Operating profit/(loss) before working capital changes	51.61	89.67
Changes in working capital		
<u>(Adjustment for (increase) / decrease in operating assets:</u>		
Loans and advances, Financing Operations	(1,553.94)	363.67
Long term Loans and advances, Others	249.71	(91.50)
Short term Loans and advances, Others	(65.77)	19.52
Other current assets	50.71	(28.37)
<u>Adjustments for increase / (decrease) in operating liabilities:</u>		
Short Term Provisions & Other Current Liabilities	16.92	28.60
Cash flow from Operations	(1,250.76)	381.59
(A) Net cash flow from Operating Activities	(1,250.76)	381.59
Cash flow from Investing Activities:		
Net Capital expenditure on Property, Plant and Equipment	(15.97)	(18.69)
Net (purchase)/Sale of investments - Mutual funds	(9.34)	(212.36)
Investment in subsidiary company	-	-
(B) Net cash used in Investing Activities	(25.31)	(231.05)
Cash flow from Financing Activities:		
Proceeds from NCD	1,000.00	-
Redemption of Non-Convertible Debentures	(140.00)	(250.00)
Proceeds from Term loans from financial institutions	1,400.00	300.00
Repayment of Borrowings from financial institutions	(490.53)	(352.96)
Finance cost paid	(200.47)	(74.11)
(C) Net cash used in Financing Activities	1,569.00	(377.07)
Net (Decrease)/Increase in Cash and Cash equivalents (A+B+C)	292.93	(226.53)
Cash and Cash equivalents at the beginning of the year	46.90	273.43
Cash and Cash equivalents at the end of the year	339.83	46.90
Note: Cash and Cash equivalents at the end of the year comprises:		
(a) Cash in Hand	3.96	8.81
(b) Balance in Current Accounts	161.45	38.09
(c) Current Maturities of Bank Deposits	174.42	-
	339.83	46.90

See accompanying notes forming part of the financial statements

For N.C. Rajagopal & Co

Chartered Accountants

Firm Registration Number: 003398S

For and on behalf of Board of Directors

Shiksha Financial Services India Private Limited

CIN: U74900TN2014PTC094623

Arjun S

Partner

Membership No 230448

Pradeep V Bhide

Chairman

DIN: 03304262

V.L.Ramakrishnan

Director

DIN: 02326543

Place: Chennai

Date: 29-05-2025

Srinivasaraghavan Soundararajan

Chief Financial officer

Manoj Kumar Jena

Company Secretary



Shiksha Financial Services India Private Limited

Notes to Consolidated financial statements for the year ended Mar 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

1. Company overview

Shiksha Financial Services India Private Limited (The Company) is an Non Banking Finance Company (NBFC) registered with Reserve Bank of India (RBI). The Company follows RBI guidelines applicable to NBFCs. The Company is a Private Limited Company with registered office in Chennai, Tamil Nadu. The Company was primarily engaged in the business of providing education finance, now diversified to loan against property and business correspondence.

2. The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

2.1. Basis of preparation

The financial statements of the Company have been prepared and presented in accordance with the Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Reserve Bank of India / Institute of Chartered Accountants of India and the provisions of the Companies Act, 2013, to the extent applicable. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year. The Assets and Liabilities have been classified as Non Current and Current based on 12 month operating cycle.

The Company follows the Prudential norms for income recognition, asset classification and provisioning as prescribed by the Reserve Bank of India (RBI) for Non-Banking Financial Company, Base Layer [NBFC-BL] (earlier, Non-Banking Financial Company Non-Systemically Important Non-Deposit taking Company [NBFC-Non-SI-ND]).

2.2. Use of estimates

The preparation of the financial statements is in conformity with generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements. Management believes that the estimates made in the preparation of financial statements are prudent and reasonable. Actual results could differ from estimates. Revisions to accounting estimates are recognized prospectively in current and future periods.

2.3. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.



Shiksha Financial Services India Private Limited

Notes to Consolidated financial statements for the year ended Mar 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

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).

2.4. Revenue recognition

- a) Interest income is recognized on a time proportion basis based on the interest rates implicit in the contracts. Income on Non-Performing assets is recognised only when realised
- b) Fees and commission income are recognised on an accrual basis.
- c) Recovery from bad debts written off, Loan Processing Fees, Legal & Technical Fees, Cheque dishonour charges etc., are recognised on receipt basis.
- d) Income from fixed deposits are recognised on accrual basis.
- e) Income from Mutual funds are recognised when it is realised. Profit or loss on sale of mutual fund units are accounted on First in First out basis.

2.5. Receivables under Financing Activity, Provisioning and De-recognition

All loan exposures to borrowers with installment structure are stated at the full agreement value after netting off unearned income and Installments appropriated up to the Balance Sheet date.

The Company provides for standard assets at 0.40%. This is higher than the minimum provisioning norm of 0.25%, as specified by Reserve Bank of India (RBI) for Non-Banking Financial Company - Base Layer (NBFC-BL).

Provision for Non-Performing Assets are based on management estimates, which is higher than the minimum provisioning requirements specified by the Reserve Bank of India (RBI) for Non-Banking Financial Company in the Base Layer (NBFC-BL).

The Company creates an overarching Contingency Provision as a matter of prudence and abundant caution.

Any interest accrued on Non-Performing Assets until the said asset became a Non performing Asset and remaining overdue is de-recognised by reversing the interest income.

2.6. Property Plant and Equipment and depreciation

Tangible assets

Fixed assets are carried at cost less accumulated depreciation and impairment, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use including the subsequent expenditure after their purchase/ completion if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.



Shiksha Financial Services India Private Limited**Notes to Consolidated financial statements for the year ended Mar 31, 2025**

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

Intangible assets

Intangible assets are recorded at the consideration paid for acquisition.

Depreciation

Depreciation on tangible assets are provided on straight line method. Depreciation is provided based on the useful life as prescribed in Part C of Schedule II to the Companies Act, 2013 or Company's estimate whichever is lower. The useful life estimated is as follows:

Category	Useful Life (years) as per Companies Act, 2013	Useful life (years), as per Company
Computers	3	3
Office Equipment	5	3
Furniture, Fixtures, Electrical Equipment	10	5
Vehicles	8	3
Software	5	5

Improvements to leasehold premises are depreciated over the primary lease period or 5 years, whichever is lower.

Intangible assets are amortized over their estimated useful life (presently, 5 years), on a straight line basis.

2.7. Foreign currency transactions and translations

Transactions in foreign currencies, if any, entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

2.8. Investments

Investments are classified as Current and Non Current based on their nature and intended holding period.

Non Current Investments are valued at cost, Current Investments are valued at lower of cost or net realisable value.

2.9. Retirement and other employee benefits**Defined contribution plans**

Provident Fund: The Company makes contributions to the Employees' Provident Fund Scheme maintained by the Government of India and Company's contributions to the fund are recognised as an expense in the Profit and Loss account in the period when services are rendered by the employees.



Shiksha Financial Services India Private Limited

Notes to Consolidated financial statements for the year ended Mar 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

Employee State Insurance: The Company contributes to Employees State Insurance Scheme and recognises such contribution as an expense in the Profit and Loss account in the period when services are rendered by the employees.

Defined benefit plans

Gratuity: The Company's liability under The Payment of Gratuity Act is recognised based on an actuarial valuation and the same has been expensed in the Profit and Loss account.

Compensated absences: The liability towards accumulated leave balances, in accordance with the Company's policy are actuarially valued and the same has been recognised as an expense in the Profit and Loss account.

Short term employment benefits

All short term employee benefit plans such as salaries, wages, incentives, special awards and medical benefits which fall due within 12 months of the financial year are recognized on an undiscounted basis and charged to the statement of profit and loss.

2.10. Finance costs

Interest on borrowings is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable on the borrowings. Ancillary costs incurred in connection with the arrangement of borrowings are expensed in the year of occurrence.

2.11. Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. Currently the company is operating in only one reportable business segment i.e., financing and hence reporting segment wise is not warranted for.

2.12. Leases

Leases where the Lessor effectively retains substantially all the risks and benefits of ownership over the lease term, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on accrual basis.

2.13. Basic earnings per share

Basic earnings per share is computed by dividing net profit or loss for the period attributable to equity shareholders by the weighted average number of shares outstanding during the year. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.



Shiksha Financial Services India Private Limited**Notes to Consolidated financial statements for the year ended Mar 31, 2025**

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

2.14. Taxation

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Deferred tax is recognized on timing differences, being the difference between taxable and accounting income that originate in one period and is capable of reversal in one or more subsequent periods.

2.15. Impairment

The Company assesses at each balance sheet date whether there is an indication that an asset may be impaired. If any such condition exists, the Company estimates the recoverable amount (defined as higher of cash generating unit's net selling price and its value in use) of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss.

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to maximum of depreciated historical cost.

2.16. Provisions, Contingent Liabilities and Contingent Assets

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognised nor disclosed in the financial statements.



Shiksha Financial Services India Private Limited

Notes to Consolidated financial statements for the year ended Mar 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

	As at Mar 31, 2025	As at Mar 31, 2024
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3. Share Capital

Issued, subscribed and paid up

66,76,052 (Previous year 66,76,052) Class A equity shares of Rs.10 each	667.60	667.60
30,00,000 (Previous year 30,00,000) Class B equity share of Re.1 each	30.00	30.00
7,67,652 (Previous year 7,67,652) Series B 0.1% Compulsorily Convertible Preference Shares of Rs.10 each	76.77	76.77
10,12,623 (Previous year 10,12,623) Series B1 0.1% Compulsorily Convertible Preference Shares of Rs.10 each	101.26	101.26
6,26,308 (Previous year 6,26,308) Series B2 0.01% Compulsorily Convertible Preference Shares of Rs.10 each	62.63	62.63
	938.26	938.26

a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period

	No. of Shares	Amount	No. of Shares	Amount
Equity Shares – Class A				
At the beginning of the year	66,76,052	667.60	66,76,052	667.60
Add: Shares issued during the year				
At the end of the year	66,76,052	667.60	66,76,052	667.60
Equity Shares – Class B				
At the beginning of the year	30,00,000	30.00	30,00,000	30.00
Add: Shares issued during the year				
At the end of the year	30,00,000	30.00	30,00,000	30.00

b) Reconciliation of preference shares outstanding at the beginning and at the end of the reporting period

i) Preference Shares - Series B 0.1% Compulsorily Convertible Preference Shares

At the beginning of the year	7,67,652	76.77	7,67,652	76.77
Add: Shares issued during the year				
At the end of the year	7,67,652	76.77	7,67,652	76.77

ii) Preference Shares - Series B1 0.1% Compulsorily Convertible Preference Shares

At the beginning of the year	10,12,623	101.26	10,12,623	101.26
Add: Shares issued during the year				
At the end of the year	10,12,623	101.26	10,12,623	101.26

iii) Preference Shares - Series B2 0.01% Compulsorily Convertible Preference Shares

At the beginning of the year	6,26,308	62.63	6,26,308	62.63
Add: Shares issued during the year				
At the end of the year	6,26,308	62.63	6,26,308	62.63



Shiksha Financial Services India Private Limited

Notes to Consolidated financial statements for the year ended Mar 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

As at Mar 31, 2025 As at Mar 31, 2024

c) Details of shareholders holding more than 5% shares of the Company

	No of Shares	%	No of Shares	%
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Equity Shares – Class A

Aspada Investment Company	20,06,457	30.05%	20,06,457	30.05%
Zephyr Peacock India Growth Fund, (Trust)	18,73,883	28.07%	18,73,883	28.07%
Individually held by V L Ramakrishnan	1,29,500	14.98%	1,29,500	14.98%
V L Ramakrishnan / Annapurni R	8,70,500		8,70,500	
Individually held by Jacob Abraham	55,000	9.14%	55,000	9.14%
Jacob Abraham / Nandini Raj	5,55,000		5,55,000	
Zephyr Peacock India Growth Fund Ltd	4,35,674	6.53%	4,35,674	6.53%

Equity Shares – Class B

Shiksha ESOP Trust	21,60,000	72.00%	21,60,000	72.00%
ESOP Employees	8,40,000	28.00%	8,40,000	28.00%

Series B 0.1% Compulsorily Convertible Preference Shares

Michael and Susan Dell Foundation	5,19,601	67.69%	5,19,601	67.69%
Aspada Investment Company	2,48,051	32.31%	2,48,051	32.31%

Series B1 0.1% Compulsorily Convertible Preference Shares

Zephyr Peacock India Growth Fund Ltd	2,21,051	21.83%	2,21,051	21.83%
Michael and Susan Dell Foundation	7,91,572	78.17%	7,91,572	78.17%

Series B2 0.01% Compulsorily Convertible Preference Shares

Aspada Investment Company	3,31,819	52.98%	3,31,819	52.98%
Michael and Susan Dell Foundation	1,79,274	28.62%	1,79,274	28.62%
Zephyr Peacock India Growth Fund	1,15,215	18.40%	1,15,215	18.40%

d) Rights, preferences and restrictions attached to shares

Equity shares

The Company has issued Class A and Class B equity shares:

Class A Shares

The face value of Class A Shares is Rs. 10 per share. All equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. Each holder of equity shares is entitled to one vote per share. On winding up of the company, the holders of equity shares will be entitled to receive the residual assets of the company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

Class B Shares

The face value of Class B Shares is Re. 1 per share. All equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. Each holder of equity shares is entitled to one vote per share. On winding up of the company, the holders of equity shares will be entitled to receive the residual assets of the company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.



Shiksha Financial Services India Private Limited

Notes to Consolidated financial statements for the year ended Mar 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

Preference Shares

The Company has issued Compulsorily Convertible Preference Shares:

Series B Compulsorily Convertible Preference Shares

The Series B 0.1% CCPS shall be automatically converted into equity shares, at the earlier of a) 10 years from the date of issuance b) prior to a qualified IPO c) at the option of the shareholder. The Series B CCPS allotted, have priority with respect to payment of dividend.

In a liquidation event, the holders of the Series B CCPS shall have priority over the other shareholders of the Company. The proceeds of a liquidation event shall be distributed such that the holder of a Series B CCPS shall be paid the higher of a) total amount invested b) pro rata entitlement.

Series B1 Compulsorily Convertible Preference Shares

The Series B1 0.1% CCPS shall be automatically converted into equity shares, at the earlier of a) 20 years from the date of issuance b) prior to a qualified IPO c) at the option of the investor. The Series B1 CCPS shall rank senior in preference to all other Securities (other than the existing compulsorily convertible preference shares being Series B CCPS, issued to Aspada Investment Company and Michael & Susan Dell Foundation, which will be treated pari passu with the Series B1 CCPS) of the Company, including the Equity Shares as regards payments of any dividends declared by the Company.

In a liquidation event, prior to payments to any class of shareholders including holders of any other preference shares, the holders of the Series B1 CCPS shall have priority over the other shareholders of the Company. The proceeds of a liquidation event shall be distributed such that the holder of a Series B1 CCPS shall be paid the higher of a) total amount invested b) pro rata entitlement.

Series B2 Compulsorily Convertible Preference Shares

The Series B2 CCPS shall be automatically converted into equity shares, at the earlier of a) 20 years from the date of issuance b) prior to a qualified IPO c) at the option of the investor. The Series B2 CCPS shall rank senior in preference to all other securities of the Company, including Equity Shares as regards payments of any dividends declared by the Company.

In a liquidation event, prior to payments to any class of shareholders including holders of any other preference shares, the holders of the Series B2 CCPS shall have priority over the other shareholders of the Company. The proceeds of a liquidation event shall be distributed such that the holder of a Series B2 CCPS shall be paid the higher of a) total amount invested b) pro rata entitlement.

e) In the financial year ended March 31, 2018, The Company established Shiksha Employee Stock Options Trust (Shiksha ESOP Trust) for grant of shares to Eligible employees, under a duly approved ESOP scheme. The ESOP Trust, purchased 10,000 Class B Equity Shares having face value of Re 1 per equity share fully paid through a loan extended to the Trust by the Company. This loan, has since been repaid. Further, 29,90,000 fully paid Class B Equity shares were allotted to Shiksha ESOP trust by a bonus share issuance by capitalising securities premium.

f) Details of Bonus shares issuance in the last five years: NIL

g) During the year 2024-25, the Company has allotted Nil Series B2 Compulsorily Convertible Preference Shares of Rs. 10 each.

h) Details of Shares held by promoters

Equity Shares – Class A

S.No.	Promoter Name	No of Shares	% of total	% Change during the year
1	V.L. Ramakrishnan	1,29,500	1.94%	Nil
2	V.L. Ramakrishnan jointly with Annapurni R.	8,70,500	13.04%	Nil
	Total	10,00,000	14.98%	



Shiksha Financial Services India Private Limited

Notes to Consolidated financial statements for the year ended Mar 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

	As at Mar 31, 2025	As at Mar 31, 2024												
4. Reserves and Surplus														
(i) Statutory Reserve														
Balance at the beginning of the year	95.39	82.00												
Add: Additions during the period	<u>16.87</u>	<u>13.39</u>												
Balance at the end of the year	112.26	95.39												
(ii) Securities Premium														
Balance at the beginning of the year	8,781.27	8,781.27												
Securities Premium received during the period	-	-												
Less: Capital raising costs	-	-												
Balance at the end of the year	8,781.27	8,781.27												
(iii) Surplus/Loss (Profit and loss balance)														
Balance at the beginning of the year	(4,108.13)	(4,161.02)												
Add: Profit/(Loss) for the period	90.12	66.28												
Less: Transferred to statutory reserve	<u>(16.87)</u>	<u>(13.39)</u>												
Balance at the end of the year	(4,034.88)	(4,108.13)												
Total	<u>4,858.65</u>	<u>4,768.53</u>												
5. Long term Borrowings														
Secured														
Loans, from other than banks (Note 5.1)	593.50	103.33												
Non-convertible debentures (Note 5.2)	<u>460.00</u>	-												
	<u>1053.50</u>	<u>103.33</u>												
5.1 Term Loans, from other than banks														
MAS Financial Services Ltd	103.33	263.33												
Profectus Capital Pvt Ltd	279.43	90.38												
UC Inclusive Credit Private Limited	757.60	-												
RAR Fincare Limited	122.82	-												
	<u>1,263.18</u>	<u>353.71</u>												
Out of the above														
Long term (maturities beyond 12 months)	593.50	103.33												
Current maturities (maturities within next 12 months)	669.68	250.38												
Note:														
a) Principal and Interest are payable monthly in respect of all lenders.														
b) Secured against hypothecation of book debts for loan taken from all the existing lenders as on reporting date														
c) Additional cash collateral of 5% of loan amount is given to Profectus & RAR Fincare.														
d) Interest rates on above borrowings, as per the sanction range between 14.60% p.a. to 16.80% p.a.														
5.2 Non-convertible debentures	as at 31 st March 2025													
From Parties, other than related parties	<table border="1" style="display: inline-table;"><thead><tr><th><1 year</th><th>1-2 years</th><th>2-6 years</th><th>Total</th></tr></thead><tbody><tr><td>400.00</td><td>400.00</td><td>60.00</td><td>860.00</td></tr><tr><td>400.00</td><td>400.00</td><td>60.00</td><td>860.00</td></tr></tbody></table>	<1 year	1-2 years	2-6 years	Total	400.00	400.00	60.00	860.00	400.00	400.00	60.00	860.00	
<1 year	1-2 years	2-6 years	Total											
400.00	400.00	60.00	860.00											
400.00	400.00	60.00	860.00											
From Parties, other than related parties	<table border="1" style="display: inline-table;"><thead><tr><th><1 year</th><th>1-2 years</th><th>2-6 years</th><th>Total</th></tr></thead><tbody><tr><td>-</td><td>-</td><td>-</td><td>-</td></tr><tr><td>-</td><td>-</td><td>-</td><td>-</td></tr></tbody></table>	<1 year	1-2 years	2-6 years	Total	-	-	-	-	-	-	-	-	as at 31 st March 2024
<1 year	1-2 years	2-6 years	Total											
-	-	-	-											
-	-	-	-											



Shiksha Financial Services India Private Limited

Notes to Consolidated financial statements for the year ended Mar 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

As at Mar 31, 2025 As at Mar 31, 2024

Note:

- a) Interest is payable Monthly to debenture holders
- b) These debentures are secured against specified receivables under Financing Activity
- c) Interest rates on above NCDs is 16.50% p.a
- d) Defaults if any - Nil (Previous Year - Nil)
- e) Out of the above

Long term maturities (maturities beyond 12 months)	460.00	-
Current maturities (maturities within next 12 months)	460.00	-

6. Long Term Provisions

Provision for Loan Assets

Provision for Standard Assets	18.75	38.45
Provision for Restructuring assets	0.04	7.77
Provision for Sub Standard, Doubtful Assets	79.22	1,167.29
Provision for Contingency	3.25	38.23
	101.26	1,251.74

Provision for Employee Benefits

Provision for Leave Encashment	6.75	11.37
	108.01	1,263.11

7. Short Term Borrowings

Secured

Current maturities of long term borrowings from others	669.68	250.38
Current maturities of NCD	400.00	-
	1,069.68	250.38

8. Other Current Liabilities

Interest accrued and not due on Loans	8.32	1.87
Statutory dues payable	38.11	34.14
Expenses Payables	119.26	116.37
Employee Payables	50.28	68.16
Gratuity Payables	62.57	53.36
Advances from customers	57.10	48.74
Other Payables	-	18.79
	335.64	341.43

Particulars	Outstanding for following periods from due date of payment				
	<1 year	1-2 years	2-3 years	>3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	119.26	-	-	-	119.26
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-

9. Short Term Provisions

Provision for Loan Assets

Provision for Standard Assets	3.29	3.57
Provision for Restructuring assets	0.98	3.96
Provision for Sub Standard, Doubtful Assets	1,717.55	831.93
Provision for Contingency	57.10	13.71
Provision for FLDG Assets	-	29.97
	1,778.92	883.14

Others

Provision for Leave Encashment	7.93	7.02
Other provision for employees	4.98	17.18
	1,791.83	907.34



Shiksha Financial Services India Private Limited

Notes to Consolidated financial statements for the period ended Mar 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

Note 10 – Property, Plant and Equipment & Intangible Assets (Net):

Description	GROSS BLOCK			DEPRECIATION RESERVE			NET BLOCK	
	As at 01.04.2024	Additions	Disposal/ Adjustment	As at 31.03.2025	Upto 31.03.2024	For the year	Disposal/ Adjustment	Upto 31.03.2025
(i) PROPERTY, PLANT & EQUIPMENT								
Office Equipment	101.58	3.63	0.40	104.81	89.87	8.88	0.37	98.39
Furniture and Fittings	86.23	0.69	-	86.93	71.82	9.82	-	81.64
Premises	72.80	-	-	72.80	58.27	14.06	-	72.33
Computers	119.80	1.13	0.81	120.11	105.03	10.71	0.77	114.97
Total	380.41	5.45	1.21	384.65	324.99	43.47	1.14	367.32
								17.33
								55.42
Previous Year	365.43	16.15	1.18	380.41	274.21	51.89	1.10	324.99
								55.42
								91.22
(ii) INTANGIBLE ASSETS								
Software	73.16	10.78	-	83.94	52.40	9.06	-	61.46
Total	73.16	10.78	-	83.94	52.40	9.06	-	61.46
								22.47
								20.75
Previous Year	70.21	2.95	-	73.16	39.63	12.77	-	52.40
								20.75
								30.58
(iii) INTANGIBLE ASSETS UNDER DEVELOPMENT								
Software	-	-	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-	-	-
Total (i + ii + iii)								
Current Year	453.57	16.23	1.21	468.59	377.39	52.52	1.14	428.78
Previous Year	435.64	19.10	1.18	453.57	313.84	64.66	1.10	377.39
								76.17
								121.80

Note: During the year no revaluation was made for fixed assets.



Shiksha Financial Services India Private Limited

Notes to Consolidated financial statements for the year ended Mar 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

	As at Mar 31, 2025	As at Mar 31, 2024
11. Deferred Tax Assets (Net)		
<u>Deferred Tax Asset</u>		
Employee costs	3.69	4.63
Provision for Loan Losses	<u>473.21</u>	<u>537.31</u>
Less: Deferred Tax Liability		
Depreciation	36.62	(32.30)
	<u>513.52</u>	<u>574.24</u>
12. Long Term receivables under Financing activities		
Secured, considered good – Standard	4,621.68	2,850.97
Secured, Sub Standard and Doubtful	399.10	241.66
Unsecured, considered good – Standard	6.24	155.53
Unsecured, substandard and doubtful	44.32	408.03
	<u>5,071.34</u>	<u>3,656.19</u>
13. Long Term loans and advances		
Cash collateral with Financial institutions*	20.90	270.61
Rental deposit	<u>45.19</u>	<u>45.19</u>
	<u>66.09</u>	<u>315.80</u>
*Note: Cash collateral includes Rs.0.00 lakh, (previous year, Rs.267.21 Lakh) FLDG placed with a bank, in respect of BC lending activity.		
14. Current Investment		
a) In Mutual Funds (unquoted, non trade, at cost)		
HSBC (earstwhile L&T), Liquid Fund Growth Fund plan (7,751.444 units with NAV of Rs.2,484.3292 as on 31st Mar, 2025 as against 18,852.954 units with NAV of Rs.2,405.9756 as on 31st March, 2024)	200.00	453.00
HSBC (earstwhile L&T), Overnight Fund Growth Fund plan (3,744.780 units with NAV of Rs.1,336.1581 as on 31st Mar, 2025 as against 7,987.379 units with NAV of Rs.1,252.9183 as on 31st March, 2024)	50.00	100.00
HDFC Liquid Fund, Growth Fund plan (9,833.975 units with NAV of Rs.5,110.8493 as on 31st Mar, 2025 as against 10,553.926 units with NAV of Rs.4,743.661 as on 31st March, 2024)	500.00	500.00
ICICI Liquid Fund, Growth Fund plan (1,04,367.530 units with NAV of Rs.383.9667 as on 31st Mar, 2025 as against Nil units with NAV of Nil as on 31st March, 2024)	400.00	-
	<u>1,150.00</u>	<u>1,053.00</u>
15. Cash and Bank Balances		
a) Cash and cash equivalents		
i) Cash -in-hand	3.96	8.81
ii) Balance with banks In current accounts	161.45	38.09
iii) Current maturities of bank deposits with original maturity of < 3 months	26.31	-
b) Other Bank Balances		
Bank deposits with original maturity of > 3 months	148.11	-
	<u>339.83</u>	<u>46.90</u>



Shiksha Financial Services India Private Limited

Notes to Consolidated financial statements for the year ended Mar 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

	As at Mar 31, 2025	As at Mar 31, 2024
16. Short term receivables under Financing activities		
Secured, considered good – Standard	730.84	472.97
Secured, Sub Standard and Doubtful	106.38	73.33
Unsecured, considered good – Standard	61.26	350.28
Unsecured, Sub standard and Doubtful	263.36	384.87
	<hr/>	<hr/>
	1,161.84	1,281.45
Loan instalment overdue, secured, considered good – Standard	17.90	51.39
Loan instalment overdue, unsecured, considered good – Standard	6.35	60.60
Loan instalment overdue, secured, sub standard and doubtful	179.33	135.35
Loan instalment overdue, unsecured, sub standard and doubtful	1,213.47	935.74
	<hr/>	<hr/>
	1,417.05	1,183.08
Interest accrued but not due (Considered good) - Standard	71.42	46.99
	<hr/>	<hr/>
	2,650.31	2,511.52
17. Short Term Loans and Advances		
Cash collateral with Financial institutions	7.97	7.50
Other Advances	31.32	11.63
Balances with Govt Authorities	10.88	6.85
	<hr/>	<hr/>
	50.17	25.98
18. Other current assets		
Interest accrued on Fixed Deposits/Cash collaterals	7.55	19.31
Rental deposit	9.50	12.18
Prepaid Expenses	46.94	43.70
Gratuity Fund - Balance with Trust	62.53	64.31
Advance Income Tax, TDS (net of Provision for Tax)	29.34	22.82
Other recoverable	118.65	150.26
	<hr/>	<hr/>
	274.51	312.58



Shiksha Financial Services India Private Limited

Notes to Consolidated financial statements for the year ended Mar 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

	For the period ended 31st Mar 2025	For the period ended 31st Mar 2024
19. Revenue from operations		
Interest income	1,138.11	853.47
Fees, Charges and Commission income	819.55	858.86
Bad debts recovered	167.76	407.49
	2,125.42	2,119.82
20. Other income		
Treasury Operations income		
-Interest on bank Deposits	15.97	30.57
-Gain on Mutual fund Investment	87.66	68.64
Interest on Income tax refund	1.48	0.99
Others – Miscellaneous	10.58	8.74
Provision Writtenback (refer note 24)	182.90	-
	298.59	108.94
21. Finance Cost		
Interest on debentures	59.75	3.78
Interest on Term loans – Non Banks	135.30	53.83
Other Borrowing Costs	11.91	13.40
	206.96	71.01
22. Employee Cost		
Salaries, wages and bonus	1,401.55	1,376.97
Contribution to Provident Fund, ESI and Gratuity	76.76	72.60
Staff welfare expenses	3.99	48.00
	1,482.30	1,497.57
23. Administrative and Other expenses		
Rent	98.10	98.31
Electricity, Office maintenance and repairs	40.08	38.63
Insurance expense – others	30.86	23.41
Insurance expense – Loans	-	2.16
Rates and taxes	27.80	22.14
Travelling and Conveyance	118.86	106.64
Information Technology Expenses	47.27	38.60
Legal and Professional fees	53.14	57.30
Collection and Recovery Costs	4.55	6.44
Credit and Loan origination costs	12.93	9.18
Printing, Stationery and Communication Costs	20.35	22.95
Bank and Collection Charges	20.11	19.92
Audit fees	13.15	11.70
Director's Sitting fees	9.00	9.00
Other expenses	22.53	29.34
	518.73	495.72



Shiksha Financial Services India Private Limited

Notes to Consolidated financial statements for the year ended Mar 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

	For the period ended	For the period ended
	31st Mar 2025	31st Mar 2024
24. Provisions		
Provision for Standard Assets*	10.77	-
Provision, Sub Standard and Doubtful*	14.33	26.50
Provision for BC-FLDG Assets	-	-
	25.10	26.50

*Reversal of provision in respect of

- Standard assets	-	-
- Sub Standard, Doubtful and Restructured assets	182.90	-
Total reversal of provision (refer note 20)	182.90	-

25. Income tax

Current tax	1.71	-
Reversal of Current Tax pertaining to earlier years	(14.14)	-
Deferred Tax	60.71	7.02
	48.28	7.02

26. Earning per shares

Profit after tax	90.12	66.28
Weighted average number of Equity Shares (Basic)	69.76	69.76
Add: Dilutive effect relating to CCPS	24.07	24.07
Weighted average number of Equity Shares	93.83	93.83
Earning per Shares – Basic (`)*	1.29	0.95
Earning per Shares – Dilutes (`)	0.96	0.71
Face value per share (`)	10.00	10.00

*Note: Earning per Shares calculation are as per Accounting Standard 20 (AS 20) "Earning per Share"



Shiksha Financial Services India Private Limited

Notes to Consolidated financial statements for the year ended Mar 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

27. Additional disclosures pursuant to the Reserve Bank of India's Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016

Particular	Amount outstanding	Amount Overdue
Liabilities Side		
a Loans and advances availed by the NBFC		
i) Term Loans	1,271.50	-
ii) NCD	860.00	-
Assets side:		
b Break-up of Loans and Advances including bills receivables		
i) Secured	6,125.61	-
ii) Unsecured	1,596.04	-
c Break-up of Investments		
Current Investments		
i) Quoted		
- Units of mutual funds	1,150.00	-
Borrower group-wise classification of assets financed	Amount net of provisions	
i) Related Parties	Secured	Unsecured
- Subsidiaries	-	-
- Companies in the same group	-	-
- Other related parties	-	-
ii) Other than related parties	5,841.47	-
e Investor group-wise classification of all investments (current and long term) in shares and securities (Both quoted and unquoted)	Market Value/ Fair Value or NAV	Book Value (Net of Provisions)
i) Related Parties		
- Subsidiaries	-	-
- Companies in the same group	-	-
- Other related parties	-	-
ii) Other than related parties	1,153.70	1,150.00
f Other information		
Particulars	Amount	
(i) Gross Non-Performing Assets		
- related parties	-	
- Other than related parties	2,205.96	
(ii) Net Non-Performing Assets		
- related parties	-	
- Other than related parties	348.84	
(iii) Assets acquired in satisfaction of debt	-	



Shiksha Financial Services India Private Limited

Notes to Consolidated financial statements for the year ended Mar 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

28. The Company is a Non-Banking Financial Company in the Base Layer (NBFC-BL). In addition to the disclosures being made vide Note 27 above, the following disclosure in the Financials Statement are being made

a) Capital Adequacy	As at March 31, 2025	As at March 31, 2024
CRAR - Tier I Capital (%)	66.87%	86.59%
CRAR - Tier II Capital (%)	0.29%	0.91%
CRAR (%)	67.16%	87.50%

b) Asset classification	As at March 31, 2025		
	Gross Loans	Provisions	Net Loans
Standard	5,515.68	23.05	5,492.63
Sub-standard	772.82	478.54	294.29
Doubtful	1,433.14	1,318.23	114.91
Total	7,721.65	1,819.82	5,901.82
Provision for Contingencies			60.36
Net Assets			5,841.47

c) Provisions for loan assets	As at March 31, 2025	As at March 31, 2024
Provision for Standard Assets	22.04	42.02
Provision for Sub Standard and Doubtful Assets*	1,796.77	1,999.22
Provision for Restructured Assets	1.01	11.74
Provision for Contingencies	60.36	51.94
Provision for FLDG Assets	-	29.97
Total Provisions and Contingencies	1,880.18	2,134.89

* including Rs.389.26 Lakhs (Previous Year 1527.08 Lakhs) provision for NPA, in addition to RBI requirement

d) The Company, as a prudent measure, has made a provision at 0.40% (Previous year 0.40%) for Standard Assets on the Balance Sheet date as against the RBI requirement of 0.25% provision.

e) The Company, as a prudent measure, had created an additional provision for Contingencies of Rs.8.42 lakhs during FY 24-25. This is in addition to RBI requirements and as per Company policy.

29. Related Party Disclosures

Key Management personnel	V L Ramakrishnan	Promoter and Whole time Director
Relatives of Key Management Personnel	a) Mrs. Annapurni R	Wife

Transactions	As at March 31, 2025	As at March 31, 2024
V.L. Ramakrishnan		
-Remuneration	88.35	71.75
Jacob Abraham (upto 30 th Sept 23)		
-Remuneration	-	28.09

Year end balances

- Equity Share Capital – V L Ramakrishnan/Annapurni R	100.00	100.00
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30. Micro, Small and Medium Enterprises Development Act, 2006

There have been no overdue amounts payable to Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 based on the information available with the Company. Further the Company has not paid any interest to Micro, Small and Medium Enterprises during the year ended Mar 31, 2025. Hence, the disclosure relating to the same are not applicable.



Shiksha Financial Services India Private Limited

Notes to Consolidated financial statements for the year ended Mar 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

31. Pursuant to Reserve Bank of India circular Number DOR/STR/REC.68/21.04.048/2021-22 dated 12 November 2021; read with circular DOR.STR.REC.85/21.04.048/2021-22 dated 15 February 2022, The Company has implemented the necessary changes in Income Recognition, Asset Classification and Provisioning (IRACP) norms.

32. During the year ended 31 March 2022 to relieve COVID-19 pandemic related stress, the Company has invoked resolution plans for eligible borrowers based on the parameters laid down in accordance with the resolution policy approved by the Board of Directors of the Company and in accordance with the guidelines issued by the RBI.

a) Disclosure on Resolution Framework 2.0 implemented in terms of RBI circular no. RBI/2021-22/32 DOR.STR.REC.11/21.04.048/2021-22 dated 5 May 2021 (Resolution of Covid-19 related stress of Micro, Small and Medium Enterprises (MSMEs), as at 31st March 2025

No. of accounts restructured	Amount (Rs. in Lakhs)
3	5.16

33. Having regard to the devastating consequential impact of the COVID pandemic on the Company's customers and its impact on their cashflows/repayment, i.e. a) Lockdowns and mobility restrictions imposed by the central and various state governments due to COVID, impacted smooth functioning of educational institutions b) Customers livelihood, health and cashflows were impacted, affecting their ability to repay loans. the Company has:-

i) During the year ended 31 March 2024, as a prudent measure, the company has maintained an additional provision for Contingencies of Rs 60.36 lakhs (previous year 51.94 lakhs) and an additional provision for NPA, of Rs.389.26 Lakhs (Previous Year 1527.08), in addition to RBI requirements and as per Company policy/estimate.

34. The Company has received an order under Section 143 (3) of the Income Tax Act, 1961 along with a tax demand Rs.21.94 lakhs for the Assessment year 2022-23. The Company has filed an appeal before the CIT (appeals) and also filed a stay petition for demand dt.14.06.2024. During the year we received a notice u/s 250 of IT act asking for written submission along with supporting documentary evidence against our appeal. In response to said notice we have submitted our written submission on 07.05.2025. The Management is confident of getting a favourable outcome in this matter.

35. Employee Benefits

Defined Benefit Scheme - Leave Encashment: The Company has defined benefit scheme in the form of Leave Encashment to employees The disclosure under AS – 15 (Revised) in this regard is given hereunder:

Assumptions	2024-25	2023-24
Discount Rate	6.50%	7.10%
Attrition Rate	50.00%	40.00%
Salary Escalation	8.00%	8.00%

Table showing changes in Present Value of Obligations

	2024-25	2023-24
Present value of obligations at the beginning of the year	16,43,923	21,36,981
Interest Cost	1,16,635	1,54,189
Current Service Cost	1,02,082	1,79,679
Benefits paid	-3,66,764	-2,64,435
Actuarial (Gain) / Loss on Obligations	-28,231	-5,62,491
Present value of obligations as at the end of the year	14,67,645	16,43,923

Actuarial Gain/Loss Recognised

	2024-25	20203-24
Actuarial gain/ (loss) on obligation	28,231	5,62,491
Actuarial gain/ (loss) for the year – plan assets	-	-
Total gain / (loss) for the year	28,231	5,62,491
Actuarial gain / (loss) recognised in the year	28,231	5,62,491



Shiksha Financial Services India Private Limited

Notes to Consolidated financial statements for the year ended Mar 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

Amounts to be recognized in Balance Sheet	As at 31st Mar 2025	As at 31st Mar 2024
Present value of obligations as at the end of the year	14,67,645	16,43,923
Fair value of plan assets as at the end of the year	-	-
Funded Status	-14,67,645	-16,43,923
Net asset/(liability) recognized in balance sheet	-14,67,645	-16,43,923

Expenses Recognized in Statement of Profit and Loss	2024-25	2023-24
Current Service Cost/Past Service Cost (Vested)	1,02,082	1,79,679
Interest Cost	1,16,635	1,54,189
Expected return on plan assets	-	-
Net Actuarial (gain) / loss recognized in the year	-28,231	-5,62,491
Expenses recognized in profit and loss statement	1,90,486	-2,28,623

Defined Benefit Scheme - Gratuity: The Company has defined benefit scheme in the form of gratuity to employees. Contribution to gratuity is made to Life Insurance Corporation of India through the Gratuity Fund as per the scheme framed by the Corporation. The disclosure under AS - 15 (Revised) in this regard is given hereunder.

Assumptions	2024-25	2023-24
Discount Rate	6.50%	7.10%
Attrition Rate	50.00%	40.00%
Salary Escalation	8.00%	8.00%
Expected return on plan assets	6.50%	7.10%

Table showing changes in Present Value of Obligations	2024-25	2023-24
Present value of obligations at the beginning of the year	53,35,603	55,10,444
Interest Cost	3,78,559	3,97,595
Past Service Cost (Vested Employees)*	0	3,24,448
Current Service Cost	11,96,622	10,78,891
Benefits Paid	-6,10,333	-15,96,355
Actuarial (Gain) / Loss on obligations	-43,724	-3,79,420
Present value of obligations as at end of the year	62,56,727	53,35,603

Actuarial Gain/Loss Recognized	2024-25	2023-24
Actuarial gain / (loss) on obligations	43,724	3,79,420
Actuarial gain / (loss) for the year – plan assets	-54,651	-67,571
Total gain / (loss) for the year	-10,927	3,11,849
Actuarial gain / (loss) recognized in the year	-10,927	3,11,849

Amounts to be recognized in Balance Sheet	As at 31st Mar 2025	As at 31st Mar 2024
Present value of obligations as at the end of the year	62,56,727	53,35,603
Fair value of plan assets as at the end of the year	62,53,182	64,31,351
Funded Status	-3,545	10,95,748
Net asset / (liability) recognized in balance sheet	-3,545	10,95,748

Expenses Recognized In Statement of Profit and Loss	2024-25	2023-24
Current Service Cost/Past Service Cost (Vested)	11,96,622	14,03,339
Interest Cost	3,78,559	3,97,595
Interest Earned	-4,56,302	-5,44,790
Net Actuarial (gain) / loss recognized in the year	10,927	-3,11,849
Expenses recognized in profit and loss statement	11,29,806	9,44,295



Shiksha Financial Services India Private Limited

Notes to Consolidated financial statements for the year ended Mar 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

36. Additional information on the entities included in the consolidated financial statements

Name of the entity	Net assets (total assets minus total liabilities)		Share in profit or loss	
	As % of Consolidated net assets	Amount	As % of Consolidated net assets	Amount
Parent – Shiksha Financial Services India Private Limited	99.91%	5,791.82	93.59%	84.34
Subsidiary Indian – Shiksha business Services Private Limited	0.09%	5.09	6.41%	6
Total		5,796.91		90.12

37. Other disclosures:

- a) There are no pending litigations against the Company, as at Mar 31, 2025.
- b) Complaints received by the NBFCs from customers and from the Offices of Ombudsman

Complaints received by the NBFC from its customers

Particulars	As at March 31 2025	As at March 31 2024
No. of Complaints pending as at beginning of the year	0	0
No. of Complaints received during the year	1	4
No. of Complaints redressed during the year	1	4
No. of Complaints pending as at end of the year	0	0

Maintainable complaints received by the NBFC from Office of Ombudsman

Particulars	As at March 31 2025	As at March 31 2024
No. of maintainable complaints received by the NBFC from Office of Ombudsman	4	2
No. of complaints resolved in favour of the NBFC by Office of Ombudsman	4	2
No. of complaints resolved through conciliation / mediation / advisories issued by Office of Ombudsman	0	0
No. of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	0	0

38. Additional disclosures under Schedule III

- (i) Title deeds of Immovable Property not held in name of the Company - Nil
- (ii) During the year no revaluation was made for fixed assets.
- (iii) The Company had not granted any loans or advances to promoters, Directors, KMP's and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person.
- (iv) Capital-Work-in Progress (CWIP) - Nil
- (v) Intangible assets under development - Nil
- (vi) Details of Benami Property held: No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.



Shiksha Financial Services India Private Limited

Notes to Consolidated financial statements for the year ended Mar 31, 2025

(All amounts are in Indian Rupees in Lakhs except share data and otherwise stated)

- (vii) Wilful Defaulter - The Company is not declared as a wilful defaulter by any bank or financial institution or other lender.
- (viii) Relationship with Struck off Companies - Nil
- (ix) Registration of charges or satisfaction with Registrar of Companies beyond the statutory period - Nil
- (x) Compliance with number of layers of companies - Not Applicable
- (xi) Compliance with approved Scheme(s) of Arrangements - Not Applicable
- (xii) Utilisation of Borrowed funds and share premium -
No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee security or the like on behalf of the Ultimate Beneficiaries.
- (xiii) Details of any transaction 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 - Nil
- (xiv) Corporate Social Responsibility (CSR): The Provisions of section 135 of the Companies Act is not Applicable to the company for FY 24-25.
- (xv) Details of Crypto Currency or Virtual Currency - Nil

39. The figures have been rounded off to Indian Rupees Lakhs.

As per our report of even date attached

For N.C. Rajagopal & Co.

Chartered Accountants

Firm Registration Number 003398S

For and on behalf of the Board of Directors

Shiksha Financial Services India Private Limited

CIN: U74900TN2014PTC094623

Arjun S

Partner

Membership No. 230448

Pradeep V Bhide

Chairman

DIN: 03304262

V.L.Ramakrishnana

Director

DIN: 02326543

Place: Chennai

Date: 29-05-2025

Srinivasaraghvan Soundararajan

Chief Financial Officer

Manoj Kumar Jena

Company Secretary



FORM NO. MGT-11
PROXY FORM

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

CIN : U74900TN2014PTC094623
Name of the Company : Shiksha Financial Services India Private Limited
Registered office : No.497, 3rd Floor, Kattima Isana Mall, Poonamallee High Road, Arumbakkam, Chennai - 600106, Tamil Nadu, India

Name of the Member(s)	:
Registered Address	:
E-mail Id	:
Folio No./Client Id	:
DP Id	:

I/We, being member(s) ofshares of the above-named company, hereby appoint

1. Name:
Address:
E-mail Id:
Signature: or failing him

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twelfth Annual General Meeting of the Company, to be held on the Monday, the 29th day of September 2025 at 11.00 A.M. at the Registered Office of the Company situated at No.497, 3rd Floor, Kattima Isana Mall, Poonamallee High Road, Arumbakkam, Chennai-600106, Tamil Nadu, India, and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	For	Against
1	To receive, consider and adopt the Financial Statements including the Audited Balance Sheet as on 31 st March 2025, the Statement of Profit & Loss for the year ended 31 st March 2025 along with the Cash Flow Statement, the Auditors' Report and Boards Report thereon.		

Signed this day of2025

Signature of shareholder

Signature of Proxy holder(s)

Note:

1. *This form of proxy in order to be effective should be duly completed and deposited at the registered office of the company, not less than 48 hours before the commencement of the meeting.*
2. *A Proxy need not be a member of the Company.*
3. *A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.*
4. *This is only optional. Please put an 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.*
5. *Appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes.*

