

Agora Microfinance
India Limited

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Agora Microfinance
India Limited

2025

Annual
Report



Corporate Information

Board of Directors

Tanmay Chetan, Chairperson
Asit Mehta, Independent Director
Valeria E Pujia, Nominee Director
Sangeeta Dasmohapatra, Independent Director
Naval Manoj, Managing Director & CEO

Board Committees

Audit & Finance Committee

Asit Mehta, Chairperson
Tanmay Chetan, Member

Senior Management

Naval Manoj, Managing Director & Chief Executive Officer
Amandeep Singh, Head of Operations

Grievance Redressal Officer

Vijay Sonkar, Internal Audit Manager

Lenders

Moringaway Ltd.

Principal Bankers

HDFC Bank
Axis Bank
Kotak Bank
Federal Bank

Auditors

Shah & Taparia

Company Secretary

Chandini M Patel

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Vision

An urban society in which low-income communities have sufficient opportunities to improve their well-being.

दृष्टीकोन

शहरी समाजव्यवस्था जेथेकमी उत्पन्न असलेल्या समाजाला त्यांच राहणीमान सुधारण्याची पुरेशी संधी मिळेल.

Mission

To provide affordable, convenient & timely financial services to low-income urban clientele in a financially sustainable manner.

हेतू

कमी उत्पन्न गटातील शहरी ग्राहकांना त्यांची आर्थिक स्थिती सुधारण्याच्या दृष्टीने योग्य दरात, सोईस्कर आणि वेळेवर अशी आर्थिक सेवा निरंतर पुरविणे.

Fair practice code

All of AMIL's work will be conducted within a framework of 12 client protection principles enumerated below. These principles are adapted and revised as per the most up to date RBI notifications to NBFCs and NBFC-MFIs for implementation of Fair Practices Codes.

1. Inclusive and Non-Discriminatory:

Our services and products are available to all; we will not discriminate based on community, religious, caste or gender reasons, or for reasons of poverty or disability.

2. Ethical Staff Behaviour:

Our staff will treat you in a fair, honest, and respectful manner at all times. Our collection officers will not indulge in the following:

- a)** Any behavior that in any manner would suggest any kind of threat or violence.
- b)** Contact clients at odd hours, as per the RBI guidelines for loan recovery agents.
- c)** Will not visit clients at inappropriate occasions such as bereavement, sickness, etc., to collect dues.

3. Appropriate Product Design and Delivery:

We will constantly work to ensure that our products and delivery mechanisms are flexible in order to meet the diverse needs of our clients. We will actively seek feedback from you regarding your product and service preferences. We will extend product and services as bundled product except insurance.

4. Disclosure:

We will communicate all the terms and conditions for all products/services offered to clients in the official regional language or a language understood by them and shall cover aspects such as, loan terms & conditions, pricing, charges etc. We shall also hand over a copy of the sanction letter, repayment schedule, loan card etc and other loan documents as and when a request is received.

5. Avoidance of Over-Indebtedness:

We will thoroughly assess your household income(s) and expenditure(s) to ensure that your loan size matches your capacity to make repayments. We will not lend to clients who have outstanding loans with more than two other lenders. We will use the Credit Bureau information while assessing number of loans & indebtedness levels of each client.

6. Transparent Pricing:

We will ensure that you are fully aware of all our product terms and conditions and prices. The pricing of our products will be simple to understand and fair. There will be no hidden costs. Our relationship is based on a detailed agreement which will depict the key terms and conditions of loan and repayment. There shall be only three components in the pricing of the loan Viz, the interest charge, the processing charge and Insurance premium. All interest

and fees payable as an all-inclusive APR and equivalent monthly rate will be indicated in the sanction letter/loan documentation. No penalty will be charged on delayed payments. Complete information on pricing will be displayed at all our offices.

7. Appropriate Collection Practices:

You are expected to pay your loan on time but if you cannot, we will work with you to overcome problems that you are facing. We will never use abusive language, physical force, humiliate you, or violate your right to privacy. All recoveries will take place at the place designated in the loan contract. We will provide a valid receipt for each and every payment received from the borrower.

8. Flexibility:

You can choose the term of repayment (Weekly, Fortnightly or Monthly). We do not charge extra for this flexibility or for pre-payment of any loan.

9. Privacy of Information:

We will not share your personal details or information with any person or organization without your consent, or unless required to by the law.

10. Freedom of Choice:

We respect that you are the best person to make decisions for yourself and your family. We shall endeavour to raise clients' awareness of the options, choices and responsibilities vis-à-vis financial products and services available and also inform clients the organization's policies and procedures to help them understand their rights as borrowers at regular intervals.

11. Recruitment:

We shall adhere to the following while recruiting employees from other MFIs

a) Shall not recruit an employee of other MFI without the relieving letter from the previous MFI employer except where the previous employer (MFI) fails to respond to the reference check request within 30 days

b) Shall honour a one-month notice period from an outgoing employee

c) Shall provide within 2 weeks the reply to the reference check correspondence for another MFI

d) Shall not assign a new employee recruited from another MFI to the same area he/she was serving at the previous employer, for a period 1 year. This restriction applies to positions up to the Branch Manager level.

12. Complaints and Grievances:

Customers have a right to make complaints. We will always listen to customer comments and complaints and respond to them quickly and fairly by establishing a dedicated feedback and grievance redressal mechanisms to correct any error and handle/receive complaints speedily and efficiently. We shall also ensure that clients are made aware of the existence and purpose of these mechanisms and how to access them.

A client may directly air their grievances by contacting the designated Nodal Grievance Officer, Head of Internal Audit & Controls, Agora Microfinance India Ltd at the Company Head Office or via telephone on **+91 86550 10063** or by **mail at complaint@amil.co.in**

Pricing Policy

Reserve Bank of India released the revised framework for microfinance loans on 14th March 2022 aimed at bringing all microfinance lenders to a level playing field. The new directions have also outlined the household income assessment and pricing methodology, which will provide the desired policy support. Special mention has been made against usurious pricing along with a detailed definition of harsh recovery practices. As per regulatory requirement AMIL, released the new pricing policy duly approved by the Board, with effect from 01 JAN 2023.

AMILs pricing policy includes the following RBI guidelines:

- i. The all-inclusive interest rate will be detailed.
- ii. The components of interest rate such as cost of funds, risk premium and margin, etc. will be clearly outlined in terms of the quantum of each component based on objective parameters.
- iii. The range of spread of each component for a given category of borrowers shall be clearly outlined.
- iv. A ceiling on the interest rate and all other charges applicable to the microfinance loans shall be mentioned.

- v. AMIL will ensure that the Interest rates and other charges/ fees on microfinance loans would not be usurious.
- vi. AMIL shall disclose pricing related information to a prospective borrower in a standardised simplified factsheet.
- vii. Any fees to be charged to the microfinance borrower by AMIL and/ or its partner/ agent shall be explicitly disclosed in the factsheet. AMIL will ensure that the borrower shall not be charged any amount which is not explicitly mentioned in the factsheet.
- viii. AMIL will ensure no pre-payment penalty on microfinance loans. Penalty, if any, for delayed payment may be applied on the overdue amount and not on the entire loan amount.
- ix. AMIL shall prominently display the minimum, maximum and average interest rates charged on microfinance loans in all its offices, in the literature (information booklets/ pamphlets) issued by it and details on its website. This information shall also be included in the supervisory returns and subjected to supervisory scrutiny.
- x. AMIL shall ensure that any change in interest rate or any other charge shall be informed to the borrower well in advance and these changes shall be effective only prospectively.
- xi. AMIL shall share pricing related information and methodology with SROs transparently, where it is a member.



Message from the Chair



We had begun witnessing some challenges to our operations towards the end of 2024, mainly on account of some of our new branches in northern Karnataka.

During 2025, we continued to slowly but temporarily scale back our operations in the region while also continuing our slow shift in the Maharashtra market away from over-leveraged customers and areas. This is a slow process to align our work more closely to our ethos in a market where supply of finance is less of a constraint than it used to be. We are working to establish ourselves as the first-choice financial institution for the less banked and limit our exposure to customers with several active lines of finance with multiple lenders.

To this effect, a detailed household survey was carried out by AMIL around mid-2025, which suggested that around 10% of all lower income households do not have access to formal finance. We are trying to see how best to reach and serve this segment of the urban market.

One possibility for AMIL is to be able to offer more tailored financial products to clients, such as facilities of shorter duration, including smaller working capital loans, housing and home improvement facilities, as well as larger facilities to clients who graduate beyond the typical microfinance thresholds. We hope to clarify this strategy further during 2026-27 and then rebuild AMIL along its redefined priorities.

Towards the end of 2025, AMIL embarked upon a strategy to substantially reduce its exposure to clients with 3 loans or more. As part of the new strategy, lending to such clients was stopped entirely and while this limits its short-term growth and puts additional pressure on its viability, we believe it will be a viable long-term strategy as it will improve asset quality as well as enable AMIL to build stronger client relationships.

In the meantime, we are also focusing on strengthening our human and technology capabilities through a range of strategies aimed at improving staff retention and working with our technology partners to move to a much more advanced information infrastructure. Much of this work will prepare us for the next phase of development of AMIL from late 2026 and into 2027.

It is a long road for AMIL to realise its mission, but one that it remains committed to achieve. I am as always grateful to AMIL's shareholders and directors for their continued belief, and its leadership team, led by Manoj Naval, and its operations team led by Amandeep Singh, showing their perseverance during difficult times. I remain optimistic that AMIL is not too far from finding its sweet spot as it aims to provide meaningful financial services to the urban market.



Tanmay Chetan
Chair

CEO Report 2025

The year 2025 has been a challenging period for the Indian microfinance sector, marked by heightened stress across multiple regions.

Delayed repayments, localized disruptions, and evolving regulatory and credit dynamics created a difficult operating environment for most institutions. These conditions necessitated a shift in focus from rapid growth to consolidation, risk management, and operational resilience.

AMIL as well, responded to this environment with a cautious and disciplined approach. Our strategy during the year was centred on safeguarding portfolio quality, strengthening internal controls, and recalibrating our operating model to align with the realities of the market. While growth remained subdued, the emphasis was clearly on building a more resilient and sustainable organization.

Performance Overview

Despite the challenging landscape, AMIL maintained steady operational momentum while consciously reducing risk exposure. The Company recorded average monthly disbursements of approximately ₹2.4 crore during the year, reflecting continued engagement with customers while maintaining prudent underwriting standards.

The gross loan portfolio declined from ₹61.7 crore to ₹41.3 crore by December 2025. This was a deliberate

strategic decision aimed at improving asset quality and reducing exposure in a volatile environment. As a result of the reduced scale and continued investments in strengthening processes and controls, the operating cost ratio **increased to around 15%** for the year.

However, the average portfolio yield remained strong at **approximately 25%**, supported by disciplined pricing strategies and a focus on risk-adjusted returns. Overall, the year's performance reflects a conscious balancing of stability, quality, and long-term sustainability over short-term expansion.

Strengthening People, Processes and Technology

A significant focus during the year was on optimizing the organization across people, processes, and technology to create a lean and efficient operating model.

On the people front, the employee base was rationalized to 128, in line with the Company's strategy of operating with a low-capex branch model. At the same time, AMIL continues to place high importance on employee retention and development. Targeted engagement initiatives and structured training programs were implemented to enhance capabilities, improve productivity, and support long-term career growth.

“As we move into 2026, our focus is clear—stabilize the core, scale with discipline, and deepen our impact through technology-led financial inclusion.”

From a process perspective, AMIL strengthened its governance and risk management framework through the implementation of a three-level monitoring and control system comprising field officers, supervisory oversight, and an enhanced Internal Audit function. Additional resources were deployed within the Internal Audit team to ensure robust verification of sourcing and disbursement practices.

Further, the dedicated backend operations team was strengthened to ensure rigorous documentation and compliance standards. This team conducts 100% pre-disbursement checks, particularly for new branches, thereby significantly improving process discipline and reducing operational risks. In addition, the Company also transitioned to a risk-based pricing model that differentiates borrowers based on their repayment history and underlying risk.

Technology continued to play a transformative role in strengthening operations by introducing a business rule engine capable of evaluating customers based on multiple parameters. The disbursement process was automated through API integration with banking partners, resulting in reduced turnaround times.

Field officers were equipped with mobile applications to facilitate real-time data capture, improving both accuracy and operational efficiency. On the collections side, the Company significantly scaled up digital payment modes, including the use of customer-specific QR codes. Digital collections now account for more than 40% of total collections, marking a substantial shift toward a more efficient and customer-friendly repayment ecosystem.

Outlook for 2026

As we look ahead, I expect 2026 to be a year of stabilization and gradual recovery for the sector. AMIL will continue to focus on strengthening asset quality, improving operational efficiency, and deepening its technology-driven capabilities.

The Company remains committed to its mission of advancing financial inclusion while maintaining a prudent and sustainable approach to growth. With a stronger operating foundation and a clear strategic direction, we are confident of navigating the evolving landscape and creating meaningful impact in the communities we serve.

Stakeholder Support and Acknowledgment

I would like to take this opportunity to express my sincere gratitude to all stakeholders who have supported AMIL through out a challenging year.

I extend my appreciation to our Board Members for their active involvement and strategic guidance throughout the year, with a special mention to the Board Chair for his continuous engagement and mentorship. I would also like to thank our shareholders for their unwavering commitment and confidence in the Company's long-term vision.

Most importantly, I acknowledge the dedication, resilience, and teamwork of the entire AMIL team. Their efforts have been instrumental in navigating the challenges of the year and laying the foundation for future growth.



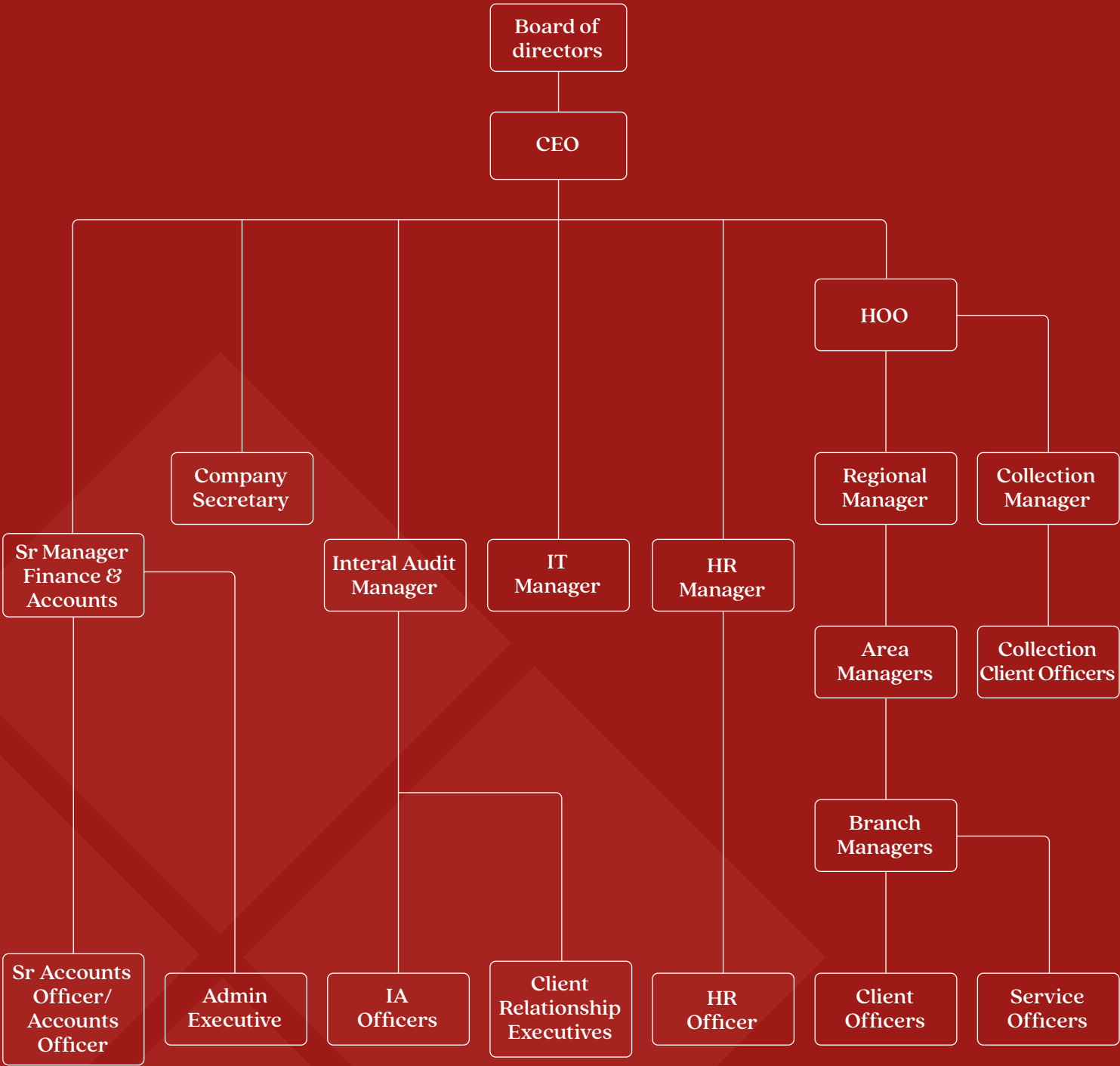
Naval Manoj
Chief Executive Officer

Corporate structure

The current governance structure of AMIL includes one Director who is represented by the majority shareholder (AMNV), two Independent Directors and the CEO in an ex-officio capacity. The Board of Directors meets accordingly and oversees the implementation of the strategy of the company.

In addition, the shareholders meet in an Annual General Meeting (AGM) which was scheduled on **22nd June 2021**. An Extra Ordinary General Meeting (EOGM) can be organized in case of any pertinent matter. All Directors will resign annually and will be re-appointed, or new ones inducted.

The Board is assisted by relevant Sub-Committees. Each committee will have a minimum of two persons, comprising both the nominee and Independent Directors. The respective Committees are authorised by the Board to act on its behalf and may direct members of Senior Management to participate in the functioning of the Committee. The following Committee is currently active: Audit and Finance Sub-Committee (AFC)The senior management of AMIL includes the CEO and the Heads of Accounts & Finance, Heads of Operations, and Heads of Internal Audit & Controls.



Products & services

Product Details

1. Micro Credit products (Qualifying Assets per Reserve Bank of India NBFC-MFI definitions)

1.1. Business Loan

Purpose	Income generation activities
Loan Size	Up to Rs. 80,000 (first loan cycle up to Rs.30,000 if client does not have a credit history and up to Rs 60,000 if client has a credit has a credit history with any other MFI or financial institution and subsequent cycles up to a maximum of Rs 80,000)
Loan Term in Months	12,18,24
Interest rate	As defined by RBI pricing guidelines and approved Board Policy. For the Financial Year the average base rate was 25%p.a.
Loan Processing Fee	1.5% Plus GST.
Lending methodology	Groups

1.2. Housing Loan

Purpose	Household Maintenance / Repairs
Loan Size	Up to Rs 80,000 (first loan cycle up to Rs30,000 if client does not have a credit history and up to Rs.60,000 if client has a credit has a credit history with any other MFI or financial institution and subsequent cycles up to a maximum of Rs 80,000)
Loan Term in Months	12,18,24
Interest rate	As defined by RBI pricing guidelines and approved Board Policy. For the Financial Year the average base rate was 25%p.a.
Loan Processing Fee	1.5% Plus GST.
Lending methodology	Group

1.3. Education Loan

Purpose	School / College & Tuition Fee
Loan Size	Up to Rs. 80,000 (first loan cycle up to Rs30,000 if client does not have a credit history and up to Rs 60,000 if client has a credit has a credit history with any other MFI or financial institution and subsequent cycles up to a maximum of Rs. 80,000)
Loan Term in Months	12,18,24
Interest rate	As defined by RBI pricing guidelines and approved Board Policy. For the Financial Year the average base rate was 25%p.a.
Loan Processing Fee	1.5% Plus GST.
Lending methodology	Group

1.4. Emergency Loan

Purpose	Income generation activities
Loan Size	Up to Rs 20,000
Loan Term in Months	12,18,24
Interest rate	As defined by RBI pricing guidelines and approved Board Policy. For the Financial Year the average base rate was 25%p.a.
Loan Processing Fee	1.5% Plus GST.
Lending methodology	Group

1.5. Micro Loan – Individual lending

Purpose	Income generation activities
Loan Size	Up to Rs. 80,000 (first loan cycle up to Rs.30,000 if the client does not have a credit history and up to Rs 60,000 if the client has a credit history with any other MFI or financial institution and subsequent cycles up to a maximum of Rs 80,000)
Loan Term in Months	12,18,24
Interest rate	As defined by RBI pricing guidelines and approved Board Policy. For the Financial Year the average base rate was 25%p.a.
Loan Processing Fee	1.5% Plus GST.
Lending methodology	Individual

2. Other credit products

2.1 General business loan

Purpose	Income generation activities
Loan Size	Up to Rs.100,000
Loan Term in Months	12,24,36
Interest rate	26%
Loan Processing Fee	2% Plus GST.
Lending methodology	Individual

2.2 Small & Medium Enterprise Loans (BC / Partnership)

Purpose	Income generation activities
Loan Size	Between Rs.30,000 Rs – 300,000
Loan Term in Months	12,24,36
Interest rate	For the financial year, the average base rate was 27%
Loan Processing Fee	2% Plus GST.
Lending methodology	Individual/Group

3. Micro-Insurance

3.1 Credit-life insurance (bundled with all loans)

Purpose	Income generation activities
Insurance Provider	Kotak Mahindra Life Insurance Company Ltd
Type of cover	Credit-Life: the sum assured covers any outstanding loan amount, and the remaining balance is passed on to the next-of-kin
Sum Assured	Up to the loan principal
Cover extended	Borrower and nominee (nominated family member)
Premium	For loans up to Rs. 100,000: Rs 10.80 (incl GST) per Rs 1,000 borrowed For loans greater than Rs. 100,000: Rs 10.80 (GST 18%) per Rs 1,000 borrowed
Time Period	2 years

3.2 Hospi Cash

Insurance Provider	Kotak Mahindra General Insurance Company Ltd
Type of Cover	Health and Accident cover, including maternity and COVID cover, as below - Daily Cash Benefit for hospitalisation: Rs. 500/ per day for a maximum of 30 days - Daily Cash Benefit for ICU admissions: Rs.1,000/ per day for a maximum of 30 days - Personal Accident Benefit: Rs. 25,000 - Borrower & co-borrower are covered under Accidental death
Cover Extended	Borrower and nominee (nominated family member)
Premium	Rs 650 per policy per year
Time Period	1 year

Areas of operation

The Mumbai slums present a vast microfinance market in the form of households engaged in informal and formal employment.

They operate from their own homes/shops or rented premises. The segment does not have access to formal sources of financing as they are unable to provide any collateral in lieu of funds. Most of the microenterprises have low cash conversion cycles, which leads to frequent capital requirements.

AMIL primarily caters to the microfinance clients by providing unsecured small ticket credit. Headquartered in Navi Mumbai, AMIL currently operates 15 branches in the Mumbai Metropolitan Region, 6 branches in Nashik district, 2 branches in Pune district, and 5 branches in the Karnataka region.



Santacruz

Agora Microfinance India Ltd
27/209, Anand Nagar, Om CHS Ltd,
Vakola, Santacruz East, Mumbai
400055

Area Manager:

Ms. Ankita Satam: 8691001629

Branch Manager:

Ms. Nikita Satpute: 8655044035

Vikhroli

Agora Microfinance India Ltd
216, Gold Crest Building,
Behind HDFC bank, LBS Road,
Ghatkopar West 400086

Branch Manager:

Mr. Tapas: 8422909078

Bhandup

Agora Microfinance India Ltd
Shop No.1, Renukadevi Co Op
Housing Society, Kokan Nagar,
Bhandup West, Mumbai 400078

Branch Manager:

Mrs. Rupali Kamble : 8422942254

Mumbra

Agora Microfinance India Ltd
103, 1st Floor, B Wing, Shree
Complex, Amrut Nagar, Mumbra,
Thane West 400612

Asst Branch Manager:

Ms. Supriya Borade: 8657880679

Digha

Agora Microfinance India Ltd
House No.105, First floor, Near
Saibaba Mandir, Thane Belapur
Road, Digha, New Mumbai 400708

Asst Branch Manager:

Mr. Pooja Nalla : 8655839235

Chembur

Agora Microfinance India Ltd
Office No.20, 2nd floor, A Wing,
Station View Building, Central
Avenue Road, Above Justine Times
showroom, Opposite to Chembur
Station [E], Mumbai 400071

Branch Manager:

Ms. Vijaya Sawant: 8655044038

Asst Branch Manager:

Ms. Vidya Kharat: 8655044015

Nala Sopara

Agora Microfinance India Ltd
B-101, 1st Floor, Somnath Complex,
Tulinj Road, Near East End of
Flyover Bridge, Nalasopara (E), Tal.
Vasai, Dist. Palghar-401209.

Sr. Branch Manager:

Yogesh Chavan: 8108522631

Thane

Agora Microfinance India Ltd
Shop No. 2, Akar Park CHS, Govind
Bacchaji Road, Charai, Thane West
400601

Area Manager:

Ms. Farheen Shaikh: 8655044174

Mankhurd

Agora Microfinance India Ltd
Room No. 204, 2nd Floor, G
wing, bldg No. 10, Mangalmoorti
Apartment, Near PMGP Colony,
Above Shubham Hospital,
Mankhurd 400043

Asst Branch Manager:

Ms. Yashoda Kamble: 8655044046

Kalyan

Agora Microfinance India Ltd
House No. 2, Chawl No. A, Jay Shiv
Sahyadri, Pune Link Road,
Opp. Santoshi Mata Mandir,
Kalyan (E) 421306

Sr. Branch Manager:

Mr. Rupesh: 8655044174

Branch Manager:

Mr. Sagar Dilip Bhoir: 8691001641

Nashik

Agora Microfinance India Ltd
N42, JE2 1/3 Sawata Nagar, Op
Crompton Hall Cidco 4, Nasik
422009

Area Manager:

Mr.Kunal Lonandkar: 8828500607

Asst Branch Manager:

Ms. Jasmeen Tanveer Khan:

8657880675

Dindori

Agora Microfinance India Ltd
N42, JE2 1/3 Sawata Nagar, Op
Crompton Hall Cidco 4, Nasik
422009.

Area Manager:

Mr.Kunal Lonandkar: 8828500607

Asst Branch Manager:

Mr. Keshav Laxman Rahane:

8691021082

Satana

Agora Microfinance India Ltd
60 Feet Road, Shivaji Nagar,
Near Vegetable Market & behind
Satana Bus Stand, Satana,
Nashik 424306

Asst Branch Manager:

Mr. Atul Pawar: 8657880672

Ghoti

Agora Microfinance India Ltd
Sandeep Kantilal Shahne, 1st Floor,
Juna Agra Road, Near Telephone
Office and Gurunath Restaurant,
Ghoti 422402

Sr. Branch Manager:

Mr. Kishor Badade: 8657880671

Asst Branch Manager:

Ms. Priyanka Bonde: 8828879814

Ambernath

Agora Microfinance India Ltd
Unit No.129, Glob Business Park,
Plot No. 30, MIDC, Kalyan Badlapur
Road, Near Big Cinema, Ambernath
West, Dist Thane. 421506.

Branch Manager:

Mrs. Usha Patil : 8691001642

Kalvan

Agora Microfinance India Ltd
House No. 1594, Ground Floor,
Jay Javan Jay Kisan Mangal Karyalay,
Behind Bus Stand, Kalvan, Nashik
423501

Asst Branch Manager:

Mr. Atul Pawar: 8657880672

Palghar

Agora Microfinance India Ltd
Shop No.8, A Wing, Siddhivinayak
Residency, Railway Station Road,
Palghar 401401

Branch Manager:

Yogesh Chavan: 8108522631

Belgavi

Agora Microfinance India Ltd
H.No.217/A/7, CCB No.15,
Kashi Kunj, Ganesh Marg, 1st Cross
Hindwadi, Belgavi 590011

Sr. Branch Manager:

Mr. Devendra Vaggu : 8655478990

Sr. CO:

Mr. Sammed Zare: 8655339591

Panvel

Agora Microfinance India Ltd
Flat No A-3, Ground Floor, Meher
Arcade, Plot No 77, M C C H
Society, Opp Purohit Hospital, Near
Barns High School, Panvel 410206.

Branch Manager:

Mr. Amol Waghmare: 8828850773

Malad

Agora Microfinance India Ltd
Shop No. 2, Ground Floor,
Gurukripa Vatika, Kurar Village,
Vaishet Pada No 1, Milkat Number
2, Mumbai 400097 (Malad East.)

Branch Manager:

Ms. Nikita Satpute: 8655044035

Titwala

Agora Microfinance India Ltd
Shop No.5, Ground Floor, 'Valaeam
Apt' Krushna Kunj, Ganesh Mandir
Road, Titwala East 421605

Sr. Branch Manager:

Mr. Rupesh : 8655044174

Branch Manager:

Mr. Sagar Dilip Bhoir: 8691001641

Karjat

Agora Microfinance India Ltd
Shop no1, Madhutara, Kacheri
Road, Near Gawakra Building,
Karjat West 410201

Sr. Branch Manager:

Mr. Rupesh: 8655044174

Branch Manager:

Mrs. Usha Patil: 8691001642

Hubli

Agora Microfinance India Ltd
Opp Hanuman Temple, Last Bus Stop
Bhavani Nagar Hubli (Dis) Dharwad
Karnataka 580023.

Asst. Branch Manager:

Mr. Gangappa Kotagi: 8655985188

Gokak

Agora Microfinance India Ltd
Plot no. 210/2A+3B First Floor,
Laxmi Temple Road, Beside IDBI
Bank First Cross Bombay Cha

Gokak Belgaum, Karnataka 591307

Asst. Branch Manager:

Mr. Shankaranand G Shigiholi:

8655985183

Sankeshwar

Agora Microfinance India Ltd
1st floor Navnath complex Housing
colony Hukkeri Road. Nearest
Nesary Deluxe Garden Sankeshwar
Hukkeri - 591313

Branch Manager:

Mr. Hanumant Karade : 8655771391

Khodala

Agora Microfinance India Ltd
At post khodala Shivaji chowk near
Hamre nagar tal.mokhada Dist
Palghar, Pin 401604

Client Officer:

Mr. Vishal : 8828894238

Hadapsar

Agora Microfinance India Ltd
Shop no 1, 1st floor, Opp to
Annasaheb Magar Sahkari Bank
Ltd., Manjari- Hadapsar Road,
Chintamani Colony, Village

Mahadev Nagar Pune 412307

Asst. Branch Manager:

Mr. Madhusudan: 8655771399

Chinchwad

Agora Microfinance India Ltd
Flat no. 10, 2nd floor, raka palace,
chinchwad station road, Near
Chafekar chowk , opposite sonigara
jewellers above lale chasme vale

Sr. Branch Manager:

Mr Ravi Laman : 8655916875



Operational and Financial Highlights

Loan Portfolio

413.5m

AMIL Active Borrowers

17,492

Women Borrowers

98%

No of Field Offices

29

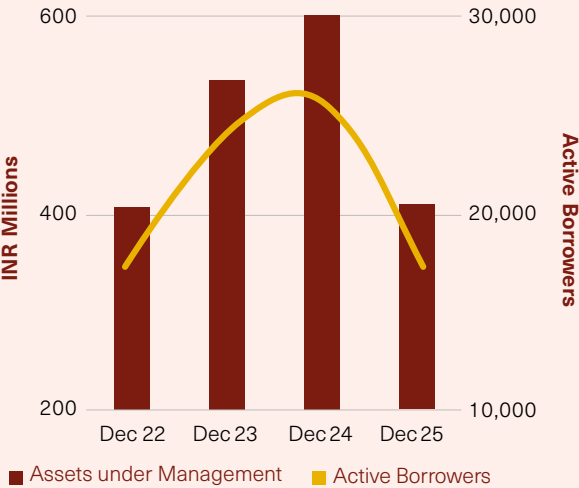
Average Loan Size (INR)

₹23,644

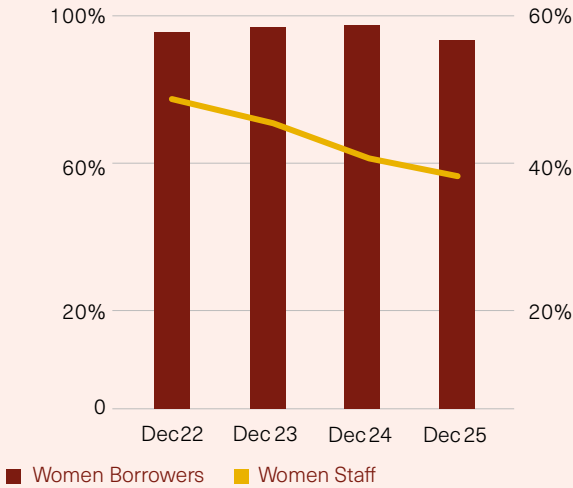
Operational and Financial Highlights

	2023	2024	2025
No of Field Offices	24	27	29
Number of Active Borrowers	24,382	26,175	17492
• Women Borrowers (%)	97%	98%	98%
Assets Under Management (USD)	6,434,195	7,072,669	4,603,069
Assets Under Management (INR)	536,182,876	604,651,228	413,580,689
PAR30 Days	5%	9%	17%
Average Loan Size (USD)	297	312	320
Average Loan Size (INR)	21,991	23,100	23,644
Average Loan Size / Estimated GNI per capita	13.70%	13.93%	12.72%

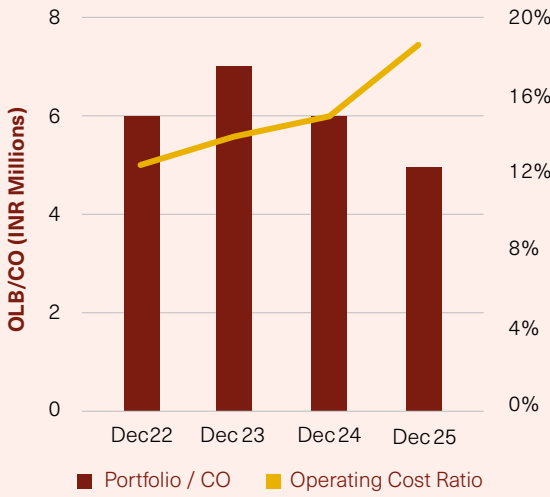
Loan Portfolio vs No. of Active Borrowers



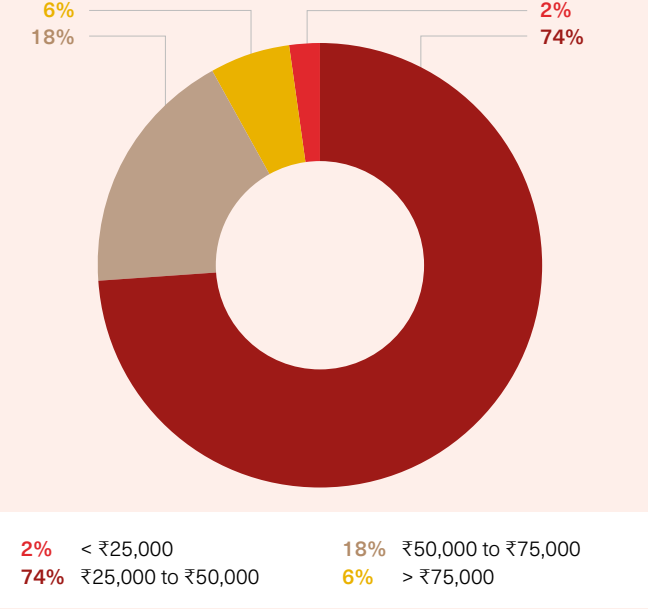
Gender Distribution



Operating Cost & Efficiency



Loan Portfolio by Size



Operational and Financial Highlights

	2023	2024	2025
Margin Analysis (as a % of Assets under Management)			
a) Operating Income	23.17%	25.38%	29.37%
b) Cost of Funds	8.03%	7.82%	8.26%
c) Net Interest Margin (a-b)	15.14%	17.56%	21.12%
d) Loan Loss Provision	-1.41%	2.84%	11.30%
e) Net Margin before Operating Expenses (c-d)	16.55%	14.72%	9.81%
f) Personnel Cost	8.34%	8.22%	9.54%
g) Admin Cost	6.02%	7.24%	8.58%
h) Total Operating Cost (f+g)	14.36%	15.46%	18.12%
Ratio	2.20%	-0.74%	-8.31%
Financial Ratios			
Operating Self Sufficiency	132.31%	105.28%	66.60%
Solvency Ratio (Equity/Assets)	38.13%	37.11%	32.17%
Debt/Equity	1.59	1.62	1.93
Operating Cost Ratio	14.36%	15.46%	18.12%
Return on Equity	18%	4%	-28%

66.60%

Operating Self Efficiency

18.12%

Operating Cost Ratio

-28%

Return on Equity

Key Initiatives for 2026

1. Strategic Context and Outlook

The financial year 2025 was a period of significant turbulence for AMIL, reflecting the broader stress experienced across the Indian microfinance sector. Delayed repayments, localized political interferences, and cautious lending sentiment created an environment that required restraint, recalibration, and a strong focus on risk management. As a result, the organization consciously prioritized portfolio quality and operational discipline over expansion.

Against this backdrop, the year 2026 is envisaged as a phase of recovery and stabilization. The strategic direction for the year is centred on restoring collection efficiencies, strengthening the operating model, and building a sustainable foundation for future growth. At the same time, AMIL remains committed to its long-term mission of serving the underbanked population through responsible and inclusive financial services.



Naval Manoj
Chief Executive Officer

2. Business Priorities: Portfolio, Customers and Products

A key priority for the year will be the normalization of portfolio performance. The Company aims to achieve stable collection efficiencies within the initial months and gradually scale up disbursements in a calibrated manner. Growth will be driven by a sharper focus on customer quality, with preference given to clients who demonstrate stable income streams, multiple household income sources, and a strong repayment track record. Existing customers with proven credit behaviour will continue to remain central to the growth strategy, ensuring that expansion is built on a foundation of trust and reliability.

In parallel, AMIL will focus on expanding and refining its customer segments, particularly in urban and semi-urban geographies. The Company will leverage its extensive historical database of customers to re-engage and serve those whose credit needs have evolved over time. This approach is expected to enhance customer lifetime value while minimizing acquisition risks.

Product diversification will be another critical area of focus during the year. Recognizing the changing financial needs of its clientele, AMIL plans to introduce a broader suite of offerings. These include higher ticket size loans for existing high-quality borrowers, small-ticket loans aimed at less-served segments, and the introduction of secured lending products such as micro housing loans and loan-against-property solutions. In addition, the Company intends to explore new revenue streams through insurance distribution models, particularly in the two- and three-wheeler segment. These initiatives are expected to improve portfolio diversification while strengthening AMIL's value proposition to its customers.



3. Technology and Operating Efficiency

Technology will play a central role in enabling this transformation. Building on the digital foundation already established, AMIL will further strengthen its digital collections ecosystem, making repayments more convenient, efficient, and accessible through multiple digital platforms.

At the same time, the Company will continue to invest in strengthening its core technology infrastructure. Efforts are underway to evaluate and enhance the core banking system, including the possibility of developing in-house capabilities through a captive platform. The long-term objective is to create an integrated, technology-driven ecosystem that supports end-to-end loan lifecycle management.

While pursuing these initiatives, AMIL will maintain a strong focus on operational discipline and cost optimization. No new branch expansion is planned for 2026, with emphasis instead placed on achieving faster breakeven for existing branches. Branch operations will follow a calibrated staffing model, starting lean and scaling up post-breakeven. Efforts will also be made to optimize branch-level costs, including rental expenses, while maintaining tight control over head office overheads. Capital expenditure will remain limited, with selective investments directed primarily toward technology and critical infrastructure.

4. Strategic Evolution and Way Forward

An important strategic consideration for the future is the proposed transition from an NBFC-MFI structure to a broader NBFC framework. Over the years, AMIL has witnessed a steady evolution in its customer base, with many borrowers graduating from microfinance to micro-enterprise and MSME-level credit requirements. While this reflects the positive impact created by the Company, existing regulatory constraints limit the ability to continue serving such customers. The proposed transition will enable AMIL to engage with these evolving customer needs, diversify its portfolio, and unlock new growth opportunities, while strengthening its position as a comprehensive financial services provider.

In conclusion, the year 2026 represents a pivotal phase for AMIL. While the immediate focus is on stabilization and recovery, the initiatives being undertaken will lay the groundwork for sustainable, technology-driven growth in the years ahead. By strengthening its operating model, diversifying its offerings, and deepening its customer relationships, AMIL is well positioned to navigate the evolving landscape and continue making a meaningful impact in the communities it serves.

Director's Report

Dear Members,

Your Directors are pleased to present the 30th Directors Report on the business and operations of your company along with the audited financial statement for the financial year ended 31st December, 2025.

1. Financial Performance and Operational Review:

The Company financial performance, for the year ended December 31, 2025

(Amount in Indian Rupees)		
Particulars	For the year ended 31st December, 2025	For the year ended 31st December, 2024
Revenue from Operation	12,14,77,531	15,00,77,271
Other Income	62,85,721	68,14,000
Total Income	12,77,63,252	15,68,91,271
Less: Employee Benefit Expense	4,85,74,856	4,68,63,992
Less: Finance Cost	5,61,39,402	5,77,10,327
Less: Other Expense	2,77,88,042	2,60,74,193
Less: Depreciation and amortization expense	8,91,646	9,17,253
Less : Provisions and write-offs	5,75,38,827	1,62,16,728
Total Expense	19,09,32,772	14,77,82,493
Profit/(Loss) before Tax	-6,31,69,520	91,08,778
Tax Expenses		
Current Tax	-	-
Deferred Tax	-	-
MAT Credit	-	-
Add: Excess provision for current tax in respect of earlier year	4,51,013	-
Profit/ Loss after Tax	-6,36,20,533	91,08,778

2. Overview (Financial Highlights):

During the year under review, the total income of the Company stood at Rs. 12,14,77,531/- as against Rs. 15,00,77,271/- in the previous year, thereby registering a decrease of Rs. 2,85,99,740/-. Further, the gross expenses incurred by the Company during the current financial year increased to Rs. 19,09,32,772 as compared to Rs. 14,77,82,493 incurred during the previous financial year.

The Company has written off an amount aggregating to Rs. 4,05,72,245/- (Rupees Four Crore Five Lakh Seventy-Two Thousand Two Hundred Forty-Five Only) in accordance with the detailed write-off proposal placed before and approved by the Board.

The Company has incurred a net loss of Rs. 6,36,20,533/- during the financial year 2025 as against a net profit of Rs. 91,08,778/- recorded during the financial year 2024. Consequently, the earnings per share (EPS) of the Company declined from 0.43 in the previous financial year to (-3.03) during the current financial year.

3. Dividend

With intent to build up the net worth for future expansion and growth plans, your directors do not recommend any dividend for the year under review.

4. Transfer to Reserves in Terms of Section 134 (3) (J) of the Companies Act, 2013:

During the year, the Company has adjusted their loss of Rs. 6,36,20,533/- to its general reserves.

As per Section 45-IC of The Reserve Bank of India Act, 1934 (the “RBI Act”), the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared.

The company has incurred a net loss of Rs. 6,36,20,533/- during the year. Therefore, the Company has not transferred any amount to statutory reserve as per Section 45-IC of The Reserve Bank of India Act, 1934 (the “RBI Act”).

5. Quality Initiatives

The Company continues to sustain its commitment to the highest levels of quality, superior service management, robust information security practices and mature business continuity management.

6. Details Pertaining to Shares of the Company:

Buyback of Securities

The Company has not bought back any of its securities during the year under review.

Sweat Equity

The Company has not issued any Sweat Equity Shares during the year under review.

Bonus Shares

No Bonus Shares were issued during the year under review.

Employee Stock Option Plan

The Company has not provided any Stock Option Scheme to the employees.

Changes in Share Capital

There is no change in the share capital during the year under review.

7. Material Changes and Commitments Affecting the Financial Position of The Company

During the year under review, there has been no material Changes in the Company affecting the financial Position of the Company.

8. Material Changes and Commitment, if any Affecting The Financial Position of The Company That Occurred Between The End of The Financial Year to Which The Financial Statements Relate and The Date of The Report

During the year under review, there has been no post balance sheet event.

9. Change in The Nature of Business

There is no change in the nature of the business of the company.

10. Details of Subsidiary/Joint Ventures/ Associate Companies

The Company does not have any Subsidiary, Joint venture or Associate Company.

11. Board Evaluation

The annual evaluation of performance of the Board of Directors and individual Directors for the year under review was conducted in accordance with the provisions of the Companies Act, 2013.

12. Registrar and Share Transfer Agent

During the year under review, Bigshare Services Pvt. Ltd. was the Registrar and Transfer Agent of the Company.

13. Declaration by Independent Directors:

The Independent Directors have submitted their declaration of independence, stating that:

- a) They continue to fulfill the criteria of independence provided in Section 149 (6) of the Act along with Rules framed thereunder and Regulation 16(1)(b); and
- b) There has been no change in the circumstances affecting his/their status as Independent Directors of the Company.

The Independent Directors have also confirmed that they have complied with the Company's Code of Conduct. In terms of Section 150 of the Act and Rules framed thereunder, the Independent Directors have also confirmed their registration (including renewal of applicable tenure) and compliance of the online proficiency self- assessment test (unless exempted) with the Indian Institute of Corporate Affairs (IICA). The Board opined and confirm, in terms of Rule 8 of the Companies (Accounts) Rules, 2014 that the Independent Directors are persons of high repute, integrity and possess the relevant expertise and experience in their respective fields.

14. Directors' Responsibility Statement

Pursuant to Section 134 of the Companies Act, 2013, the Directors confirm that:

- a. In the preparation of the annual financial statements for the year ended December 31st, 2025 the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b. Appropriate accounting policies have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at December 31st, 2025 and of the profit of the company for the year ended December 31st, 2025.
- c. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d. The annual accounts have been prepared on a going concern basis.
- e. Systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

15. Directors and Key Managerial Personnel

The current constitution of the Board of Directors is as detailed below:

Sr. No.	Name of Director	Designation	Date of Appointment
1.	Tanmay Chetan	Nominee Director	01/11/2011
2.	Manoj Naval	Managing Director	29/10/2025
3.	Asit Prabhudas Mehta	Independent Director	26/06/2014
4.	Sangeeta Dasmohapatra	Additional Director (Independent)	25/02/2026
5.	Valeria Eleonora Pujia	Nominee Director	25/02/2026

During the year under review, the designation of Mr. Asit Prabhudas Mehta was changed from Non-Executive Director to Independent Director with effect from 29-08-2025. Further, the designation of Mr. Manoj Naval was changed from Chief Executive Officer to Managing Director & Chief Executive Officer. Ms. Frances Mary Elizabeth Sinha resigned from the office with effect from 28-05-2025 and Mr. Pradeep Sarin resigned with effect from 30-11-2025

16. Meetings of The Board

A. BOARD MEETINGS:

As required under section 134 (3)(b) of the Companies Act, 2013, during the financial year ended 31st December, 2025 the Board of Directors duly met for 5 times as per the details of board meeting given below. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

S. No.	Date of Meeting	Total number of directors as on the date of meeting	Number of directors Attended
1.	31-01-2025	4	3
2.	24-04-2025	4	3
3.	07-08-2025	3	3
4.	29-09-2025	3	3
5	26-11-2025	4	3

(i) Attendance of each Director at the Board Meetings and the last Annual General Meeting (AGM) held on 28.05.2025 during the year under review.

S. No.	Name of the Director	Designation	No of Meetings which were entitled to attend	No. of Meetings attended	Last AGM Attendance (Yes/No)
1.	Tanmay Chetan	Nominee Director	5	5	Yes
2.	Frances Mary Elizabeth Sinha	Director	2	0	No
3.	Asit Prabhudas Mehta	Director	5	5	No
4.	Pradeep Narinder Sarin	Director	5	4	No
5.	Manoj Naval	Managing Director	1	1	Yes (As the CEO)

B. GENERAL MEETINGS:

Type of meeting	Date of meeting	Total Number of Members entitled to attend meeting	No. of Members Attended
Annual General Meeting	28.05.2025	8	4
Extra-Ordinary General Meeting	29.08.2025	8	3
Extra-Ordinary General Meeting	29.10.2025	8	4

17. Internal Financial Control System

Your Company continuously invests in strengthening its internal control processes. The Company has put in place an adequate system of internal financial control commensurate with its size and nature of business which helps in ensuring the orderly and efficient conduct of its business. These systems provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company, prevention & detection of frauds, accuracy & completeness of accounting records and ensuring compliance with corporate policies. As a means to further strengthen the control environment, during the year, the processes were benchmarked with industry practices to identify the gaps, if any and remedial measures were taken. Financial policies, standards and delegations of authority have been disseminated to senior management to cascade within their departments. Procedures to ensure conformance with the policies, standards and delegations of authority have been put in place covering all activities.

18. Statutory Auditor and Board's Comment on The Auditors' Report

M/s. Shah & Taparia, Chartered Accountants, having FRN Number: 109463W was appointed as Statutory Auditor from the conclusion of the 26th Annual General Meeting till the conclusion of 30th Annual General Meeting to be held for the financial year 2026.

There are no qualifications or adverse remarks in the Auditors' Report which require any clarification/ explanation. The Notes on financial statements are self-explanatory, and needs no further explanation.

19. Risk Management Policy

The Board of Directors is overall responsible for identifying, evaluating and managing all significant risks faced by the Company. The Board monitors and reviews the implementation of various aspects of the Risk Management policy through meeting of Board of Directors. The Risk Management Policy assists the Board in its oversight of the Company's management of key risks, including strategic and operational risks, as well as the guidelines, policies and processes for monitoring and mitigating such risks under the aegis of the overall business risk management framework. The Company follows well established and detailed risk assessment and minimization procedures, which are periodically reviewed by the Board. The Company has in place a business risk management framework for identifying risks and opportunities that may have a bearing on the organization's objectives, assessing them in terms of likelihood and magnitude of impact and determining a response strategy.

20. Particulars of Loans, Guarantees and Investments

The Company has not made / given / advance any Investments, Loans and Guarantee given under section 186 of the Companies Act, 2013 for the financial year ended 31st December 2025.

21. Particulars of Contracts or Arrangements With Related Parties

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, there were no Related Party Transactions (RPTs) entered into by the Company during the financial year, which attracted the provisions of section 188 of the Companies Act, 2013. There being no details to be disclosed in Form AOC-2 in that regard.

22. Corporate Social Responsibility

The provisions of Corporate Social Responsibility are not applicable to the company.

23. Extracts of Annual Return

The Annual Return as required under Section 92 and Section 134 of the Companies Act, 2013 read with rule 12 of the Companies (Management and Administration) Rules, 2014 is available on the Company's website at <https://www.amil.co.in/>

24. Deposit

During the year under review, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force).

25. Conservaation of Energy, Technology Absorption

A. Conservation of Energy: NIL

- (i) The steps taken or impact on conservation of energy: Although energy is not a major element of the cost for the company, constant endeavors have been made to conserve energy and consequently minimize power and diesel costs.
- (ii) The steps taken by the Company for utilizing alternate sources of energy: Power requirement of company is too low to utilize alternate sources of energy.
- (iii)The Capital investment on energy conservation equipment: NIL

B. Technology Absorption: NIL

- (i) Efforts made towards Technology Absorption:
- (ii) Benefits derived:
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)
 - a. Technology imported: The Company has not imported any technology in the last 3 years;
 - b. Year of Import: Not Applicable;
 - c. Has technology been fully absorbed: Not Applicable.
 - d. If not fully absorbed, areas where this has not taken place, and the reasons thereof: Not Applicable; and
- (iv)Expenditure incurred on Research and Development: NIL.

26. Foreign Exchange Earning and outgo:

There are no earnings, but there is expenditure of Rs. 17,22,159/- in foreign currency for current financial year towards consultancy fees for Service Agreement and expenditure of Rs. 3,90,08,287/- in foreign currency for current financial year towards interest on ECB in foreign currency.

27. Unsecured Loan From Directors

During the year under review, the Company has not borrowed an unsecured loan from any of the Directors of the Company.

28. Remuneration of Directors, Key Managerial Personnel & Senior Management:

The remuneration paid to the Directors, Key Managerial Personnel and Senior Management is as per the Companies Act, 2013

29. Vigil Mechanism / Whistle Blower Policy

The Company is not required to form such policy as the provisions are not applicable to the Company.

30. Maintenance of Cost Records

The Company is not required to maintain Cost Records as specified by the Central Government under Section 148 (1) of the Act.

31. Reporting of Frauds:

During the year under review, there have been no frauds reported by the Statutory Auditors of the Company under sub-section (12) of Section 143 of the Act.

32. Compliance With The Maternity Benefit Act, 1961

The provisions of the Maternity Benefit Act, 1961, including its amendments and rules, are presently applicable to the Company. The Company remains committed to cultivating a safe, inclusive, and supportive workplace for women employees. We endeavor to extend fair opportunities and supportive practices that enable women employees to balance their professional and personal responsibilities with dignity.

The Company also ensures that no discrimination is made in recruitment or service conditions on the grounds of maternity. Necessary internal systems and HR policies are in place to uphold the spirit and letter of the legislation.

33. Transfer of Unclaimed Dividend to Investor Education and Protection Fund:

Since there was no unpaid/ unclaimed dividend declared during the year, the provisions of Section 125 of the Companies Act, 2013 do not apply to the Company.

34. Prevention of Sexual Harassment at Workplace

Following the enactment of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the company has constituted a committee to prevent discrimination and sexual harassment against women, by promoting gender amity among employees, deal with cases of discrimination and sexual harassment against women, in a time bound manner, aiming at ensuring support services to the victimized and termination of the harassment and to recommend appropriate punitive action against the guilty party.

Also, The Company had filed the POSH return for F.Y 2025.

The information required to be disclosed under the provisions of the said Act are as follows:

Sr. No	Particulars	Status
(a)	number of complaints received during FY 2025	Nil
(b)	number of complaints disposed of during the FY 2025	Nil
(c)	number of cases pending for more than ninety days	Nil

35. Significant and Material Orders Passed by The Regulators or Courts:

During the year under review, there has been no such significant and material order passed by the regulators/courts/tribunals impacting the going concern status and company's operations in future.

36. Committees of The Board

a. Audit Committee

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is not applicable to the Company. Hence, disclosure pursuant to Section 177 (8) of the Companies Act, 2013 is not required.

b. Nomination and Remuneration Committee

The provisions of Section 178(1) relating to the constitution of the Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy as required under section 178 of the Companies Act, 2013.

c. Corporate Social Responsibility Committee (CSR)

The provisions of Section 135 of Companies Act, 2013 are not applicable to company and hence there is no requirement to constitution of Corporate Social Responsibility Committee.

37. Borrowing by The Company

During the year under review, the Company had not availed any borrowings.

38. Compliance With Secretarial Standards on Board and Annual General Meetings

The Company has duly followed the applicable Secretarial standards, relating to Meeting of the Board of Directors (SS-1) and General Meeting (SS-2), issued by the Institute of Company Secretaries of India (ICSI).

39. Gender-wise Composition of Employees:

In alignment with the principles of diversity, equity, and inclusion (DEI), the Company discloses below the gender composition of its workforce as on the December 31, 2025.

Male Employees: 90

Female Employees: 52

Transgender Employees: 0

This disclosure reinforces the Company's efforts to promote an inclusive workplace culture and equal opportunity for all individuals, regardless of gender. The Company is committed to strengthening its diversity and inclusion practices in the coming years.

40. Secretarial Auditor and Secretarial Audit Report

The Secretarial Audit is not applicable on the company as it is not covered under the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

41. General

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- 1

Details relating to deposits covered under Chapter V of the Act.
- 2

Issue of equity shares with differential rights as to dividend, voting or otherwise.
- 3

Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.
- 4

Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
- 5

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

42. Details of Application Made or Any Proceeding Pending Under The Insolvency and Bankruptcy Code, 2016 During The Year Along With Their Status as at The End of The Financial Year

During the year under review and till date of this Report, the Company has neither made any application against anyone nor were any proceedings pending against the Company under the Insolvency and Bankruptcy Code, 2016.

43. Details of Difference Between The Amount of The Valuation Done at the Time of One Time Settlement and the Valuation Done While Taking Loan From the Banks or Financial Institutions Along With The Reasons Thereof

There were no such instances during the year under review; hence, the provisions relating to this disclosure are not applicable to the Company.

44. Appreciation

It is our strong belief that caring for our business constituents has ensured our success in the past and will do so in future. The Board acknowledges with gratitude the cooperation and assistance provided to your company by its bankers, financial institutions, and government as well as non-government agencies. The Board wishes to place on record its appreciation to the contribution made by employees of the company during the year under review. The Company has demonstrated remarkable resilience through competence, hard work, solidarity, cooperation and support of employees at all levels. Your Directors thank the customers, clients, vendors and other business associates for their continued support in the Company's growth.

The Board also takes this opportunity to express its deep gratitude for the continued cooperation and support received from its valued shareholders.

By order of the Board of Directors
Agora Microfinance India Limited

Date: 20/05/2026
Place: Mumbai

Manoj Naval
Managing Director & CEO
(DIN: 01526911)

Independent Auditors' Report

To the Members of
Agora Microfinance India Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Agora Microfinance India Limited (“the Company”), which comprise the balance sheet as at 31 December 2025, the statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of 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 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 31 December 2025, and loss and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SA) specified under section 143(10) of the Act. Our responsibilities under those SAs 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 (ICAI) together with the ethical requirements that are relevant to our audits of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Directors report 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the audit or otherwise appears to be materially misstated.

When we will read the Director’s report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

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

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed 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 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are 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.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 auditors' 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 financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order, 2020 ("the Order), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:

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

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matters stated in the paragraph 3(vi) below on reporting under Rule 11(g);

c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under section 143(3)(b) and paragraph 3(vi) below on reporting under Rule 11(g);

e) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Companies Act, 2013 read with the Companies (Accounting Standards) Rules, 2021.

f) On the basis of the written representations received from the directors as on 31 December, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 December, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

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

h) With respect to the matter to be included in the Auditor’s Report under Section 197(16) of the Act, in our opinion and according to the information and explanation given to us, the remuneration paid during the current year by the company is in accordance with the provisions of Section 197 of the Act.

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

i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 24 to the financial statements;

ii) The Company is not required to make provision under the applicable law or accounting standards, for material foreseeable losses on long-term contracts including derivative contracts - Refer Note 38 to the financial statements.

iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company - Refer Note 39 to the financial statements.
- iv) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other 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 Company or

• Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, 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 (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or

• Provide any guarantee, security or the like from or on behalf of the ultimate beneficiaries; and

(iii) 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 (i) and (ii) of Rule 11(e), as provided under (iv)(i) and (iv)(ii) above, contain any material mis-statement.

v) The company has neither declared nor paid any dividend during the year, hence reporting in respect of compliance under section 123 of the Act is not applicable.

vi) Based on our examination which included test checks, the company has used accounting software for maintaining its books of accounts 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 instances of audit trail feature being tampered with and the company has preserved the audit trail as per the statutory requirements for record retention.
- For Shah & Taparia
Chartered Accountants
FRN: 109463W
- Bharat Joshi
(Partner)
M. No: 130863
UDIN:
Place: Mumbai
Date: 20th May, 2026
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Annexure A” to the Independent Auditors Report	
(Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirements’ of our report of even date to the financial statements of the Company for the year ended 31 December, 2025.)	
As per the books and records produced before us and as per the information and explanations given to us and based on such audit checks that we considered necessary and appropriate, we confirm that:	
(i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.	
B. The Company has maintained proper records showing full particulars of intangible assets.	
(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular program of physical verification of its property, plant and equipment by which all Property, plant and equipment are verified in a phased manner. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.	
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company did not have any immovable properties. Accordingly, reporting under para 3(i)(c) of the Order is not applicable to the company.	
(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including Right-of-use assets) during the year.	
(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any Benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and Rules made thereunder.	
(ii) (a) According to the information and explanations given to us, the company does not have any inventories. Accordingly, reporting under para 3(ii)(a) of the Order is not applicable to the company.	
(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. Accordingly, reporting under para 3(ii)(b) of the Order is not applicable to the company.	
(iii) (a) The company is engaged in principal business of lending loans. Accordingly, reporting under para 3(iii)(a) of the Order is not applicable to the company.	
(b) According to the information and explanations given to us, there are no investments made and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided by the company are not prejudicial to the interest of the company.	
(c) The Company is a Non-Banking Financial Company (‘NBFC’), registered under provisions of the Reserve Bank of India Act, 1934 and rules made thereunder and is regulated by various regulations, circulars and norms issued by the Reserve Bank of India including Master Circular – Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances. In respect of loans and advances in the nature of loans granted by the Company, we report that the schedule of repayment of principal and payment of interest has been stipulated and the repayments / receipts of principal and interest are regular except for instances as below:	

(Rs. in thousands)		
Particulars – Days past due	Principal Amount due as on 31 December, 2025	No of cases
1-30 Days	3,901.78/-	231
31-60 Days	2,650.81/-	165
61-90 Days	2,712.80/-	139
90 or more days	60,907.24/-	2219

(d) The total amount which is overdue for more than 90 days as at 31 December, 2025 in respect of loans or advances in the nature of loans as at the year-end is ₹ 60,907.24 thousands. According to the information and explanations given to us and on the basis of our examination of the records of the Company, reasonable steps have been taken by the Company for recovery of such principal and interest amounts overdue.

(e) The Company is a Non-Banking Finance Company and its principal business is to give loans. Accordingly, reporting under para 3(iii)(e) of the Order is not applicable to the Company.

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances during the year in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Accordingly, reporting under para 3(iii)(f) of the Order is not applicable to the company.

(iv) In our opinion, and according to the information and explanations given to us, the Company has not made any investment where the provisions of section 186 of the Act would be applicable. Further, the Company has not entered into any transaction covered under section 185 and section 186 of the Act in respect of loans, guarantees and security.

(v) According to the information and explanation given to us and based on our examination of the books and records of the Company, the Company has not accepted any deposits or any amount deemed to be deposits from public covered under Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder. Accordingly reporting under para 3(v) of the Order is not applicable to the Company.

(vi) According to the information and explanations given to us, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the services provided by the Company. Accordingly, reporting under para 3(vi) of the Order is not applicable to the company.

(vii) According to the information and explanations given to us, in respect of statutory dues:

- (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at 31 December,2025 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us there were no dues of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues which have not been deposited by the Company on account of disputes, except as mentioned hereunder:)

(Rs. in thousands)				
Name of the Statute	Nature of Dues	Amount (including accrued interest)	Period to which the amount relates	Forum where dispute is Pending
Income Tax Act, 1961	Tax payable	Rs. 20,900.57/-	AY 2017-18	Income Tax Appellate Tribunal, Mumbai
Income Tax Act, 1961	Tax payable	Rs. 9,970.45/-	AY 2016-17	Income Tax Appellate Tribunal, Mumbai

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of any loans or other borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(Rs. In Thousands)
(d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the company did not utilize funds raised on short-term basis for long-term purpose.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates as defined under the Companies Act, 2013. Accordingly, reporting under para 3(ix)(e) of the Order is not applicable to the company.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associates as defined under the Companies Act, 2013. Accordingly, reporting under para 3(ix)(f) of the Order is not applicable to the company.

(x) The company did not raise any money by way of initial public offer or further public offer including debt instruments. Further, during the year the Company has not made any preferential allotment or private placement of shares or convertible debentures. Accordingly reporting under clauses (a) and (b) of paragraph 3(x) of the order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) According to the information and explanations given to us, there were no whistle blower complaints received during the year. Accordingly, reporting under para 3(xi)(c) of the Order is not applicable to the company.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, reporting under para 3(xii) of the Order is not applicable to the company.



(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable Accounting Standards.

(xiv) Based on information and explanation provided to us and our audit procedures, the internal audit system is not applicable to the company and, hence reporting under clause 3(xiv) of the order is not applicable.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) According to the information and explanations given to us, the Company is registered under Section 45-IA of the Reserve Bank of India Act, 1934.

(b) The company has a valid certificate of Registration (CoR) from the Reserve Bank of India (RBI) conducting Non – Banking Financial activities and no business has been conducted by the company without a valid CoR.

(c) According to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under para 3(xvi)(c) of the Order is not applicable to the company.

(d) According to the information and explanations provided to us during the course of audit, the company does not have any CIC. Accordingly, reporting under para 3(xvi)(d) of the Order is not applicable to the company.

(xvii) According to the information and explanations given to us, the Company has incurred cash losses in the current year and there was cash profit in the immediately preceding financial year.

(Amount in thousands)		
Particulars	Amount as on 31 Dec 2025	Amount as on 31 Dec 24
Amount of Cash Loss after tax	33,899.90	Nil



- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under para 3(xviii) of the Order is not applicable to the company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, sub-section (5) of Section 135 of the Companies Act, 2013 is not applicable to the company. Accordingly, reporting under para 3(xx) of the Order is not applicable to the company.
- (xxi) In our opinion the company does not have any subsidiaries or associates or joint ventures. Accordingly, the company is not required to prepare consolidated financial statements. Accordingly, reporting under para 3(xxi) of the order relating to qualifications or adverse remarks in the CARO reports by the respective auditors of companies included in the consolidated financial statements is not applicable to the company.

For Shah & Taparia
Chartered Accountants
FRN NO: 109463W

Bharat Joshi
Partner
M NO.130863
UDIN:
Place: Mumbai
Date: 20th May, 2026

Annexure B
Referred to in paragraph 2(f) on ‘Report on Other Legal and report of even date Regulatory Requirements’ of our Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Agora Microfinance India Limited (“the Company”) as of 31 December, 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s Internal financial controls over financial reporting 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 issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system 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 Company has maintained, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 December, 2025, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

For Shah & Taparia
Chartered Accountants
FRN: 109463W

Bharat Joshi
(Partner)
M. No: 130863
UDIN:
Place: Mumbai
Date: 20th May, 2026

Balance Sheet

As at December 31,2025

(Amount in Indian Rupees '000)

	Notes	31-Dec-25	31-Dec-24
Equity and Liabilities			
Shareholders' funds			
Share capital	3	210,266	210,266
Reserves and surplus	4	(17,464)	46,156
		192,801	256,421
Non-current liabilities			
Long-term borrowings	5	255,291	345,447
Long-term provisions	6	4,680	4,217
		259,971	349,664
Current liabilities			
Short Term Borrowings	7	100,771	55,282
Trade Payables			
a. total outstanding dues to micro, small and medium enterprises		-	-
b. total outstanding dues to creditors other than micro, small and medium enterprises		-	-
Other current liabilities	8	10,612	11,468
Short-term provisions	6	35,079	18,233
		146,463	84,983
TOTAL		599,235	691,068
Assets			
Non-current assets			
Property, Plant,Equipment and Intangible assets			
Property, Plant and Equipment	9	1,139	1,212
Intangible assets		328	510
Deferred tax assets (net)	10	-	-
Long-term loans and advances	11	72,676	166,210
Other non-current assets	12	23,760	3,613
		97,903	171,544



Current assets			
Cash and cash equivalents	13	148,487	64,432
Short-term loans and advances	11	344,315	444,993
Other current assets	12	8,530	10,099
		501,332	519,524
TOTAL		599,235	691,068

Summary of significant accounting policies 2

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For Shah & Taparia
Chartered Accountants
Firm Registration number: 109463W

For and on behalf of the Board of Directors of
Agora Microfinance India Limited

Bharat Joshi
Partner
Membership No.: 130863

Manoj Naval
Managing Director &
Chief Executive Officer

Asit Mehta
Director

Date: 20 May, 2026
Place: Mumbai

DIN 01526911
Date: 20 May, 2026
Place: Mumbai

DIN 01640935
Date: 20 May, 2026
Place: Mumbai

Statement of Profit and Loss

For the year ended December 31, 2025

(Amount in Indian Rupees '000)

	Notes	For the period ended 31 Dec 2025	For the period ended 31 Dec 2024
Income			
Revenue from operations	14	121,478	150,077
Other income	15	6,286	6,814
Total revenue (I)		127,763	156,891
Expenses			
Employee benefits expense	16	48,575	46,864
Finance costs	17	56,139	57,710
Other expenses	18	27,788	26,074
Depreciation and amortization expense	19	892	917
Provisions and write-offs	20	57,539	16,217
Total expenses (II)		190,933	147,782
(Loss)/Profit before tax (III)=(I)-(II)		(63,170)	9,109
Tax expenses			
Current tax		-	-
Deferred tax		-	-
MAT Credit		-	-
Excess provision for current tax in respect of earlier year		451	-
Total tax expense (IV)		451	-
(Loss)/Profit for the year (III)-(IV)		(63,621)	9,109

Earnings per equity share	27		
[Nominal value of share Rs.10 (December 31, 2024: Rs.10)]			
Basic (Computed on the basis of total (loss)/profit for the period)		(3.03)	0.43
Diluted (Computed on the basis of total (loss)/profit for the period)		(3.03)	0.43

Summary of significant accounting policies 2.1

The accompanying notes are an integral part of the financial statements

As per our report of even date attached



For Shah & Taparia
Chartered Accountants
Firm Registration number: 109463W

For and on behalf of the Board of Directors of
Agora Microfinance India Limited

Bharat Joshi
Partner
Membership No.: 130863

Manoj Naval
Managing Director &
Chief Executive Officer

Asit Mehta
Director

DIN 01640935
Date: 20 May, 2026
Place: Mumbai

DIN 01526911
Date: 20 May, 2026
Place: Mumbai

Date: 20 May, 2026
Place: Mumbai

Cash Flow Statement

For the year ended December 31, 2025

(Amount in Indian Rupees '000)

	For the period ended 31 Dec 2025	For the period ended 31 Dec 2024
Cash flow from operating activities		
(Loss)/Profit before tax	(63,170)	9,109
Adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortization expense	892	917
Provision for employee benefits	2,237	2,119
Income Tax	(451)	-
Interest Income	(5,096)	(4,355)
Interest cost	45,334	49,130
Foreign Exchange Fluctuations	10,805	8,130
Provision for standard assets and non-performing assets	57,539	16,217
Operating Profit before working capital changes	48,091	81,267
Movements in working capital :		
Increase/ (decrease) in other current liabilities	(855)	(895)
Increase/ (decrease) in provisions	(42,467)	(6,508)
Decrease / (increase) in loans and advances	194,428	(63,857)
Decrease / (increase) in other current & non current assets	(18,577)	(462)
Cash generated from /(used in) operations	132,529	(71,722)
Direct taxes paid (net of refunds)	(217)	(701)
Net cash flow from / (used in) operating activities (A)	180,402	8,844
Cash flows from investing activities		
Interest income	5,096	4,355
Purchase of fixed assets	(637)	(1,121)
Proceeds from sale of assets/written off	-	-
Net cash flow (used in)/from investing activities (B)	4,459	3,234
Cash flows from financing activities		
Proceeds from issuance of equity share capital	-	-
Share issue expenses	-	-
Interest cost	(45,334)	(49,130)
Foreign Exchange Fluctuations	(10,805)	(8,130)
Proceeds from Long term borrowings ECB	18,451	59,466
Repayment of long term borrowings ECB	(48,680)	(63,809)
Proceeds from Long term borrowings Term Loan	-	30,000
Repayment of long term borrowings Term Loan	(14,437)	(3,282)
Net cash flow (used in)/from financing activities (C)	(100,806)	(34,885)

Net (decrease)/increase in cash and cash equivalents (A + B + C)	84,055	(22,808)
Cash and cash equivalents at the beginning of the year	64,432	87,240
Cash and cash equivalents at the end of the year	148,487	64,432

Components of cash and cash equivalents (Note- 13)		
Cash in hand	440	429
Balances with banks		
in current account	10,047	4,239
in deposit account*	138,000	59,763
Total cash and cash equivalents	148,487	64,432

* Note: Deposits with maturity less than 12 months

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements2.1

As per our report of even date attached

For Shah & Taparia
Chartered Accountants
Firm Registration number: 109463W

For and on behalf of the Board of Directors of
Agora Microfinance India Limited

Bharat Joshi Partner Membership No.: 130863	Manoj Naval Managing Director & Chief Executive Officer DIN 01526911 Date: 20 May, 2026 Place: Mumbai	Asit Mehta Director DIN 01640935 Date: 20 May, 2026 Place: Mumbai
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Notes to the Financial Statements

For the year ended December 31, 2025

3 Share capital

(Amount in Indian Rupees '000)

	As at 31-Dec-25	As at 31-Dec-24
Authorized capital		
2,20,00,000 (December 31, 2024: 2,20,00,000) equity shares of Rs.10 each	220,000	220,000
Issued, subscribed and fully paid-up shares		
2,10,26,567(December 31, 2024: 2,10,26,567) equity shares of Rs.10 each fully paid up	210,266	210,266
Total issued, subscribed and fully paid-up share capital	210,266	210,266

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity shares	As at 31-Dec-25		As at 31-Dec-24	
	No. of Shares in '000	Amount in '000	No. of Shares in '000	Amount in '000
At the beginning of the year	21,026,567	210,266	21,026,567	210,266
Issued during the year	-	-	-	-
Outstanding at the end of the year	21,026,567	210,266	21,026,567	210,266

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. Any dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Dividend declared and paid would be in Indian rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shares held by holding company *

Out of equity shares issued by the Company, shares held by its holding company are as below:

	As at 31-Dec-25	As at 31-Dec-24
Agora Microfinance N.V		
Number of equity shares of Rs.10 each fully paid up (in '000)	20,970,032	20,970,032
% Shareholding	99.73%	99.73%

* Company has identified its holding company as promotor in accordance with definition provided in the Companies Act 2013

(d) Details of shareholders holding more than 5% shares in the Company

Name of Share holder	As at December 31, 2025	
	No. of Shares in '000	% holding in the class
Equity shares of Rs.10 each fully paid		
Agora Microfinance N.V	20,970,032	99.73%
Name of Share holder	As at December 31, 2024	
	No. of Shares in '000	% holding in the class
Equity shares of Rs.10 each fully paid		
Agora Microfinance NV	20,970,032	99.73%

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

4 Reserves and surplus

	As at 31-Dec-25	As at 31-Dec-24
Securities premium account		
Balance as per the last financial statements	218,566	218,566
Add: Additions during the year	-	-
Less: Share issue expenses	-	-
Closing Balance	218,566	218,566
Statutory reserve (*)		
Balance as per the last financial statements	6,843	2,263
Add: Amount transferred from surplus balance in the statement of profit and loss	-	4,580
Closing Balance	6,843	6,843
(Deficit) in the statement of profit and loss		
Balance as per last financial statements	(179,251)	(183,780)
Add: (Loss)/Profit for the year	(63,621)	9,109
Less: Transferred to Statutory Reserve [@20% of profit after tax as required by Section 45-IC of Reserve Bank of India Act,1934]	-	(4,580)
Net (deficit) in the statement of profit and loss	(242,871)	(179,251)
Total reserves and surplus	(17,464)	46,156

(*) Note: Statutory reserve has been created as per Section 45-IC of Reserve Bank of India Act, 1934

5 Long-term borrowings

	As at 31-Dec-25	As at 31-Dec-24
Term loans		
a) Indian rupee loan from non banking financial companies (secured)*	12,280	26,718
(-) Current maturities of above (Refer Note 7)	(12,280)	(14,437)
b) External commercial borrowing from related party (unsecured)	-	-
(-) Current maturities of above (Refer Note 7)	-	-
c) External commercial borrowing from related party (unsecured, sub-debt)	343,782	374,012
(-) Current maturities of above (Refer Note 7)	(88,491)	(40,845)
	255,291	345,447

*Indian rupee loans from non banking financial companies and banks are secured by first pari passu charge over loan receivables created out of those funds.

The Company has outstanding unsecured term loan as sub-debt of USD 1452 thousand (Previous year USD 1878 thousand) at interest rate of 4.5% + last 6 months SOFR. Borrowing is hedged through option contracts.

The Company has outstanding unsecured term loan as sub-debt of USD 955 thousand (Previous year USD 976 thousand) at interest rate of 5% + last 6 months SOFR. Borrowing is hedged through option contracts.

The Company has outstanding unsecured term loan as sub-debt of INR 127200 thousand (Previous year INR 130000 thousand) at interest rate of 4.5% + Latest 5-year Government of India securities.

Terms of repayment of borrowings as on December 31, 2025

Nature	Interest Rate	No of instalments	Due within 1 year (Current Maturities of Long Term Borrowings)	Due within 1 to 3 years	Due beyond 3 years	Total
						Amounts
Term secured loan from NBFC (0-3 years)	15%	9	12,280.41	-	-	12,280.41
ECB in INR from related party (0-7 years)	Latest 5-year Government of India securities + 4.5% margin	12	4,000	81,850	41,350	127,200
ECB in USD converted to INR from related party (0-7 years)	Latest 6 month SOFR+ 5% margin	3	2,339.48	83,591.42	-	85,930.90
ECB in USD converted to INR from related party (0-7 years)	Latest 6 month SOFR+ 4.5% margin	4	82,151.74	48,499.22	-	120,650.96
Total			100,771.63	213,940.64	41,350	356,062.27

Terms of repayment of borrowings as on December 31, 2024

Nature	Interest Rate	No of instalments	Due within 1 year	Due within 1 to 3 years	Due beyond 3 years	Total
						Amounts
Term secured loan from NBFC (0-3 years)	15%	21	14,437.13	12,280.41	-	26,717.53
ECB in INR from related party (0-7 years)	Latest 5-year Government of India securities + 4.5% margin	14	2,800	85,850	41,350	130,000
ECB in USD converted to INR from related party (0-7 years)	Latest 6 month SOFR+ 5% margin	5	1,796.97	81,719.35	-	83,516
ECB in USD converted to INR from related party (0-7 years)	Latest 6 month SOFR+ 4.5% margin	8	36,247.62	124,247.64	-	160,495
Total			40,844.59	291,816.99	41,350	400,729

6 Provisions

	Long-term		Short-term	
	As at 31-Dec-25	As at 31-Dec-24	As at 31-Dec-25	As at 31-Dec-24
Provision for employee benefits				
Provision for gratuity (Refer note 23 B)	3,417	3,018	441	418
Provision for leave benefits (Refer note 23 C)	567	578	207	193
	3,984	3,596	647	610
Other provisions				
Contingent provisions against standard assets. (refer note 28)	44	71	139	109
Provision for Non-performing assets. (refer note 28)	652	550	34,293	17,514
	696	621	34,432	17,622
	4,680	4,217	35,079	18,233

7 Short term Borrowings

	As at 31-Dec-25	As at 31-Dec-24
Current maturities of long-term borrowings	100,771	55,282
	100,771	55,282

8 Other current liabilities

	As at 31-Dec-25	As at 31-Dec-24
Interest accrued but not due on borrowings	14	10
Statutory dues payable	1,317	1,557
Employee dues payable	4,758	4,759
Other Current liability	3,980	3,399
Insurance Payable	544	1,742
	10,612	11,468

9 Property, Plant and Equipments

	Furniture	Computers	Office equipments	Total
Cost				
At January 1, 2024	592	1,414	867	2,873
Additions	405	486	134	1,026
Disposals/written off	-	-	-	-
At December 31, 2024	997	1,900	1,001	3,899
Additions	105	357	159	622
Disposals/written off	-	-	-	-
At December 31, 2025	1,102	2,258	1,161	4,521

Depreciation

At January 1, 2024	368	1,100	591	2,059
Charge for the year	111	328	189	628
Disposals/written off	-	-	-	-
At December 31, 2024	479	1,428	781	2,687
Charge for the year	149	364	181	694
Disposals/written off	-	-	-	-
At December 31, 2025	628	1,792	962	3,382

Net Block

At December 31, 2024	518	472	221	1,212
At December 31, 2025	474	466	199	1,139

9 Intangible assets

	Software	Total
Gross block		
At January 1, 2024	1,520	1,520
Additions	95	95
Deletions/Write off	-	-
At December 31, 2024	1,615	1,615
Additions	15	15
Deletions/Write off	-	-
At December 31, 2025	1,630	1,630

Amortization		
At January 1, 2024	815	815
Charge for the year	289	289
Deletions/Write off	-	-
At December 31, 2024	1,105	1,105
Charge for the year	197	197
Deletions/Write off	-	-
At December 31, 2025	1,302	1,302
Net block		
At December 31, 2024	510	510
At December 31, 2025	328	328

10 Deferred tax

	As at 31-Dec-25	As at 31-Dec-24
Deferred tax asset/(liability)		
Difference due to depreciation impact	(252)	(208)
Difference due to provision for leave encashment	215	214
Difference due to provision for gratuity	1,073	956
Difference due to disallowance of provision against standard assets and non performing assets	9,773	5,075
Deferred tax on carried forward tax losses and unabsorbed depreciation	31,440	31,756
Deferred tax asset not recognized	(42,249)	(37,794)
Deferred tax asset/(liability) - Net	-	-

11 Loans and advances

	Non-current		Current	
	As at 31-Dec-25	As at 31-Dec-24	As at 31-Dec-25	As at 31-Dec-24
A. Portfolio Loans				
Joint liability group loans				
Unsecured, considered good*	64,136	150,322	250,502	374,812
Unsecured, considered doubtful**	267	574	59,380	35,877
	64,404	150,895	309,882	410,689
Individual loans				
Unsecured, considered good*	5,904	8,326	18,926	20,782
Unsecured, considered doubtful**	7	23	1,207	551
	5,910	8,349	20,133	21,333
(A)	70,314	159,244	330,015	432,022

* Represents standard assets as per the asset classification policy for loan portfolio.

** Represents non-performing assets as per the asset classification policy for loan portfolio.

B. Other loans and advances	Non-current		Current	
	As at 31-Dec-25	As at 31-Dec-24	As at 31-Dec-25	As at 31-Dec-24
Employee loans (unsecured, considered good)	156	589	418	77
Other receivables	-	-	134	445
GST input Credit	-	-	505	175
MAT		-		-
Advance tax	-	-	11,984	11,767
Prepaid expenses	2,206	6,376	1,259	507
(B)	2,362	6,965	14,300	12,970
Total (A+B)	72,676	166,210	344,315	444,993

12 Other assets

	Non Current		Current	
	As at 31-Dec-25	As at 31-Dec-24	As at 31-Dec-25	As at 31-Dec-24
Security Deposits	1,858	2,233	765	452
Interest accrued on fixed deposits	139	40	1,122	378
Interest accrued on other deposits	-	-	-	29
Interest accrued and not due on portfolio loans	-	-	4,568	8,413
Interest accrued and due on portfolio loans	-	-	362	179
Margin and fixed deposits placed with parties**	324	1,340	1,713	649
Non current bank balances (refer note below)*	21,438	-	-	-
	23,760	3,613	8,530	10,099

	Non Current		Current	
	As at 31-Dec-25	As at 31-Dec-24	As at 31-Dec-25	As at 31-Dec-24
*Fixed deposit lien marked in favour of Financial institution and bank to avail term loan	-	-	-	-
**Represents margin money deposit placed to avail term loan from financial institutions and Bank	-	-	-	-
**Represents margin money deposit placed against Business Correspondence arrangement	324	1,340	1,713	649

13 Cash and cash equivalents

	As at 31-Dec-25	As at 31-Dec-24
Cash in hand	440	429
Balances with banks:		
in current accounts	10,047	4,239
Fixed deposits maturing within 12 months	138,000	59,763
	148,487	64,432
Other bank balances		
Deposits with remaining maturity for more than 12 months	21,438	-
(-) presented under other assets (Refer Note 12)	(21,438)	-

14 Revenue from operations

	For the period ended 31 Dec 2025	For the period ended 31 Dec 2024
Interest income		
Interest on portfolio loans	113,057	134,471
Other operating revenue		
Loan processing fees	4,531	8,786
Recovery against loans written off	3,890	6,820
	121,478	150,077

15 Other income

	For the period ended 31 Dec 2025	For the period ended 31 Dec 2024
Interest on fixed deposits	4,916	4,231
Interest on other deposits	-	-
Interest on employee loans	156	124
Interest on income tax refund	23	-
Insurance brokerage and commission	1,190	2,441
Income from business correspondence	-	18
Miscellaneous income	-	-
Profit on sale of fixed asset	-	-
	6,286	6,814

16 Employee benefits expense

	For the period ended 31 Dec 2025	For the period ended 31 Dec 2024
Salaries and bonus / incentive	41,710	40,462
Leave encashment (Refer Note 23 C)	1,418	1,037
Contribution to Provident Fund	3,448	3,103
Contribution to Employee State Insurance Corporation	566	628
Gratuity expenses (Refer Note 23 B)	819	1,082
Staff welfare expense	613	553
	48,575	46,864

17 Finance costs

	For the period ended 31 Dec 2025	For the period ended 31 Dec 2024
Interest expense		
On term & ECB loans	42,031	44,627
Foreign exchange loss	10,805	8,130
Other finance costs/processing fees	-	450
Option Premium	3,304	4,503
	56,139	57,710

18 Other expenses

	For the period ended 31 Dec 2025	For the period ended 31 Dec 2024
Lease Rent	7,043	6,147
Server Rent	504	471
Rates and taxes	15	10
Insurance	185	138
Repairs and maintenance	1,512	1,511
Membership fees	154	177
Electricity charges	639	638
Travelling and conveyance	5,571	4,828
Communication expenses	1,211	905
Printing and stationery	1,291	1,574
Legal and professional fees	4,225	3,344
Directors' sitting fees & remuneration	342	325
Auditors' remuneration (Refer Note 18.1)	1,008	722
Amounts not receivable written off (Refer Note 30)	1,022	1,402
Technical services	949	853
Commission and brokerage	5	153
Bank charges	895	1,238
Credit Bureau Fee	834	901
Miscellaneous expenses	384	738
	27,788	26,074

18.1 Payment to auditors

	For the period ended 31 Dec 2025	For the period ended 31 Dec 2024
As auditor:		
Audit fee	626	626
In other capacity:		
Other services (certification fees)	96	96
	722	722

19 Depreciation and amortization expense

	For the period ended 31 Dec 2025	For the period ended 31 Dec 2024
Depreciation on Property, Plant and Equipment	694	628
Amortization of intangible assets	197	289
	892	917

20 Provisions and write-offs

	For the period ended 31 Dec 2025	For the period ended 31 Dec 2024
(Write-back)/Contingent provisions against standard assets (Refer Note 28)	3	150
Provision against Non performing assets (Refer Note 28)	16,881	10,948
Portfolio loans and other balance written off	40,654	5,118
	57,539	16,217

21 Segmental reporting

The Company operates in a single business segment i.e. financing, which has similar risks and returns for the purpose of Accounting Standard (AS) - 17 on ‘Segment Reporting’ specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016. The Company operates in single geographical segment, i.e. domestic. Hence, no separate disclosure is required under AS 17.

22 Related Party Transactions

i. Name of related parties under AS18 as well as related party relationship.

Nature of relationship	Name of the related party
Parent Company	Agora Microfinance NV
Subsidiary for Agora Microfinance NV	Moringaway
Key management Personnel (CEO & MD)	Mr. Naval Manoj

ii. Transaction with related party during the period

	Transactions during the year		Balances	
	For the year ended 31 Dec 2025	For the year ended 31 Dec 2024	As at 31-Dec-25	As at 31-Dec-24

Agora Microfinance NV

Issue of Share Capital	-	-	-	-
Securities Premium	-	-	-	-
Service Fees Payable	1,722	1,652	-	-
Reimbursement of expenses	-	1439	-	-

Moringaway

External Commercial Borrowing	-	50,000	356,062	400,729
Principal of external commercial borrowing paid	41,080	61,961	-	-
Interest paid on external commercial borrowing	39,008	43,534	-	-

Mr. Naval Manoj

Salaries and perquisites	5,176	5,059	-	-
Reimbursement of expenses	-	-	-	-
Leave Encashment	204	200	-	-

23 Employee Benefits

A. Defined Contribution Plan	31-Dec-25	31-Dec-24
During the year, the company has recognised the following amounts in the Statement of Profit and loss:		
Employer's contribution to provident fund	3,448	3,103
Other funds	566	628

B. The company has defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible for Gratuity on cessation of employment and it is computed at 15 days salary (last drawn salary) for each completed year of service subject to limit of Rs. 2000 thousand as per The Payment of Gratuity Act, 1972 (Amendment) Bill, 2018.

The following table summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the Balance Sheet for the gratuity plan.

Statement of Profit and loss:

Net employees benefit expense recognised in employee benefit expense:

Particulars	As at 31-Dec-25	As at 31-Dec-24
Current Service cost	586	620
Interest cost on benefit obligation	234	188
Net actuarial (gain) / loss recognized in the period	(1)	275
Net Employee benefit expense	819	1,082

Details of provision for gratuity:

Particulars	As at 31-Dec-25	As at 31-Dec-24
Defined benefit obligation	3,858	3,436
Plan liability	3,858	3,436

Changes in the present value of the defined benefit obligation are as follows:

Particulars	As at 31-Dec-25	As at 31-Dec-24
Opening defined benefit obligation	3,436	2,602
Interest cost	234	188
Current service cost	586	620
Benefits paid	(397)	(248)
Actuarial (gains) / losses on obligation	(1)	275
Closing defined benefit obligation	3,858	3,436

The principal assumptions used in determining gratuity:

Particulars	As at 31-Dec-25	As at 31-Dec-24
Discount rate	5.88%	6.81%
Salary escalation rate per annum for next 1 year	9%	9%
Salary escalation rate per annum from 2nd year	9%	9%
Rates of leaving service	31%	29%

Net assets/liability and actuarial experience gain/(loss) for present benefit obligation ('PBO') and plan assets

Particulars	Jan-25 to Dec-25	Jan-24 to Dec-24	Jan-23 to Dec-23	Jan-22 to Dec-22
Closing benefit obligation	(3,858)	(3,436)	(2,602)	(2,310)
Plan assets	-	-	-	-
Net assets/(liability)	(3,858)	(3,436)	(2,602)	(2,310)
Experience gain/(loss) on PBO	(132)	475	63	(230)
Experience gain/(loss) on plan assets	-	-	-	-

C. Provision for leave benefits

The company has defined benefit leave encashment plan. Every employee who has completed probation period is eligible for leave encashment maximum accumulation and encashment days are 42, excess over maximum accumulation.

The following table summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the Balance Sheet for the gratuity plan.

Net employees benefit expense recognised in employee benefit expense:

Particulars	As at 31-Dec-25	As at 31-Dec-24
Net Employee benefit expense	1,418	1,037

Details of provision for leave encashment:

Particulars	As at 31-Dec-25	As at 31-Dec-24
Defined benefit obligation	773	770
Plan liability	773	770

Changes in the present value of the defined benefit obligation are as follows:

Particulars	As at 31-Dec-25	As at 31-Dec-24
Opening defined benefit obligation	770	875
Benefits paid	(1,415)	(1,142)
Expense during the period	1,418	1,037
Closing defined benefit obligation	773	770
Due but unpaid benefit	Nil	Nil

The principal assumptions used in determining Leave encashment:

Particulars	As at 31-Dec-25	As at 31-Dec-24
Discount rate	5.88%	6.81%
Salary escalation rate per annum for next 1 year	9%	9%
Salary escalation rate per annum from 2nd year	9%	9%
Rates of leaving service	31%	29%

Amounts for the current year are as follows:

Particulars	As at 31-Dec-25	As at 31-Dec-24
Defined benefit obligation	(773)	(770)
Closing Liability	(773)	(770)
Projected Benefit Obligation due but not paid liability	-	-

24 Contingent liability and Capital Commitments

	As at 31-Dec-25	As at 31-Dec-24
Capital commitments	-	-
Contingent liabilities		
Income tax demand for AY 17-18, under dispute	20,901	12,583
Income tax demand for AY 16-17, under dispute	9,970	10,401
(* Above demand for AY 16-17 & AY 17-18 include the accrued interest amount)		
Portfolio originated on behalf of NBFC	-	-

25 Earning and expenditure in foreign currency

	As at 31-Dec-25	As at 31-Dec-24
Foreign Earnings	-	-
Expenditure in foreign currency		
Consultancy fees \$18 thousand towards Service Agreement	1,722	1,652
Interest on External Commercial Borrowing \$390 thousand (PY- \$432 thousand)	39,008	43,534

26 Hedged foreign currency exposure

	As at 31-Dec-25	As at 31-Dec-24
Hedged foreign currency exposure		
External Commercial Borrowing	343,782	374,012

27 Earnings per share (EPS)

	As at 31-Dec-25	As at 31-Dec-24
(Loss)/Profit and number of shares data used in computation of basic and diluted EPS:		
(Loss)/Net profit for the year	(63,621)	9,109
Weighted average number of equity shares – basic / diluted EPS	21,026,567	21,026,567
Basic EPS/Diluted EPS	₹ 3.03	₹ 0.43
Nominal Value of shares	₹ 10	₹ 10

28 Loan portfolio and provision for standard and substandard assets:

As at 31-Dec-25

Asset classification	Portfolio loans outstanding (Gross)			Provision for standard and substandard assets	Portfolio loans outstanding (Net)		
	31-Dec-25	31-Dec-24	31-Dec-24		31-Dec-25	31-Dec-25	31-Dec-24
Standard	339,468	554,242	180	3	183	339,285	554,062
Sub- standard	60,862	37,025	18,064	16,881	34,945	25,917	18,961
Total	400,329	591,267	18,243	16,884	35,128	365,202	573,023

As at 31-Dec-24

Asset classification	Portfolio loans outstanding (Gross)			Provision for standard and substandard assets	Portfolio loans outstanding (Net)		
	31-Dec-24	31-Dec-23	31-Dec-23		31-Dec-24	31-Dec-24	31-Dec-23
Standard	554,242	510,983	30	150	180	554,062	510,953
Sub- standard	37,025	9,493	7,115	10,949	18,064	18,961	2,378
Total	591,267	520,476	7,145	11,099	18,244	573,023	513,331

29 Leases

Head office and branch office premises are acquired on operating lease. The branch office premises are generally rented on cancellable term for less than twelve months with no escalation clause and renewable at the option of the Company.

There are no restrictions imposed by lease arrangements. There are no subleases. Lease payments during the period charged to statement of profit and loss were as follows:

Particulars	31-Dec-25	31-Dec-24
Operating lease payments recognised during the period	7,043	6,147

30 Amounts not receivable written off

Out of Rs.1022 Invocation of Rs.1022 GST Written off.

31 Dues to micro, small and medium enterprises

There are no amounts that need to be disclosed in accordance with the Micro Small and Medium Enterprise Development Act, 2006 (the 'MSMED') pertaining to micro or small enterprises. For the year ended December 31, 2025 no supplier has intimated the Company about its status as micro or small enterprises or its registration with the appropriate authority under MSMED.

32 The Company has received approval from the Ministry of Corporate Affairs, Mumbai on 3 December 2020 to change its financial year from 1 April to 31 March of the following year to 1 January to 31 December of each year, to align the Company’s financial year with that of its parent company. In view of this, the financial statements for the current period are for a 12 month period from 1 January 2025 to 31 December 2025.

The Company had intimated this change to Reserve Bank of India (‘RBI’) on 11 December 2020 and has not received any correspondence from RBI regarding the same to date.

33 Pricing of Loans

Disclosure as required under DoR.FIN.REC.95/03.10.038/2021-22 dated March 14, 2022.

Board-approved policy regarding pricing of microfinance loans which shall, inter alia, cover the following:

- i.A well-documented interest rate model/ approach for arriving at the all-inclusive interest rate;
- ii.Delineation of the components of the interest rate such as cost of funds, risk premium and margin, etc. in terms of the quantum of each component based on objective parameters;
- iii.The range of spread of each component for a given category of borrowers; and
- iv.A ceiling on the interest rate and all other charges applicable to the microfinance loans.

34 Net Owned Funds

	31-Dec-25	31-Dec-24
Details of computation of Net Owned Fund is as follows;		
Share cap	210,266	210,266
Reserves & surplus	(17,464)	46,156
Less: Deferred revenue expenses	(3,465)	(6,883)
Less: Intangible Assets	(328)	(510)
Tier 1 Capital	189,009	249,029
Add: Tier II Capital - capped at 50% of Tier I Capital	94,504	124,515
Total	283,513	373,544

35 Capital to Risk Asset ratio is as follows;

	31-Dec-25	31-Dec-24
CRAR%		
CRAR - Tier I Capital %	43.15%	43.10%
CRAR - Tier II Capital to Tier I capital	51.15%	51.10%

Other Ratios as follows;

Ratio	Formula	2,025	2,024	Variance
1.Current Ratio	Current assets/Current Liabilities	3.42	6.11	-44%
2.Debt Equity Ratio	Total Debt/Shareholder's Equity	1.85	1.56	18%
3.Debt Service coverage ratio	EBITDA / Total debt service	-0.14	0.55	-126%
4.Return on equity Ratio	PAT/ Shareholder's Equity	-0.33	0.04	-1029%
5.Inventory Turnover Ratio	COGS/Avg Inventory	NA	NA	-
6.Trade Receivables turnover ratio	Sales/Avg Trade Receivables	NA	NA	-
7.Trade Payables turnover Ratio	Purchases/Avg Trade Payables	NA	NA	-
8.Net Capital Turnover Ratio	Sales/Working Capital	0.36	0.36	0%
9.Net Profit Ratio	Net Profit /Sales	-0.50	0.06	-958%
10.Return on capital employed	EBIT/Capital Employed	-0.04	0.08	-147%

Reasons for Variance of 25%;

Ratios	Reason
1. Debt Service coverage ratio	Due to increase in revenue and profit
2. Return on equity Ratio	Due to increase in revenue and profit
3. Net Profit Ratio	Due to increase in interest income
4. Return on capital employed	Due to increase in interest income

36 Qualifying Assets

As specified in the RBI Master Direction- Non Banking Financial Company - Non Systematically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 issued with reference number DoR.FIN.REC.95/03.10.038/2021-22 dated March 14, 2022 and as amended from time to time., the company has maintained the qualifying asset percentage as stated below,

	As at December 31, 2025	As at December 31, 2024
Total Assets	599,235	691,068
Less : Intengible Assets	(328)	-
Net assets (A)	598,907	691,068
Receivables under Financing Activities		
Gross Portfolios	400,329	591,267
Less : Non-qualifying assets	(90,641)	(73,205)
Qualifying assets (B)	309,688	518,062
Qualifying assets/Net assets : (B) / (A)	51.71%	74.97%

As per the RBI vide "Master Direction – Reserve Bank of India (Regulatory Framework for Microfinance Loans) Directions, 2022" dated March 14, 2022 (Updated as on July 17, 2025)Qualifying assets ofNBFC-MFIs shall constitute a minimum of 60 percent of the total assets (netted off by intangible assets)

37 Details of penalties imposed by RBI and other regulators

No penalties have been imposed by RBI and other regulators on the company during the year ended December 2025.

38 There are no material foreseeable losses on long-term contracts which requires provision to be made under the applicable law or accounting standards.

39 For the year ended December 31, 2025, the company has transferred Rs. Nil (previous year: Rs. Nil) to the Investor Education & Protection Fund.

40 Previous year's figures have been regrouped where necessary to conform to current period's classification.

For Shah & Taparia Chartered Accountants Firm Registration number: 109463W	For and on behalf of the Board of Directors of Agora Microfinance India Limited	
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1. Corporate Information

Agora Microfinance India Limited ('the Company') is a public company domiciled in India and the Company was incorporated on May 31, 1996. The Company is registered as a non-deposit accepting Non-Banking Financial Company ('NBFC-ND') with the Reserve Bank of India ('RBI') and has got classified as a Non-Banking Financial Company- Micro Finance Institution ('NBFC-MFI') with effect from February 9, 2015. The Company is primarily engaged in providing micro finance services to semi-urban, urban population.

2. Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014 and the provisions of the RBI applicable as per Master Directions–Non-Banking Financial Company–Non-Systematically Important– Non-Deposit taking Company (Reserve Bank) Directions, 2016 issued by notification Master Direction DNBR.PD007/03.10.119/2016-17 dated September 01, 2016, as amended from time to time ('the NBFC Master Directions, 2016'). The financial statements have been prepared on an accrual basis and under the historical cost convention.

2.1 Summary of Significant Accounting Policies

a. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

b. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- i) Interest income on loans given is recognised under the internal rate of return method. Income including interest or discount or any other charges on non-performing asset is recognised only when realised and any such income recognised before the asset became non-performing and remaining unrealised is reversed.
- ii) Loan processing fees collected from customers are recognized on an upfront basis at the time of disbursement of loan.
- iii) Interest income on deposits with banks is recognised on a time proportion accrual basis taking into account the amount outstanding and the rate applicable.
- iv) All other income is recognised on accrual basis.

c. Property Plant and Equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

d. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

The company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the effect that useful life of an intangible asset exceeds ten years, the company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

e. Depreciation / Amortization

Depreciation on tangible fixed assets and Intangible assets is provided on the written down value method using the rates arrived at based on useful life of the assets prescribed under Schedule II of the Companies Act, 2013 which is also as per the useful life of the assets estimated by the management.

Asset Description	Useful Life
Computer	3 years
Office Equipment	5 years
Furniture and Fixture	10 years
Software	6 years

f. Impairment of Fixed Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

g. Leases (where the Company is the lessee)

Leases where the lessor effectively retains substantially all the risks and benefits of ownership over the leased item, is classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

h. Borrowing costs

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. All borrowing costs are expensed in the period they occur.

i. Foreign currency transactions

- i) All transactions in foreign currency are recognised at the exchange rate prevailing on the date of the transaction.
- ii) Foreign currency monetary items are reported using the exchange rate prevailing at the close of the financial year.
- iii) Exchange differences arising on the settlement of monetary items or on the restatement of Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.
- iv) Option premium paid towards hedge of foreign exchange exposure is charged to profit and loss account over the contract period.

j. Retirement and other employee benefits

- i) Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund and employee state insurance. The Company recognizes contributions to the provident fund scheme as expenditure, when an employee renders the related service.
- ii) Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.
- iii) Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Actuarial gains and losses for defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.

k. Income taxes

- i) Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961, enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.
- ii) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and tax laws enacted or substantively enacted, at the reporting date.
- iii) Deferred Tax Liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax asset is recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.
- iv) The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.
- v) The Company continues to pay income tax under older tax regime and have not opted for lower tax rate pursuant to Taxation Law (Amendment) Ordinance, 2019 considering the accumulated losses and other benefits under the income tax Act, 1961.The Company will assess the option for lower tax regime in due course.

I. Earnings per share

Basic earnings per share are computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to the equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

m. Provisions

A provision is recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

n. Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

o. Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash in hand, cash at bank and short-term investments with an original maturity of three months or less.

p. Classification of loan portfolio

Loans are classified as per management estimates as given below:

Asset Classification	Arrear Period
Standard assets	Overdue for less than 90 days
Non-performing assets	
Sub-standard assets	Overdue for 91-180 days
Loss assets	Overdue over 180 days

“Overdue” refers to interest and / or instalment remaining unpaid from the day it became receivable.

The above classification is in compliance with the Non-Banking Financial Company – Master Directions, 2016.

Portfolio loans are provided based on management estimates, subject to the minimum provisions required as per the Master Direction-Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.



q. Provisioning policy for loan portfolio

The provision for portfolio loans is as per the NBFC Master Directions, 2016 for Non-Banking Financial Company - Micro Finance Institution (NBFC-MFIs). These directions require the total provision for portfolio loans to be higher of (a) 1% of the outstanding loan portfolio or (b) 50% of the aggregate loan instalments which are overdue for more than 90 days and less than 180 days and 100% of the aggregate loan instalments which are overdue for 180 days or more.

Contingent provision against standard asset @ 0.25% is made for the loans not meeting the qualifying asset criteria.

For Shah & Taparia
Chartered Accountants
Firm Registration number: 109463W

For and on behalf of the Board of Directors of
Agora Microfinance India Limited

Bharat Joshi
Partner
Membership No.: 130863
Date: 24 April, 2025
Place: Mumbai

Manoj Naval
Director
DIN 01526911
Date: 24 April, 2025
Place: Mumbai

Asit Mehta
Director
DIN 01640935
Date:24 April, 2025
Place: Mumbai