

A decorative graphic consisting of several orange-outlined rectangular blocks of varying sizes arranged in a staircase pattern, ascending from the bottom left towards the top right of the page.

25
YEARS



Bandhan AMC

ANNUAL REPORT
2024-2025

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Disclaimer:

This document may contain statements about expected future events and Financials of the Company which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. However, there is no guarantee that the assumptions, predictions, and other forward-looking statements will always prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future events and results to differ materially from those expressed in such forward-looking statements.

Performance Highlights

| | | |
|--|---|--|
| <div>1,67,000+</div> <div>Mutual Fund Average Assets Under Management (in Crore)*</div> <div>↑ 22%</div> | <div>2.48%</div> <div>Market Share*</div> | <div>493.3 Crore</div> <div>Revenue from operations</div> <div>↑ 28%</div> |
| <div>108.3 Crore</div> <div>PAT</div> | <div>~27 Lakh</div> <div>Unique Investors</div> <div>↑ 53%</div> | <div>~16 Lakh</div> <div>Live SIP Counts</div> <div>↑ 53%</div> |
| <div>68K+</div> <div>Distribution Partners</div> <div>↑ 13%</div> | <div>644</div> <div>Employees</div> | <div>29%</div> <div>Women in workforce</div> |
| <div>102</div> <div>Sales location (12 new locations added)</div> | <div>Launched separate brand “Vedarthā” for Alternates and PMS category</div> | <div>14</div> <div>NFO Launched</div> |
| <div>* For Q4'25</div> <div>↑ YoY</div> | | |

CEO's Message



Our equity franchise delivered a standout performance, driven by robust investor flows. In Q4 FY2025, equity AAUM grew by 43% year-on-year, reflecting the strength of our offerings and sustained investor confidence. Passive equity gained momentum as well, with strong inflows, supported by the launch of nine new products.

On the fixed-income front, investor sentiment remained cautious amid rate uncertainty. While some long-duration and index-linked strategies saw outflows, reflecting investor risk recalibration, select liquid and short-term strategies saw traction, particularly Liquid Plus. Our Money Market Fund grew rapidly from ₹4,500 crore in March 2024 to over ₹10,000 crore by March 2025. We also repositioned key offerings such as the Corporate Bond Fund and Floating Rate Fund, while remaining agile on pricing to stay competitive.

Beyond AUM, we saw broad-based gains across key

investor metrics. Active SIPs rose 53% to 15.7 lakh, and our monthly SIP book nearly doubled to ₹464 crore. Our investor base reached ~27 lakh, a 53% increase, and total folios grew by 57% to 35 lakh—placing us among the fastest-growing AMCs in terms of retail reach and inclusion.

The Financial Year 2024–25 was a defining year for Bandhan AMC. Despite a competitive and evolving environment, we continued to execute with focus, deepen investor trust, and scale responsibly across our core businesses. Our performance reflects the strength of our people, the clarity of our purpose, and the growing relevance of our offerings to investors.

We closed the year with an average AUM of ₹1,64,640 crore, up 17.7% year-on-year. Our Q4 FY2025 AAUM stood at ₹1,67,196 crore, marking a ~22% increase over the previous year. Importantly, the share of equity in our AUM rose from ~36% to ~42%, driven by sustained retail participation, a strong equity sales engine, and successful new fund offerings. Our overall market share stood at 2.48% in Q4 FY2025.

We continued to expand and diversify our product suite with 14 new launches across active and passive equity, fixed income, and hybrid categories. From active equity strategies such as the Bandhan Innovation Fund and Bandhan Business Cycle Fund to passive solutions like the Bandhan CRISIL-IBX Financial Services Debt Fund and Bandhan Nifty Total Market Index Fund, our product development was guided by long-term conviction and investor

relevance. We complemented these with digital-first features such as Booster SIP and enhanced STP functionalities, aiming to simplify investment journeys and improve long-term engagement.

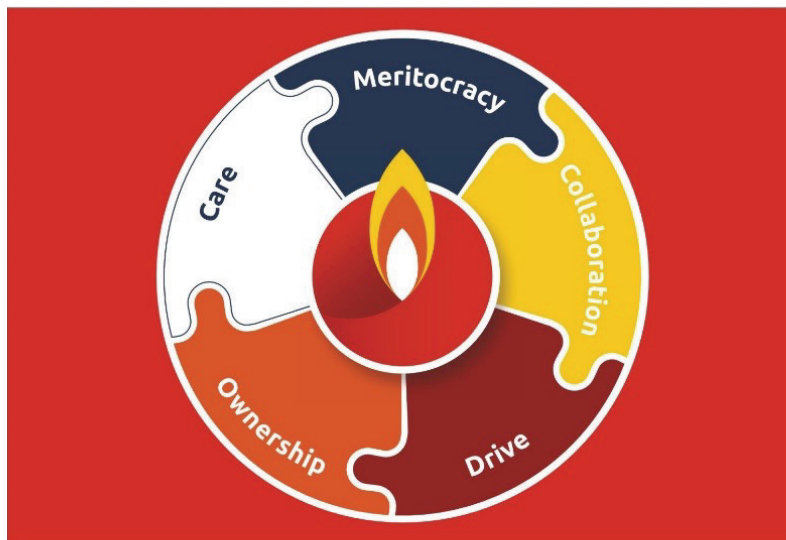
Our branch presence widened with the addition of 12 new locations taking our physical presence to 102 locations.

FY2024–25 was also a year of focused brand building. Our 'Badhte Raho' campaign created strong resonance across television, print, outdoor, and digital platforms, backed by topical narratives for occasions such as Father's Day, Women's Day, and the post-festive season. Brand consideration improved 10% year-on-year. We conducted over 1,380 investor awareness programmes, reaching 1.15 lakh individuals, while scaling engaging content formats such as fund commentaries, product explainers, and fund manager insights. Our distribution partners continue to be the backbone of our business. We engaged over 20,000 partners through 575+ learning and development (L&D) sessions.

In the alternatives space, we introduced **Vedartha**, our premium AIF and PMS platform. With a dedicated team of 17 professionals and counting, the year saw the launch of our first Category-III AIF, Vedartha Equity Opportunities Fund. Additionally, three fixed-income PMS strategies are now live. We also made significant progress on our international aspirations, securing mandates in Australia and the U.S., and established our presence in GIFT City, offering an avenue to global investors to participate in the India growth story.

Operationally, we accelerated our digital transformation. We completed our website revamp, achieved ISO 27001:2022 certification. The investor mobile app and the upcoming distributor app will further strengthen our digital ecosystem. New capabilities such as, search engine optimisation, and enhanced digital marketing campaigns helped us improve investor onboarding, reach, and engagement, especially around NFOs.

Our team continued to grow in strength and capability. With a 31% increase in headcount, our employee base reached 644. We added talent across passives, fixed income, and alternates. The rollout of structured learning programmes, including a dedicated LMS and technical training initiatives, helped us build depth and future readiness.



We also revisited and rearticulated our values this year – placing **Meritocracy, Collaboration, Drive, Ownership, and Care** at the centre of how we operate. These are not just words but guiding principles that shape our culture and conduct, both internally and externally.

It is with this foundation that we enter a significant year in our journey. FY2025–26 marks a special milestone – 25 years since this organisation first began its journey. From our inception as ANZ Grindlays Mutual Fund in 2000, through our evolution under Standard Chartered, IDFC, and now the consortium of GIC, ChrysCapital, and Bandhan, we have consistently adapted – guided by integrity, powered by resilience, and united by a shared commitment to creating value for investors.

These 25 years are more than a measure of time; they reflect the strength of our foundation, the trust we've earned, and the purpose that continues to guide us.

As we enter this silver jubilee year, we do so with humility, gratitude, and a clear sense of direction. Our focus remains unchanged: to build with discipline, innovate with intent, and stay true to our mission of helping savers become investors.

Thank you for being part of this journey.

Warm regards,

Vishal Kapoor
Chief Executive Officer
Bandhan AMC

About us

Established in 2000, **Bandhan AMC (Erstwhile IDFC AMC)** is focused on helping savers become investors and create wealth. Backed by the legacy, goodwill, and inclusiveness that **our shareholders, Bandhan Financial Holdings Limited, ChrysCapital, and GIC (Singapore)** represent, we bring together a strong foundation in serving investors through a slew of well-defined products and a deep commitment to empowering communities.



Industry Recognition



Our Board of Directors



Mr. Bhaskar Sen

Chairman & Independent Director

Mr. Bhaskar Sen is the former Chairman & Managing Director of United Bank of India (since merged with Punjab National Bank). With a rich experience of over 45 years in the industry, Mr. Sen is considered to be a person having deep knowledge in the areas of banking and finance. His special expertise is

in the areas of commercial banking, risk management, trade finance and treasury management.

Mr. Sen served as Chairman & Managing Director of the United Bank of India for a period of about three years before retiring from active service in December 2012. In his earlier postings in Dena Bank as Executive Director and as General Manager in his parent organisation Union Bank of India, he made significant contributions to treasury operations, overseas expansion, international business, merchant banking operations, risk management, and general banking. Mr. Sen also played a key role in launching the initial public offer and follow-on public offer of his parent bank, Union Bank of India. Post-retirement, Mr. Sen has served on the Boards of various prominent financial organisations. He was one of the first Directors to be appointed to the Board of Bandhan Bank, serving it for two consecutive terms, till March 2021. He has also worked as a Public Interest Director and Chairman of the Calcutta Stock Exchange, chaired the Expert Committee on Banking and Finance of the Indian Chamber of Commerce (ICC), and was also a nominated Director on the Board of West Bengal Financial Corporation.

He is also a Director on the Board of other Company.



Mr. S. Ravindran

Independent Director

Mr. S. Ravindran was the Executive Director of SEBI from August 2011 till May 2022, wherein he handled all major departments in SEBI and initiated/implemented various policy measures for development/regulation of securities markets relating to Mutual Funds, Corporate Governance, Market Infrastructure Institutions and Market Intermediaries, Market

Surveillance and Risk Management, IPOs, Accounting standards Disclosure and Transparency, Corporate restructuring, Takeovers, Buybacks, Delisting, Commodity Derivatives Market, etc. Prior to the above assignment, he was an advisor to the Central Bank of Bahrain on deputation from SEBI from January 2005 to January 2010 wherein he drafted and implemented Bahrain's Securities Market Regulatory Framework on par with International standards and enabled Bahrain to enter into Multilateral MOU with IOSCO.

He also handled various assignments as Chief General Manager, General Manager and Deputy General Manager in SEBI from March

1993 to January 2005. During his association with SEBI he had set up Surveillance Department and developed Integrated Market Surveillance System, handled major investigation cases relating to 1999-2001 Market Manipulations, resulting in various enforcement actions, implemented Accounting Standards through Listing Requirements, cleared more than 200 IPOs as Dealing Division Chief, handled more than 100 investigation cases as Investigating Authority, functioned as quasi-judicial Enquiry/Adjudication Officer, registration of MFs/Market Intermediaries and Inspection of stock exchanges/ Market Intermediaries.

He is also a Director on the Board of various companies/ institutions.



Ms. Nandini Dias

Independent Director

Ms. Nandini Dias was the CEO of Lodestar UM and has been ranked by Economic Times among the top 10 influential leaders (and the only woman leader) in the Indian advertising & media industry for three years now.

Marking a career close to three decades, she has had the distinction of launching over 400 brands while managing communication strategy and investments for over 250 marquee businesses across diverse sectors. She has piloted and developed several research-based tools that optimize robust media investments today.

She also set up and honed specialized practices like Brand Experience, Content, and Celebrity Management, CRM and Data, Digital, which are now centres of excellence and has been a part of a core leadership team tasked with ideating, transforming and channelizing the FCB Group's forward journey under a program at Oxford University. She has been awarded 'Media CEO of the year' in 2016, 2017, 2018 and 2021 and 'Gamechanger of the Year' in 2018 by different organizations.

She also acts as a Director on the Board of other Company.



Mr. Nitin Mittal

Independent Director

Mr. Nitin Mittal is a seasoned specialist in the field of technology with experience of over 26 years, in creating innovative and scalable digital platforms for retail, finance, e-commerce, FMCG, healthcare, insurance, and the e-governance sector.

He was earlier leading the technology and data function wing for Zee Entertainment Enterprises as President and Group CTO. His executive responsibilities with the company were to carry out strategic initiatives to embed technology, automation, AI/ML in all parts of the organization.

Mr. Mittal was also the founder (Apr 2018 - March 2021) of SOLV which is engaged in providing an open platform for B2B commerce, credit, payment, logistics, and skilled workforce for the SME segment in India.

Prior to his entrepreneurial venture, Mr. Mittal played an instrumental role in bringing disruptive technology to the country. He was a technology adviser with NPCI (Aug 2014 - Jul 2017) and has closely worked with the organization's technology team to build the country's UPI framework.

He has also served as the CTO of UIDAI (Oct 2012 - Oct 2014) and played a pivotal role in accelerating Aadhar coverage and launching direct benefit transfer (DBT) services. He has extensively worked with corporate majors like Standard Chartered, IBM, TESCO, BNY Mellon, Wipro and the Future Group.



Mr. Karni Singh Arha

Associate Director

Mr. Karni S Arha is the Managing Director of Bandhan Financial Holdings Limited. He is a seasoned financial services professional with over 22+ years of wide-ranging experience covering Finance, Operations and Distribution. Mr. Arha has significant experience in Financial Management, Corporate

Strategy, Business Acquisitions and Investor Relations. and has held leadership roles within organizations of Bank of Baroda, Reliance Capital, Aviva, and Bharti Financial Services.

He started his career in the US with Aetna Inc and Swiss Re in New York and moved to India to be amongst the founding members of Reliance Capital, where he led the launch of the Life Insurance business and Private Equity business. Subsequently, he became the CFO at IndiaFirst Life Insurance with additional responsibility as Head of Operations. Post which, Mr. Arha was CFO & COO at Aviva India, leading their business transformation initiatives. More recently, before joining BFHL, Mr. Arha was the CFO at Bharti Axa General Insurance to drive its merger with ICICI Group.

He is also a Director on the Board of various companies.



Mr. Atanu Sen

Associate Director

Mr. Atanu Sen is a trusted name in the banking industry with a significant experience of over 47 years with the country's leading financial institutions. He was serving as the non-executive Chairman of the National Pension System (NPS Trust) of PFRDA.

Mr. Sen has held several key posts including that of Managing Director and CEO of SBI Life Insurance Company Limited. He has played an instrumental role as Deputy Managing Director and Chief Credit and Risk Officer of the State Bank of India.

Post his retirement in 2014 from active service, he took up serving on the Boards of various companies. Mr. Sen has also engaged as a senior advisor for Deloitte Touche Tohmatsu LLP, and the post of non-official

Director on behalf of the Ministry of Finance, Government of India for Punjab & Sind Bank.

He is also a Director on the Board of various companies.



Mr. Akash Kedia

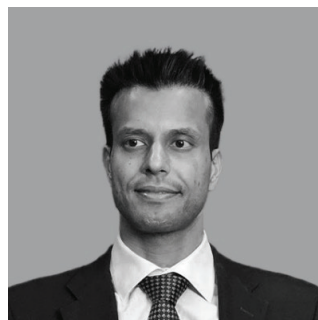
Associate Director

Mr. Akash Kedia is a Vice President at GIC and leads the Asset Management and Technology Services businesses for GIC's Private Equity (PE) business in India.

He has been an integral part of the firm for nearly a decade, during which he has successfully executed several investments and engaged closely with a variety of financial services companies in India.

Prior to joining GIC, Mr. Kedia worked as an investment banker for 2 years at Macquarie and Deutsche Bank and spent 3 years in Deloitte's audit department.

Mr. Kedia was ranked among the top 50 candidates across all three CA examination levels in India.



Mr. Ankit Singhal

Associate Director

Director at ChrysCapital, where his key responsibilities include leading strategic investment decisions in the financial services sector.

Mr. Singhal is skilled in private equity deal-making, business and operational strategy.

Prior to joining ChrysCapital, Mr. Singhal worked as an Investment Strategist for Whitetail Asia. He also served as Head of M&A at AJ Capital in Singapore (Feb 2018 – May 2020). He led the group's plans for setting up an NBFC in India as well as helping scale its direct investment franchise.

He has also worked as an investment professional with GIC Private Equity (Apr 2011 – Dec 2017), where he successfully concluded various investment deals in the financial services sector.

Our Leadership Team



Mr. Vishal Kapoor
Chief Executive Officer



Mr. Gaurab Parija
Head-Sales and Marketing



Mr. Hemant Agrawal
Head-Operations and
Information Technology



Mr. Manish Gunwani
Head – Equities



Mr. Suyash Choudhary
Head – Fixed Income



Mr. Mrinal Singh
Head – Alternates
(Listed Equities)



Mr. Bhupendra Meel
Head – Alternates
Fixed Income



Dr. Chetan Mehra
Head - Quantitative Investments
PMS & Alternative Investments



Mr. Ankur Maheshwari
Chief Financial Officer



Ms. Vijayalaxmi Khatri
Head - Legal & Compliance



Ms. Swati Singh
Head – Human Resources &
Administration

Company Information

BANDHAN AMC LIMITED

CIN U65993MH1999PLC123191

| DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP) | DIN | NAME OF THE DIRECTORS/KMP | DESIGNATION |
|---|------------|----------------------------------|-----------------------------------|
| | 03193003 | Mr. Bhaskar Sen | Chairman and Independent Director |
| | 09776472 | Mr. Ankit Singhal | Nominee/Associate Director |
| | 05339535 | Mr. Atanu Sen | Nominee/Associate Director |
| | 09279368 | Mr. Karni Singh Arha | Nominee/Associate Director |
| | 02584913 | Mr. Nitin Mittal | Independent Director |
| | 08676716 | Ms. Nandini Dias | Independent Director |
| | 09778966 | Mr. S. Ravindran | Independent Director |
| | 10509817 | Mr. Akash Kedia | Nominee/Associate Director |
| | - | Mr. Vishal Kapoor | Chief Executive Officer |
| | - | Mr. Ankur Maheshwari | Chief Financial Officer |
| | - | Mr. Nirav Sanghavi | Company Secretary |
| | | | |

AUDITORS Price Waterhouse & Co.
Chartered Accountants LLP

PRINCIPAL BANKERS Standard Chartered Bank
and
IDFC FIRST Bank Limited

**REGISTERED
OFFICE** One World Center, Tower 1C,
6th Floor, Jupiter Mills Compound,
841, Senapati Bapat Marg,
Elphinstone Road (West)
Mumbai 400 013
Tel: +91 22 6628 9999
Fax: + 91 22 2421 5051
Website: www.bandhanamc.com

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting the Twenty Fifth Annual Report of Bandhan AMC Limited (hereinafter referred as “the Company” or “Bandhan AMC” or “AMC”) together with the audited financial statements (standalone and consolidated) for the financial year ended March 31, 2025.

FINANCIAL HIGHLIGHTS

| PARTICULARS | STANDALONE (AMT IN ₹ MILLION) | | CONSOLIDATED (AMT IN ₹ MILLION) | |
|---|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| | FOR THE YEAR ENDED MARCH 31, 2025 | FOR THE YEAR ENDED MARCH 31, 2024 | FOR THE YEAR ENDED MARCH 31, 2025 | FOR THE YEAR ENDED MARCH 31, 2024 |
| Total Income | 5,101.56 | 4,653.19 | 5,101.56 | 4,653.19 |
| Less: Total Expenses | 3,701.11 | 2,867.94 | 3,701.32 | 2,868.03 |
| Profit Before Tax | 1,400.45 | 1,785.25 | 1,400.24 | 1,785.16 |
| Less: Provision for Tax | 317.28 | 367.76 | 317.28 | 367.76 |
| Profit After Tax | 1,083.17 | 1,417.49 | 1,082.96 | 1,417.40 |
| Net profit/(loss) from discontinued operations | - | - | - | - |
| Other Comprehensive Income (net of tax) | (17.99) | (2.79) | (17.99) | (2.79) |
| Total Comprehensive income for the year | 1,065.18 | 1,414.70 | 1,064.97 | 1,414.61 |

COMPANY'S AFFAIRS

The Company is an Investment Manager to the Schemes Bandhan Mutual Fund and Alternative Investments Fund. The Company is also registered as a Portfolio Manager with the Securities and Exchange Board of India. Further, the IFSC Branch of the Company is also registered as a Fund Management Entity – Non-Retail with the International Financial Services Centres Authority.

REVIEW OF OPERATIONS AND STATE OF COMPANY'S AFFAIRS

Industry Growth

The Indian equity market was anything but stable through the fiscal year. Initial jitters surrounding the outcome of the general elections, followed by speculation around the possible hike in capital gains tax, kept investors on edge. As overvalued stocks triggered profit-booking and corrections, volatility defined much of the market's behaviour. Yet, amid this turbulence, Indian mutual fund investors stood resilient—demonstrating long-term commitment and evolving financial maturity.

One of the most telling signs of this maturity was the exponential growth in Systematic Investment Plans (SIPs). Financial Year 2024-25 saw SIP contributions soar by 45% year-on-year, reaching ₹ 2.9 lakh crores, the highest growth in seven years and a sharp jump from the 28% rise recorded in Financial Year 2023-24. Monthly SIP inflows averaged ₹ 24,113 crore, up from ₹ 16,602 crore the previous year. With over 8 crore active SIP accounts by March 2025, SIPs now account for nearly 20% of the total industry assets, firmly establishing itself as a preferred investment vehicle among retail investors.

Equity mutual funds received net inflows of ₹ 4.17 lakh crore in Financial Year 2024-25, more than doubling the ₹ 1.84 lakh crore inflow in the previous year—a staggering 127% growth and the highest ever recorded by the industry. Sectoral/Thematic funds led the charge with ₹ 1.47 lakh crore in net inflows—a 218% surge over the prior year. Meanwhile, flexi cap and multi cap funds attracted ₹ 49,580 crore and ₹ 42,282 crore, respectively. Small cap, mid cap, and large & mid cap funds all registered healthy net inflows exceeding ₹ 40,000 crore each. In terms of Asset Under Management (AUM) growth, sectoral/thematic funds grew by 51.59%, followed by multi cap funds at 37.87%, and large & mid cap funds at 25.82%.

The debt fund category also staged a remarkable recovery. After facing net outflows of ₹ 23,097 crore in Financial Year 2023-24, debt schemes attracted ₹ 1.38 lakh crore in net inflows during FY2024-25. Among debt categories, Money market funds led with ₹ 66,582 crore in net inflows, Liquid funds followed with ₹ 38,349 crore and Low duration funds drew ₹ 14,729 crore. The strongest AUM growth was seen in long duration funds (64.31%), money market funds (57.87%), and gilt funds (47.14%).

Financial Year 2024-25 also witnessed significant broadening of the investor base. The number of mutual fund investors rose from 4.45 crore in March 2024 to 5.43 crore by March 2025, marking a 22% year-on-year increase—nearly 1 crore new investors in just one year. This growth underscores the increasing penetration of mutual funds among Indian households, aided by digital platforms, simplified onboarding, and rising financial literacy. Of the new investors, 96.80 lakh were PAN-linked, reflecting the industry's transition to more standardized and compliant onboarding practices in response to stricter KYC norms. Financial Year 2024-25 will be remembered as a landmark year for the Indian mutual fund industry—not just for the records broken but for the underlying trends it revealed.

Growth at Bandhan AMC Limited / Bandhan Mutual Fund

Bandhan Mutual Fund demonstrated remarkable growth and resilience in Financial Year 2024-25, achieving significant milestones. The Mutual Fund's Average Assets Under Management (AUM) reached ₹ 1,64,640 crore in March 2025, marking a 17.7% increase from the previous year. The Quarterly Average AUM (QAAUM) for Q4 FY25 stood at ₹ 1,67,196 crore, up by 21.9% from Q4 FY24. Notably, the proportion of Equity AUM increased from

DIRECTORS' REPORT

35.9% to 42.0%, reflecting a strategic shift towards equity investments. Bandhan Mutual Fund's overall performance remains robust, with AUM market share recoding a minor decline from 2.54% to 2.47%.

In the equity segment, Bandhan Mutual Fund achieved impressive growth, with Total Equity Gross Sales (excluding Arbitrage) for FY25 reaching ₹ 23,967 crores, a 123% increase from FY24. The Total Equity Net Sales (excluding Arbitrage) surged by 199% to ₹ 15,700 crores. Additionally, the Total Equity Index Gross Sales and Net Sales grew by 160% and 148%, respectively. These figures underscore Bandhan Mutual Fund's successful efforts in expanding its equity portfolio and attracting substantial investor interest.

The fixed income segment presented a mixed performance, with Total Fixed Income Net Sales for FY25 amounting to ₹ 111 crores. While the Liquid and Debt categories experienced outflows of ₹ -1,561 crores and ₹ -879 crores, respectively, the Liquid Plus category saw an inflow of ₹ 4,745 crores. Bandhan Mutual Fund's focus on innovative product offerings and strategic repositioning of funds has helped maintain stability in this segment.

Bandhan Mutual Fund's commitment to investor engagement and product innovation is evident from the launch of 14 new products in Financial Year 2024-25, including active and passive equity funds, passive debt funds, and a Fixed Maturity Plan (FMP). Bandhan Mutual Fund also introduced functionalities such as Booster SIP and STP, enhancing the investment experience for its clients. Geographically, Bandhan Mutual Fund expanded its presence from 90 locations in March 2024 to 102 locations in March 2025 and increasing the sales capacity to 334.

Bandhan Mutual Fund's brand and marketing efforts have significantly boosted its visibility and investor engagement. The 'Badhte Raho' multimedia campaign, along with innovative topical campaigns and extensive media tie-ups, has improved the brand consideration score from 17% in Q4 FY23 to 34% in Q3 FY25. The 'Equal Calculator' became the talk of town during Women's Day for its inclusive approach to investing. Bandhan Mutual Fund conducted over 1,380 Investor Awareness Programs (IAP) events, reaching approximately 1,15,000 investors. Bandhan Mutual Fund's focus on distributor engagement, fund management, and technological advancements has further solidified its position as a leading asset management company in India.

As a responsible corporate citizen, the Bandhan AMC believes that profitability must be complemented by a sense of responsibility towards all stakeholders and enriching the lives of the community at large. Through our CSR initiatives, the Company strives for material, visible, and lasting impact on disadvantaged sections of society. Achieving inclusive and quality education for all is one of the most powerful mechanisms for contributing toward sustainable development. Hence, the primary area of intervention that we focus on is Promoting Education. In Financial Year 2024-25, we launched our flagship program 'Udaan' to support education-focused NGOs across the country for improving school resources and infrastructure, supporting girl child education, upskilling teachers, creating financial awareness among parents, and skill-building for college students.

Set up of a Branch office at GIFT City

The Company established its presence in GIFT City with the setup of a branch office in October 2024, operating under the name Bandhan AMC Limited (IFSC Branch). The branch has been registered as a Fund Management Entity – Non-Retail. Following this, the Board approved three GIFT AIFs in December 2024, and PPM filings were completed in February 2025 for three inbound funds: Bandhan India Large and Mid-Cap Fund (IFSC), Bandhan India Small Cap Fund (IFSC) and Bandhan India Government Securities Fund (IFSC). In March 2025, the Company secured IFSCA approval for all three AIFs. With approvals in place, the fund-raising efforts commenced in April 2025.

Launch of 'Vedartha' Platform

During the year under review, the Company launched a platform viz. Vedartha, a platform for Alternative Investment Funds (AIF) and Portfolio Management Services (PMS) across equity and fixed income segment. The name Vedartha is derived from two Sanskrit words – Veda, embodying the timeless pursuit of wisdom through knowledge and Artha, signifying prosperity through purposeful wealth creation. Vedartha provides strategies that balance growth, resilience, and long-term value creation. Our investment philosophy is built on identifying high-potential opportunities, crafting pertinent strategies, and constructing portfolios - all while delivering unparalleled service to meet the client's distinct goals. By the end of the financial year, on the equity AIF side the Company launched Vedartha Equity Opportunities Fund, an open-ended Category III AIF scheme under Bandhan India Equity Hedge Fund and on the fixed income PMS side, strategies such as Vedartha Flexi-Cash Strategy, Vedartha Money Market Edge Strategy, Vedartha M2M Bond Optimizer Strategy, Vedartha Core-Alpha Accrual Strategy and Vedartha Trust Investment Solutions Strategy were offered.

AMOUNT TO BE CARRIED FORWARD TO RESERVES

The details of amount transferred to reserves are given in note no. 18B of the Notes forming part of the financial statements.

DIVIDEND

The Board of Directors do not recommend any dividend for financial year 2024-25.

SUBSIDIARY COMPANIES / ASSOCIATES / JOINT VENTURES

As on March 31, 2025, the Company had one subsidiary, namely Bandhan Investment Managers (Mauritius) Limited ("BMML"). The Board of Directors of the Company reviews the affairs of its subsidiary companies regularly. Further, a statement containing the salient features of the financial statement and details of performance and financial positions of BMML in the format AOC-I is appended as Annexure I.

PARTICULARS OF EMPLOYEES

The Company had 644 employees as on March 31, 2025.

DIRECTORS' REPORT

The Disclosure pertaining to the provisions of Section 197 of the Companies Act, 2013 ("the Act"), read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (to the extent applicable) a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are provided in this Annual Report. Having regard to the provisions of the first proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the Members of the Company. The said information is available for inspection at the Registered Office of the Company during working hours and any Member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

SHARE CAPITAL:

The issued, subscribed and paid-up equity share capital of the Company was on March 31, 2025 was ₹ 33,17,64,120 /- (Rupees Thirty-Three Crores Seventeen Lakhs Sixty-Four Thousand One Hundred and Twenty Only) consisting of 33,17,64,120 equity shares of Re.1 (Rupee One).

PUBLIC DEPOSITS

During the Financial Year 2024-25, the Company has neither invited nor accepted any Public Deposits.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

There were no loans or guarantees provided during the year under the provisions of Section 186 of the Companies Act, 2013. The details of investments are provided in the Financial statements.

FOREIGN EXCHANGE EXPENDITURE AND EARNING

Foreign exchange earnings: ₹ 0.14 crores (Previous year – ₹ Nil)

Foreign exchange outgo: ₹ 2.12 crores (Previous year – ₹ 0.98 crores)

PARTICULARS REGARDING CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

Since the Company does not undertake any manufacturing facility, the disclosure of information on matters required to be disclosed in terms of Section 134(3)(m) of the Act are not applicable and hence not given.

DIRECTORS

- Mr. S. Ravindran (DIN- 09778966) was appointed as an Additional Director in the category of Independent Director with effect from December 1, 2023 for a period of (3) three consecutive years. During the year under review, the Members of the Company at their 24th Annual general Meeting held on July 24, 2024 regularized appointment of Mr. S. Ravindran as an Independent Director of the Company.
- The Board of Directors, appointed Mr. Akash Kedia (DIN- 10509817) as a Nominee Director with effect from February 23, 2024. During the year under review, the Members of the Company at their 24th Annual general Meeting held on July 24, 2024 regularized the appointment of Mr. Akash Kedia as a Nominee Director of the Company.
- Pursuant to Section 152 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder, Mr. Atanu Sen (DIN: 05339535) and Mr. Akash Kedia (DIN: 10509817) will retire by rotation at the ensuing Annual General Meeting ("AGM") to be held for Financial Year 2024-25 and being eligible, offers themselves for re- appointment.
- As on March 31, 2025, the Board of Directors of the Company comprises of the following:

| Full Name | Designation |
|----------------------|-----------------------------------|
| Mr. Bhaskar Sen | Chairman and Independent Director |
| Mr. Nitin Mittal | Independent Director |
| Mr. S. Ravindran | Independent Director |
| Ms. Nandini Dias | Independent Director |
| Mr. Karni Singh Arha | Associate Director |
| Mr. Atanu Sen | Associate Director |
| Mr. Akash Kedia | Associate Director |
| Mr. Ankit Singhal | Associate Director |

KEY MANAGERIAL PERSONNEL

During the year under review, there were a few changes in the Key Managerial Personnel in terms of the provisions of Section 203 of the Companies Act, 2013. Mr. Piyush Anchliya ceased to be the Chief Financial Officer w.e.f. close of business hours on October 22, 2024.

Further, the Board based on the recommendations of the Nomination and Remuneration Committee, had appointed Ms. Ridhi Gangar as a Chief Financial Officer w.e.f. December 4, 2024. Ms. Gangar ceased to be the CFO of the Company w.e.f. close of business hours on February 18, 2025.

Subsequently, the Board based on the recommendations of the Nomination and Remuneration Committee have appointed Mr. Ankur Maheshwari as a Chief Financial Officer w.e.f. May 13, 2025.

DIRECTORS' REPORT

As on March 31, 2025, the following are the Key Managerial Personnel of the Company:

- Mr. Vishal Kapoor, Chief Executive Officer
- Mr. Nirav Sanghavi, Company Secretary

INDEPENDENT DIRECTORS

Pursuant to notification G.S.R. 804(E) dated October 22, 2019 issued by the Ministry of Corporate Affairs regarding introduction of the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019, all Independent Directors of the Company have registered with the Indian Institute of Corporate Affairs at Manesar to include their name in the data bank of independent directors. The Independent Directors of the Company have completed / exempted for, as the case may be, online proficiency self-assessment test.

The Board is of the opinion that the Independent Directors of the Company hold high standards of integrity and possess requisite expertise and experience including the proficiency required to fulfill their duties as Independent Directors. Their contribution has immensely helped the Company to grow.

DECLARATION OF INDEPENDENCE

The Company has received a declaration from Independent Directors, at the time of their respective appointments and also at the first meeting of the Board of Directors held in the financial year, that they meet the criteria of independence specified under sub-section (6) and (7) of Section 149 of the Act, read with Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and that they shall abide by the "Code for Independent Directors" as per Schedule IV of the Act.

MEETINGS OF THE BOARD

During the year, six Board meetings were held on May 9, 2024, July 24, 2024, October 29, 2024, December 4, 2024, February 6, 2025 and March 21, 2025. The gap between two consecutive meetings was within the limit of the period prescribed under the Act.

AUDIT COMMITTEE

During the year, five Audit Committee meetings were held on May 8, 2024, July 23, 2024, October 28, 2024, December 4, 2024 and February 5, 2025. The gap between two consecutive meetings was within the limit of the period prescribed under the Act.

As on March 31, 2025, the Audit Committee comprises of the following Directors:

- Mr. S. Ravindran – Chairman and Independent Director
- Mr. Bhaskar Sen - Independent Director
- Mr. Nitin Mittal - Independent Director
- Mr. Karni Singh Arha - Associate Director
- Mr. Ankit Singhal - Associate Director
- Ms. Nandini Dias - Independent Director

The terms of reference of the Audit Committee include the matters specified in Section 177 of the Act and the SEBI (Mutual Funds) Regulations, 1996.

RISK MANAGEMENT COMMITTEE

During the year, four Risk Management Committee meetings were held on May 8, 2024, July 23, 2024, October 28, 2024 and February 5, 2025.

As on March 31, 2025, the Risk Management Committee comprises of the following Directors:

- Mr. S. Ravindran – Chairman and Independent Director
- Mr. Bhaskar Sen - Independent Director
- Mr. Nitin Mittal - Independent Director
- Mr. Atanu Sen – Associate Director
- Mr. Ankit Singhal – Associate Director
- Ms. Nandini Dias - Independent Director

The terms of reference of the Risk Management Committee include the matters specified in the SEBI (Mutual Funds) Regulations, 1996.

NOMINATION AND REMUNERATION COMMITTEE

During the year, five meetings of NRC were held on May 8, 2024, June 3, 2024, July 23, 2024, December 4, 2024 and February 5, 2025. As on March 31, 2025, the Nomination and Remuneration Committee comprises of the following Directors:

- Mr. Karni Singh Arha – Chairman and Associate Director
- Mr. Bhaskar Sen - Independent Director
- Mr. Nitin Mittal - Independent Director

DIRECTORS' REPORT

- Mr. Akash Kedia - Associate Director
- Mr. Ankit Singhal - Associate Director
- Ms. Nandini Dias - Independent Director

The terms of reference of the Nomination and Remuneration Committee include the matters specified in Section 178 of the Act.

UNITHOLDERS PROTECTION COMMITTEE ("UHPC")

During the year, four meetings of UHPC was held on May 8, 2024, July 23, 2024, October 28, 2024 and February 5, 2025. As on March 31, 2025, the UHPC comprises of the following Directors:

- Mr. Bhaskar Sen – Chairman and Independent Director
- Mr. Atanu Sen - Associate Director
- Mr. S. Ravindran - Independent Director
- Dr. V. John Mathew – External expert Member (appointed w.e.f. January 8, 2025)

During the year, Mr. S L. Pandian ceased to be the External expert Member w.e.f. November 14, 2024.

The terms of reference of the UHPC includes the matters specified in line with the SEBI (Mutual Funds) Regulations, 1996 and circular issued thereunder.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

During the year, one separate meeting of Independent Directors was held on March 21, 2025. All Independent Directors attended the said Meeting.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 the Directors evaluated the Board as a whole, its committee and Individual Directors including Chairman. The exercise of Board evaluation was carried out and completed effectively.

NOMINATION AND REMUNERATION POLICY

The Company has in place a Nomination and Remuneration Policy ("Policy") for the Directors, Key Managerial Personnel, Senior Management and Other Employees which is in line with the Section 178 of the Act and Rules made thereunder. The Policy is available on the website of the Company at www.bandhanamc.com/disclosure/

The salient features of the Policy are as follows:

- Provisions with respect to appointment of Directors, Managing Director, Whole-Time Director, Key Managerial Persons ("KMPs") and etc.
- Provisions with respect to performance evaluation;
- Provisions with respect to Remuneration of Directors and KMPs.

During the year under review, the Company updated the Policy by amending certain definitions.

SECRETARIAL AUDIT

Pursuant to Section 204 of the Companies Act, 2013 and the Rules made thereunder, the Company appointed M/s Jay Mehta and Associates, Practicing Company Secretary, as Secretarial Auditors to undertake the Secretarial Audit of the Company for FY 2024-25.

There are no qualifications or observations or other remarks made by the Secretarial Auditors in their report.

The Secretarial Audit Report forms part of this Board's Report as Annexure II.

STATUTORY AUDITORS

At the AGM held on July 26, 2022, the Members of the Company appointed Price Waterhouse & Co Chartered Accountants LLP (FRN 304026E/E300009) ("PWC") as the Statutory Auditors of the Company for the 2nd term of Five years from the 22nd AGM of the Company till the conclusion of the 27th AGM of the Company. In accordance with the Companies Amendment Act, 2017, enforced on May 7, 2018, by the Ministry of Corporate Affairs, the appointment of the Statutory Auditors is not required to be ratified at every Annual General Meeting.

There are no qualifications, reservations or adverse remarks made by the Statutory Auditors in their audit report for the Financial Year ended March 31, 2025.

COST RECORDS

The Central Government has not mandated maintenance of cost records as required under section 148(1) of the Companies Act, 2013, in relation to the business operations of the Company.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188 OF THE COMPANIES ACT, 2013

Except as reported in Form AOC 2, in all related party transactions that were entered into during the financial year were on an arm's length basis

DIRECTORS' REPORT

and were in the ordinary course of business. The Company has always been committed to good corporate governance practices, including matters relating to Related Party Transactions. The Company has in place a Policy on Related Party Transactions and the same is uploaded on the website of the Company.

The Audit Committee and the Board of Directors of the Company reviews the details of related party transactions entered into by the Company on quarterly basis.

The details of related party transactions are provided in Form AOC-2 as Annexure-III to this Report and form part of the notes to the Financial Statements.

INTERNAL FINANCIAL CONTROL SYSTEMS

The Company has in place, adequate systems of Internal Control to ensure compliance with policies and procedures. It is being constantly assessed and strengthened with new / revised standard operating procedures and tighter Information Technology controls. Internal audits of all the business units of the Company are regularly carried out to review the Internal Control Systems. The Audit Reports of Internal Auditors along with their recommendations and implementation contained therein are regularly reviewed by the Audit Committee of the Board. The Statutory Auditors verified the key Internal Financial Control by reviewing key controls impacting financial reporting and Enterprise risk management procedures of the Company and found the same satisfactory. It was placed before the Audit Committee of the Company.

RISK MANAGEMENT

The Risk Management Committee of the Company reviewed the risk at every meeting held during the year. The Members of the Risk Management Committee ensure the measurement and control of risk factors and advise on the same to the Management of the Company.

MATERIAL CHANGES / COMMITMENTS

As per Section 134(3)(l) of the Act, there have been no reportable changes and commitments, affecting the financial position of the Company that has occurred during the period from March 31, 2025 till the date of this report.

INSTANCES OF FRAUD, IF ANY REPORTED BY THE AUDITORS

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Act.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNAL

There are no significant and material orders passed by the Regulators / Courts / Tribunal which would impact the going concern status of the Company and its future operations.

BORROWING

During the year under review, the Company has not raised any money through borrowing from banks and/or financial institutions. Further, there has been no instance of one-time settlement with Bank and hence, the disclosure regarding difference in valuation is not required.

PROCEEDINGS UNDER INSOLVENCY AND BANKRUPTCY

During the year under review, the Company has not made any application nor any proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016.

INFORMATION REQUIRED UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The following is a summary of sexual harassment complaints received and disposed off during the year 2024-25:

| Particulars | Number of Complaints |
|-----------------------------------|----------------------|
| Number of complaints received | NIL |
| Number of complaints disposed off | NIL |

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy which provides mechanism to ensure that concerns are properly raised, appropriately investigated and addressed. The Whistle Blower Policy is available on the website of the Company at www.bandhanamc.com.

ANNUAL RETURN

The Annual Return of the Company has been placed on the website of the Company – www.bandhanamc.com/disclosure/ in compliance with the provisions of section 134(3)(a) read with section 92(3) of the Act and the Rules made thereunder.

CORPORATE SOCIAL RESPONSIBILITY ("CSR")

During the year, one meeting of CSR Committee was held on May 8, 2024 where all members were present. The composition of CSR Committee is in compliance with the Companies Act, 2013. The disclosure of contents of CSR Policy as prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014 are annexed as Annexure IV.

DIRECTORS' REPORT

The salient features of the CSR Policy are as follows:

- Areas of focus
- Roles & functions of CSR Committee
- Details of CSR activities that can be undertaken/activities not considered as CSR
- Governance & internal control

During the year under review, the Policy was updated by amending the Section on 'Monitoring Process'.

As on March 31, 2025, the CSR Committee comprises of the following Directors:

- Ms. Nandini Dias – Chairperson and Independent Director
- Mr. S. Ravindran - Independent Director
- Mr. Karni Singh Arha – Associate Director
- Mr. Atanu Sen – Associate Director

As a responsible corporate citizen, the Company believes that profitability must be complemented by a sense of responsibility towards all stakeholders and enriching the lives of the community at large. Through its CSR initiatives, the Company strives for material, visible, and lasting impact on disadvantaged sections of society. Achieving inclusive and quality education for all is one of the most powerful mechanisms for contributing toward sustainable development. Hence, the primary area of intervention that we focus on is Promoting Education. In Financial Year 2024-25, we supported education-focused NGOs across the country for supporting girl child education, improving school resources and infrastructure, upskilling teachers, creating financial awareness among parents, and skill-building for college students. The CSR Policy and the details of the CSR activities conducted during the year are available at www.bandhanamc.com/csr/

EMPLOYEES STOCK OPTIONS SCHEMES

During the year, the Nomination and Remuneration Committee, the Board and the Members of the Company approved the 'Bandhan AMC Limited - Employee Stock Option Scheme 2023' ("BAMC ESOS 2023"/ "Scheme"). During the year under review 51 employees were granted options under the aforesaid Scheme.

The details of Employee Stock Options are given as Annexure V.

COMPLIANCES OF APPLICABLE SECRETARIAL STANDARDS

During the year under review, the Company has complied with the applicable secretarial standards issued by Institute of Company secretaries of India on Meeting of Board of Directors and General Meetings.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm that:

- a) in the preparation of the annual financial statements for the year ended March 31, 2025, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025 and of the profit of the Company for that period;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual financial statements on a going concern basis; and
- e) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGMENTS

The Board places on record its gratitude to the Securities and Exchange Board of India, Association of Mutual Funds of India, Ministry of Corporate Affairs, other regulatory authorities and institutions and Investors of the Mutual Fund schemes for their continued guidance and support and expresses its sincere appreciation to all the employees for their commendable teamwork and enthusiastic contribution during the year.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-

Bhaskar Sen
Chairman
DIN- 03193003
Mumbai
May 13, 2025

ANNEXURE I

FORM AOC-I

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

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

PART "A": SUBSIDIARIES

(Information in respect of each subsidiary to be presented with amounts in ₹)

| | | |
|-----|---|---|
| 1. | CIN / Registration no. | 097679C1/GBL |
| 2. | Name of the subsidiary | Bandhan Investment Managers (Mauritius) Limited |
| 3. | Date since when subsidiary was acquired | September 13, 2010 |
| 4. | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | April 1, 2024 to March 31, 2025 |
| 5. | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | INR* |
| 6. | Share capital (as on March 31, 2025) | 57,931,449 |
| 7. | Reserves & surplus (as on March 31, 2025) | (50,634,246) |
| 8. | Total assets (as on March 31, 2025) | 7,553,091 |
| 9. | Total Liabilities (as on March 31, 2025) | 255,888 |
| 10. | Investments | 0 |
| 11. | Turnover | 0 |
| 12. | Profit/(Loss) before taxation | (6,027,112) |
| 13. | Provision for taxation | 0 |
| 14. | Profit/(Loss) after taxation | (6,027,112) |
| 15. | Proposed Dividend | 0 |
| 16. | % of shareholding | 100 |

*Exchange Rate:

Closing Rate: 1 USD = 85.5814

Average Rate: 1 USD = 84.6256

Note: The aforesaid entity is yet to commence operations.

No subsidiaries have been liquidated or sold during the year.

PART "B": ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures: NOT APPLICABLE

For **Bandhan AMC Limited**

Sd/-

Bhaskar Sen
Director
DIN-03193003

Sd/-

Karni Singh Arha
Director
DIN-09279368

Sd/-

Vishal Kapoor
Chief Executive Officer

Sd/-

Ankur Maheshwari
Chief Financial Officer

Sd/-

Nirav Sanghvi
Company Secretary

Place: Mumbai

Date: May 13, 2025

ANNEXURE II

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
BANDHAN AMC LIMITED,
6th Floor, Tower 1C, 841,
One World Center, Jupiter Mills Compound, Senapati Bapat Marg,
Mumbai - 400013

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Bandhan AMC Limited** (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2025 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder; (Not applicable to the Company during the Audit period)
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not applicable to the Company during the Audit period)
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable to the Company during the Audit period)
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the Company during the Audit period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the Audit period)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the Audit period)
 - (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; (Not applicable to the Company during the Audit period)
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. (Not applicable to the Company during the Audit period)

ANNEXURE II

FORM NO. MR-3

(vi) Further, the following other laws / rules / regulations are specifically applicable to the Company:

- (a) The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996;
- (b) The Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020;
- (c) The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
- (d) The Prevention of Money Laundering Act, 2002 and the Rules and Regulations made thereunder.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with the Stock Exchange(s). (Not applicable to the Company during the Audit period)

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there was no event / action which has major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc. referred to above.

For **Jay Mehta & Associates**
Company Secretaries

Sd/-

Jay Mehta
Proprietor

FCS: 8672
CP No.8694
PR No.: 1996/2022
UDIN: F008672G000328728

Date: May 13, 2025
Place: Mumbai

Note:

This report is to be read with our letter of even date which is annexed as Annexure-I and forms an integral part of this report.

ANNEXURE II

Annexure-1

To,
The Members,
BANDHAN AMC LIMITED,
6th floor, Tower 1C, 841,
One World Center, Jupiter Mills Compound, Senapati Bapat Marg,
Mumbai - 400013.

Our Secretarial Audit Report for the financial year ended **31st March 2025** of even date is to be read along with this letter.

Management's Responsibility:

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility:

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We have conducted the Audit as per the applicable Auditing Standards issued by the Institute of Company Secretaries of India.
4. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
5. Wherever required, we have obtained reasonable assurance about whether the statements prepared, documents or records, in relation to Secretarial Audit, maintained by the Company, are free from misstatement.
6. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, etc.

Disclaimer:

7. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
8. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

For **Jay Mehta & Associates**
Company Secretaries

Sd/-

Jay Mehta
Proprietor
FCS: 8672
CP No.8694
PR No.: 1996/2022
UDIN: F008672G000328728

ANNEXURE III**FORM NO. AOC-2**

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

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

1. Details of contract or arrangements or transactions not at arm's length basis - **Not Applicable**

- a. Name(s) of related party and nature of relationship
- b. Nature of contracts/arrangement/transactions
- c. Duration of contracts/arrangement/transactions
- d. Salient terms of the contracts or arrangements or transactions including the value, if any
- e. Justification for entering into such contracts or arrangements or transactions
- f. Date(s) of approval by the Board
- g. Amount paid as advances, if any
- h. Date on which the special resolution was passed in general meeting as required under first proviso to section 188.

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

| Name(s) of the related party and nature of relationship | Nature of contracts/ arrangements/ transactions | Duration of the contracts / arrangements/ transactions | Salient terms of the contracts or arrangements or transactions including the value, if any | Date(s) of approval by the Board | Amount paid as advances, if any |
|---|---|--|--|----------------------------------|---------------------------------|
| Bandhan Financial Services Limited (Ultimate Holding Company) | Domain Name Purchase and Ownership Transfer Agreement ("Agreement") | One time | Purchase of domain name as per the terms provided under Domain Name Purchase and Ownership Transfer Agreement and value under the Agreement is ₹ 2, 21, 500/-. | May 9, 2024 | Not applicable |

On behalf of the Board of Directors of
Bandhan AMC Limited

Sd/-

Sd/-

Chairman
Bhaskar Sen
DIN: 03193003

Director
Karni Singh Arha
DIN: 09279368

ANNEXURE IV

ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline on CSR Policy of the Company.

Bandhan AMC Limited believes that profitability must be complemented with a sense of responsibility towards all stakeholders and enriching the lives of the community at large. Through its CSR initiatives, the Company will strive for a material, visible and lasting impact on disadvantaged sections of society, preferably in locations where the Company operates.

AREAS OF FOCUS

Achieving inclusive and quality education for all is one of the most powerful mechanisms for contributing to sustainable development. Hence, the primary area of intervention that Bandhan AMC focuses on is 'Education' including, but not limited to –

- Support towards primary and secondary education of students from weaker sections of society by improving their ability to attend and stay in schools through financial assistance for students in need, avenues for nutrition supplementation, upgradation of school infrastructure including sports, access to technology (hardware and/or software) for learning enablement, supplementing the school curriculum through additional learning initiatives, etc.
- Support primary and secondary education by enhancing teaching skills and involvement of learning enablers like teachers, local government officials, and parents to improve the quality of education for students.
- Support towards improving the employability of college students from weaker sections of society through skill development and vocational training.

Apart from education, we may also choose to contribute to other areas such as-

- Relief support in times of calamities, disasters, etc.
- Environmental sustainability
- Women empowerment

2. Composition of CSR Committee:

| SL. NO. | NAME OF DIRECTOR | DESIGNATION/NATURE OF DIRECTORSHIP | NUMBER OF MEETINGS OF CSR COMMITTEE HELD DURING THE YEAR | NUMBER OF MEETINGS OF CSR COMMITTEE ATTENDED DURING THE YEAR |
|---------|----------------------|--------------------------------------|--|--|
| 1 | Ms. Nandini Dias | Chairperson and Independent Director | 1 | 1 |
| 2 | Mr. S. Ravindran | Independent Director | 1 | 1 |
| 3 | Mr. Atanu Sen | Nominee Director | 1 | 1 |
| 4 | Mr. Karni Singh Arha | Nominee Director | 1 | 1 |

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.-

www.bandhanamc.com/csr/

4. Provide the executive summary along with web-link of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

Not applicable, as the Company's average CSR obligation has not more than 10 Cr. in the three immediately preceding financial year as per Section 135 (5) of the Act.

5. a) Average net profit of the company as per sub-section (5) of section 135 - ₹ 1684.27 Million

b) Two percent of average net profit of the company as per sub-section (5) of section 135. - ₹ 33.6 Million

c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years. - Nil

d) Amount required to be set-off for the financial year, if any. - Nil

e) Total CSR obligation for the financial year [(b)+(c)-(d)] - ₹ 33.6 Million

6. (a) Amount spent of CSR Projects (both Ongoing Project and other than Ongoing Project). ₹ 33.6 Million

(b) Amount spent of Administrative Overheads. – Nil

(c) Amount spent of Impact Assessment, if applicable. - Nil

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]. - ₹ 33.6 Million

ANNEXURE IV**ANNUAL REPORT ON CSR ACTIVITIES****(e) CSR amount spent or unspent for the Financial Year:**

| TOTAL AMOUNT SPENT FOR THE FINANCIAL YEAR. (IN ₹) | AMOUNT UNSPENT (IN ₹) | | | | |
|---|---|-------------------|---|---------|-------------------|
| | TOTAL AMOUNT TRANSFERRED TO UNSPENT CSR ACCOUNT AS PER SUB-SECTION (6) OF SECTION 135 | | AMOUNT TRANSFERRED TO ANY FUND SPECIFIED UNDER SCHEDULE VII AS PER SECOND PROVISIO TO SUB-SECTION (5) OF SECTION 135. | | |
| | AMOUNT. | DATE OF TRANSFER. | NAME OF THE FUND | AMOUNT. | DATE OF TRANSFER. |
| 3,36,86,000 | Nil | Nil | Nil | Nil | Nil |

(f) Excess amount for set-off, if any: Not Applicable

| Sl. NO. | PARTICULAR | AMOUNT (IN ₹) |
|---------|---|---------------|
| (i) | Two percent of average net profit of the company as per sub-section (5) of section 135 | 3,36,86,000 |
| (ii) | Total amount spent for the Financial Year | 3,36,86,000 |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | Nil |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any | Nil |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | Nil |

7. (a) Details of Unspent Corporate Social Responsibility amount for the proceeding three financial years: Not Applicable

| Sl. NO. | PRECEDING FINANCIAL YEAR(S) | AMOUNT TRANSFERRED TO UNSPENT CSR ACCOUNT UNDER SUB-SECTION (6) OF SECTION 135 (IN ₹) | BALANCE AMOUNT IN UNSPENT CSR ACCOUNT UNDER SUB-SECTION (6) OF SECTION 135 (IN ₹) | AMOUNT SPENT IN THE FINANCIAL YEAR (IN ₹). | AMOUNT TRANSFERRED TO A FUND SPECIFIED UNDER SCHEDULE VII AS PER SECOND PROVISIO TO SUB-SECTION (5) OF SECTION 135, IF ANY. | AMOUNT REMAINING TO BE SPENT IN SUCCEEDING FINANCIAL YEARS. (IN ₹) | DEFICIENCY, IF ANY |
|---------|-----------------------------|---|---|--|---|--|--------------------|
| | | | | | AMOUNT IN ₹ | DATE OF TRANSFER | |
| | FY-1 | | | | Not Applicable | | |
| | FY-2 | | | | Not Applicable | | |
| | FY-3 | | | | Not Applicable | | |

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

No

If yes, enter the number of Capital assets created / acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

| Sl. No. | SHORT PARTICULARS OF PROPERTY OR ASSETS [INCLUDING COMPLETE ADDRESS AND LOCATION OF THE PROPERTY] | PINCODE OF THE PROPERTY OR ASSET(S) | DATE OF CREATION | AMOUNT OF CSR AMOUNT SPENT | DETAILS OF ENTITY / AUTHORITY / BENEFICIARY OF THE REGISTERED OWNER | | |
|----------------|---|-------------------------------------|------------------|----------------------------|---|------|--------------------|
| | | | | | CSR REGISTRATION NO., IF APPLICABLE | NAME | REGISTERED ADDRESS |
| Not Applicable | | | | | | | |

9. Specify the reason(s) if the company has failed to spend two per cent of the average net profit as per sub- section (5) of section 135. – Not ApplicableFor **Bandhan AMC Limited**

Sd/-
Nandini Dias
 Chairperson CSR Committee
 DIN: 08676716

Sd/-
Vishal Kapoor
 Chief Executive Officer
 PAN: AAEPK6274A

ANNEXURE V

DETAILS OF EMPLOYEE STOCK OPTIONS

| S. NO. | EMPLOYEE STOCK OPTION DETAILS | ESOS 2023 | |
|--------|---|---|---|
| | | AS ON MARCH 31, 2024 | AS ON MARCH 31, 2025 |
| 1 | Options Granted | 63,39,839 | 96,20,583 |
| 2 | Options Vested | 0 | 9,50,702 |
| 3 | Options Exercised | 0 | 0 |
| 4 | The total number of shares arising as a result of exercise of option; | 0 | 0 |
| 5 | Options lapsed /Cancelled | 1,18,737 | 4,84,901 |
| 6 | The exercise price | 0 | 0 |
| 7 | Variation of terms of options | 0 | 0 |
| 8 | Money realized by exercise of options | 0 | 0 |
| 9 | Total number of options in force | 62,21,102 | 91,35,682 |
| 10 | Employee wise details of options granted to: | | |
| | i. Key managerial personnel (Vishal) | 13,71,059 | 18,20,512 |
| | i. Key managerial personnel (Piyush) | 1,18,737 | 1,18,737 |
| | ii. Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year | Vishal Kapoor - 13,71,059 Manish Gunwani - 12,65,593 Suyash Choudhary - 12,65,593 Gaurab Parija - 6,32,796 | Vishal Kapoor - 18,20,512 Manish Gunwani - 17,42,704 Suyash Choudhary - 16,80,473 Gaurab Parija - 8,40,236 |
| | iii. Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant; | NA | NA |

On behalf of the Board of Directors of
Bandhan AMC Limited

Sd/-

Sd/-

Chairman
Bhaskar Sen
DIN: 03193003

Director
Karni Singh Arha
DIN: 09279368

INDEPENDENT AUDITOR'S REPORT

To the Members of Bandhan AMC Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Bandhan AMC Limited (formerly known as IDFC Asset Management Company Limited) ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2025, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the standalone financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the standalone financial statements

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

INDEPENDENT AUDITOR'S REPORT

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
9. 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.
10. 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

11. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure B", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
12. 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 relating to preparation of the aforesaid standalone financial statements have been kept so far as it appears from our examination of those books, except for the matters stated in paragraph 12(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) ("the Rules").
 - (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 12(b) above on reporting under Section 143(3)(b) and paragraph 12(h)(vi) below on reporting under Rule 11(g) of the Rules.
 - (g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 29 to the standalone financial statements.
 - ii. The Company has made provision as at March 31, 2025, as required under the applicable law or accounting standards, for material

INDEPENDENT AUDITOR'S REPORT

foreseeable losses, on long-term contracts - Refer Note 7 to the standalone financial statements. The Company did not have any derivative contracts as at March 31, 2025.

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2025.
- iv.
 - (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 39(vii)(a) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 39(vii) (b) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (c) Based on such audit procedures that we 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 (a) and (b) contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year.
- vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software. During the course of our audit, we did not notice any instance of audit trail feature being tampered with. Further, the audit trail to the extent maintained in the prior year has been preserved by the Company as per the Statutory requirements for record retention.

With respect to an accounting software used for payroll processing by an outsourced service provider, the service organisation's auditor's report specifies that it has a feature of recording audit trail (edit log) and that has operated throughout the year for all relevant transactions recorded in the software, except that the audit trail record does not contain the pre-modified values. The service organisation's auditor did not report any instance of the audit trail feature being tampered with or on the audit trail has been preserved by the Company as per the Statutory requirements for record retention.

- 13. The Company has not approved or paid any remuneration to the directors of the Company other than sitting fees for meetings, which are within the limits prescribed. Also, the Company has not appointed any whole-time directors or managers as covered under Section 197 read with Schedule V to the Act.

For **Price Waterhouse & Co Chartered Accountants LLP**

Firm Registration Number: 304026E/E-300009

Ketan Asher

Partner

Membership Number: 113522

UDIN: 25113522BMKYWY7585

Place: Mumbai

Date: May 13, 2025

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 12(g) of the Independent Auditor's Report of even date to the members of Bandhan AMC Limited on the standalone financial statements for the year ended March 31, 2025

Report on the Internal Financial Controls with reference to Standalone Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to standalone financial statements of Bandhan AMC Limited (formerly known as IDFC Asset Management Company Limited) ("the Company") as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on 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 ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

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

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

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

Opinion

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

For **Price Waterhouse & Co Chartered Accountants LLP**

Firm Registration Number: 304026E/E-300009

Ketan Asher

Partner

Membership Number: 113522

UDIN: 25113522BMKYWY7585

Place: Mumbai

Date: May 13, 2025

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Bandhan AMC Limited on the standalone financial statements as of and for the year ended March 31, 2024

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.
(B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, no physical verification was carried out by the Management during the year. Accordingly, the discrepancies, if any, could not be ascertained and therefore, we are unable to comment on whether the discrepancies, if any, have been properly dealt with in the books of account.
- (c) The Company does not own any immovable properties (Refer Note 9A to the standalone financial statements). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets) and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.
- (e) No proceedings have been initiated on the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.
- ii. (a) The Company is in the business of rendering services and, consequently, does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) During the year, the Company has not been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate from banks and financial institutions on the basis of security of current assets and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.
- iii. (a) The Company has made further investments in its wholly owned subsidiary Company incorporated outside India. The Company has not granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3 (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.
- (b) In respect of the aforesaid investments, the terms and conditions under which such investments were made are not prejudicial to the Company's interest.
- iv. In our opinion, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the investments made by it. The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 or Section 186 and accordingly, the provisions of Clause 3(iv) of the Order, to this extent, are not applicable to the Company.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the services of the Company. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the Company.
- vii. (a) In our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, income tax, professional tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
- (b) There are no statutory dues of provident fund, employees' state insurance which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2025 which have not been deposited on account of a dispute, are as follows:

| Name of the statute | Nature of dues | Amount (₹ in millions) | Period to which the amount relates | Forum where the dispute is pending | Remarks if any |
|-----------------------|----------------|---------------------------|------------------------------------|--|---|
| The Finance Act, 1994 | Service Tax | 15.02 | April 2009 to June 2017 | The Commissioner (Service Tax) | Not Applicable |
| The Finance Act, 1994 | Service Tax | 157.66* | April 2009 to March 2015 | Customs, Excise and Service Tax Appellate Tribunal | Not Applicable |
| Income Tax Act, 1961 | Income Tax | 76.77 | Assessment Year 2018-19 | Commissioner of Income Tax (Appeals) | Amount is adjusted by the department against future refunds. Response to the appeal filed by the Company is awaited |
| Income Tax Act, 1961 | Income Tax | 0.72 | Assessment Year 2013-14 | Assistant Commissioner of Income Tax | Response to the letter filed by the Company is awaited |

*Out of this ₹ 5.91 million has been paid under protest.

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT

- viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) As the Company did not have any loans or other borrowings from any lender during the year, the reporting under clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not obtained any term loans. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) The Company has not raised funds on short-term basis. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.
- (e) and (f) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any associates and joint ventures during the year. Therefore, the reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order are not applicable to the Company to that extent.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi) (c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The Internal Audit Reports have been considered by us for the purpose of our audit for the period April 01, 2024 to January 31, 2025 which were made available to us. The Internal Audit process for the period February 01, 2025 to March 31, 2025 is in progress and hence we are unable to comment on the same.
- xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with them. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) In our opinion, the Bandhan Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has one CIC as part of the Group as detailed in note 37(j) to the standalone financial statements.

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT

- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) of the Order is not applicable.
- xix. On the basis of the financial ratios (refer note 40 to the standalone financial statements), ageing and expected dates of realisation 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. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **Price Waterhouse & Co Chartered Accountants LLP**

Firm Registration Number: 304026E/E-300009

Ketan Asher

Partner

Membership Number: 113522

UDIN: 25113522BMKYWY7585

Place: Mumbai

Date: May 13, 2025

BANDHAN AMC LIMITED (formerly known as IDFC Asset Management Company Limited)**STANDALONE BALANCE SHEET AS AT MARCH 31, 2025**

(₹ in million)

| Particulars | Note | As at March 31, 2025 | As at March 31, 2024 |
|---|------|-------------------------|-------------------------|
| ASSETS | | | |
| Financial assets | | | |
| Cash and cash equivalents | 3 | 33.80 | 11.27 |
| Bank balances other than cash and cash equivalents above | 4 | 6.55 | 26.65 |
| Receivables | | | |
| (i) Trade receivables | 5 | 179.00 | 252.04 |
| Investments | 6 | 5,045.69 | 3,763.44 |
| Other financial assets | 7 | 90.08 | 80.86 |
| Non-financial assets | | | |
| Income tax assets (net) | 8 | 221.26 | 251.50 |
| Property, plant and equipment | 9A | 199.07 | 152.64 |
| Intangible assets | 10 | 55.87 | 11.91 |
| Capital Work-In-Progress | 9A | 29.28 | - |
| Right-of-use assets | 9B | 364.32 | 359.13 |
| Deferred tax assets (net) | 16A | 48.23 | 46.81 |
| Other non-financial assets | 11 | 166.74 | 143.84 |
| Total assets | | 6,439.89 | 5,100.09 |
| LIABILITIES AND EQUITY | | | |
| LIABILITIES | | | |
| Financial liabilities | | | |
| Payables | | | |
| (i) Trade payables | 12A | | |
| (i) total outstanding dues of micro enterprises and small enterprises | | 4.30 | 24.44 |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | | 170.92 | 224.24 |
| (ii) Other payables | 12B | | |
| (i) total outstanding dues of micro enterprises and small enterprises | | - | - |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | | - | 4.79 |
| Lease liabilities | 9B | 431.47 | 423.60 |
| Other financial liabilities | 13 | 649.73 | 413.40 |
| Non-financial liabilities | | | |
| Income tax liabilities (net) | 14 | 221.48 | 306.78 |
| Provisions | 15 | 71.84 | 36.23 |
| Deferred tax liabilities | 16B | 126.79 | 102.55 |
| Other non-financial liabilities | 17 | 85.37 | 60.54 |
| EQUITY | | | |
| Equity share capital | 18A | 331.76 | 331.76 |
| Other equity | 18B | 4,346.23 | 3,171.76 |
| Total liabilities and equity | | 6,439.89 | 5,100.09 |

See accompanying notes to the standalone financial statements.

This is the standalone balance sheet referred to in our report of even date.

For and on behalf of the Board of Directors of

Bandhan AMC Limited

(formerly known as IDFC Asset Management Company Limited)

CIN No.U65993MH1999PLC123191

For **Price Waterhouse & Co Chartered Accountants LLP**

Firm Registration No. 304026E/E-300009

Ketan Asher

Partner

Membership Number: 113522

Place: Mumbai

Date: May 13, 2025

Bhaskar Sen

Director

DIN: 03193003

Place: Mumbai

Date: May 13, 2025

Karni Singh Arha

Director

DIN: 09279368

Place: Mumbai

Date: May 13, 2025

Nirav Sanghavi

Company Secretary

Place: Mumbai

Date: May 13, 2025

Ankur Maheshwari

Chief Financial Officer

Place: Mumbai

Date: May 13, 2025

Vishal Kapoor

Chief Executive Officer

Place: Mumbai

Date: May 13, 2025

BANDHAN AMC LIMITED (formerly known as IDFC Asset Management Company Limited)**STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025**

(₹ in million)

| Particulars | Note | Year ended March 31, 2025 | Year ended March 31, 2024 |
|---|------|------------------------------|------------------------------|
| REVENUE FROM OPERATIONS | | | |
| Management fees | | 4,922.94 | 3,832.55 |
| Portfolio management fees | | 7.78 | 13.10 |
| Advisory fees | | 2.41 | - |
| Total revenue from operations | | 4,933.13 | 3,845.65 |
| Other income | 19 | 168.43 | 807.54 |
| Total income | | 5,101.56 | 4,653.19 |
| EXPENSES | | | |
| Finance cost | 24 | 31.85 | 30.72 |
| Employee benefits expense | 20 | 1,970.03 | 1,378.30 |
| Impairment on financial instruments | 21 | 6.28 | 9.71 |
| Depreciation and amortisation expense | 22 | 192.93 | 142.99 |
| Other expenses | 23 | 1,500.02 | 1,306.22 |
| Total expenses | | 3,701.11 | 2,867.94 |
| Profit before tax | | 1,400.45 | 1,785.25 |
| INCOME TAX EXPENSE: | | | |
| | 25 | | |
| - Current tax | | 378.02 | 310.81 |
| - Deferred tax | | 22.82 | 82.77 |
| - Adjustment of tax relating to earlier periods | | (83.56) | (25.82) |
| Total tax expense | | 317.28 | 367.76 |
| Profit for the year | | 1,083.17 | 1,417.49 |
| OTHER COMPREHENSIVE INCOME | | | |
| Items that will not be reclassified to profit or loss | | | |
| - Remeasurements of post-employment benefit obligations | 26 | (24.04) | (3.73) |
| - Income tax relating to the above | | 6.05 | 0.94 |
| Other comprehensive income for the year, net of tax | | (17.99) | (2.79) |
| Total comprehensive income for the year | | 1,065.18 | 1,414.70 |
| EARNINGS PER EQUITY SHARE (FACE VALUE OF ₹ 1 EACH) | | | |
| | 28 | | |
| - Basic (₹) | | 3.26 | 4.27 |
| - Diluted (₹) | | 3.26 | 4.27 |

See accompanying notes to the standalone financial statements.

This is the standalone statement of profit and loss referred to in our report of even date.

For and on behalf of the Board of Directors of

Bandhan AMC Limited

(formerly known as IDFC Asset Management Company Limited)

CIN No.U65993MH1999PLC123191

For **Price Waterhouse & Co Chartered Accountants LLP**

Firm Registration No. 304026E/E-300009

Ketan Asher

Partner

Membership Number: 113522

Place: Mumbai

Date: May 13, 2025

Bhaskar Sen

Director

DIN: 03193003

Place: Mumbai

Date: May 13, 2025

Karni Singh Arha

Director

DIN: 09279368

Place: Mumbai

Date: May 13, 2025

Nirav Sanghavi

Company Secretary

Place: Mumbai

Date: May 13, 2025

Ankur Maheshwari

Chief Financial Officer

Place: Mumbai

Date: May 13, 2025

Vishal Kapoor

Chief Executive Officer

Place: Mumbai

Date: May 13, 2025

BANDHAN AMC LIMITED (formerly known as IDFC Asset Management Company Limited)**STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2025**

(₹ in million)

| Particulars | Note | Year ended March 31, 2025 | Year ended March 31, 2024 |
|---|----------|------------------------------|------------------------------|
| CASH FLOW FROM OPERATING ACTIVITIES : | | | |
| Profit before tax : | | 1,400.45 | 1,785.25 |
| Adjustments : | | | |
| Depreciation and amortisation | 22 | 192.93 | 142.99 |
| Net (gain) / loss on sale of property, plant and equipment | 19 | (0.37) | (1.93) |
| Impairment on financial instruments | 21 | 6.28 | 9.71 |
| Employee share based payment expense | 36b) | 109.29 | 61.52 |
| Net gain/(loss) on fair value changes of instruments measured at FVTPL-realised | 19 | (124.26) | (196.63) |
| Net gain/(loss) on fair value changes of instruments measured at FVTPL-unrealised | 19 | (26.85) | (593.52) |
| Interest income on financial assets measured at amortised cost | 19 | (3.75) | (2.93) |
| Dividend income | 19 | (2.13) | (1.88) |
| Finance cost | 24 | 31.85 | 30.72 |
| Operating profit before working capital changes | | 1,583.44 | 1,233.30 |
| Adjustments for (increase)/ decrease in operating assets : | | | |
| Bank balances other than cash and cash equivalents | 4 | 20.10 | 24.27 |
| Trade receivables | 5 | 73.04 | (56.92) |
| Other financial assets | 7 | (10.47) | (12.83) |
| Other non-financial assets | 11 | (22.90) | (16.03) |
| Adjustments for increase/ (decrease) in operating liabilities : | | | |
| Trade payables | 12A | (73.46) | 122.29 |
| Other payables | 12B | (4.79) | (26.47) |
| Other financial liabilities | 13 | 236.33 | (81.95) |
| Provisions | 15 | 11.57 | 22.92 |
| Other non-financial liabilities | 17 | 24.82 | (30.46) |
| Cash generated from operations | | 1,837.68 | 1,178.12 |
| Less : Income taxes paid (net of refunds) | | (343.47) | (171.59) |
| Net cash inflow / (outflow) from operating activities* | A | 1,494.21 | 1,006.53 |
| CASH FLOW FROM INVESTING ACTIVITIES : | | | |
| Purchase of property, plant and equipment | 9A | (143.04) | (104.91) |
| Proceeds from disposal of property, plant and equipment | | 0.51 | 5.97 |
| Purchase of intangible assets | 10 | (58.46) | (6.17) |
| Purchase of investment measured at FVTPL | | (5,248.38) | (4,200.32) |
| Proceeds from sale of investments | | 4,120.66 | 3,403.79 |
| Investments in Subsidiary | | (9.22) | (7.57) |
| Dividend received | 19 | 2.13 | 1.88 |
| Net cash inflow / (outflow) from investing activities | B | (1,335.80) | (907.33) |

BANDHAN AMC LIMITED (formerly known as IDFC Asset Management Company Limited)
STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2025

(₹ in million)

| Particulars | Note | Year ended March 31, 2025 | Year ended March 31, 2024 |
|---|--------------|------------------------------|------------------------------|
| CASH FLOW FROM FINANCING ACTIVITIES : | | | |
| Principal elements of lease payments | 9B | (104.03) | (74.75) |
| Interest elements of lease payments | 9B | (31.85) | (30.72) |
| Net cash inflow / (outflow) from financing activities | C | (135.88) | (105.47) |
| NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS | A+B+C | 22.53 | (6.27) |
| Add : Cash and cash equivalents at beginning of the year | | 11.27 | 17.54 |
| Cash and cash equivalents at end of the year | | 33.80 | 11.27 |
| Non-Cash financing and investing activities | | | |
| Addition to the right-of-use asset | | 116.44 | 134.33 |

Reconciliation of cash and cash equivalents as per the standalone statement of cash flows

Cash and cash equivalents as per above comprise of the following

(₹ in million)

| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
|--|------------------------------|------------------------------|
| Cash and cash equivalents | 33.80 | 11.27 |
| Balances as per standalone statement of cash flows | 33.80 | 11.27 |

*Includes amount paid towards Corporate Social Responsibility ₹ 33.69 million (previous year ₹ 36.81 million)

Figures in brackets indicate cash outflow.

The above standalone statement of cash flows has been prepared under the indirect method as set out in Ind AS 7 *Statement of Cash Flows*.

See accompanying notes to the standalone financial statements.

This is the standalone statement of cash flows referred to in our report of even date.

For and on behalf of the Board of Directors of

Bandhan AMC Limited

(formerly known as IDFC Asset Management Company Limited)
CIN No.U65993MH1999PLC123191

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration No. 304026E/E-300009

Ketan Asher

Partner
Membership Number: 113522
Place: Mumbai
Date: May 13, 2025

Bhaskar Sen

Director
DIN: 03193003
Place: Mumbai
Date: May 13, 2025

Karni Singh Arha

Director
DIN: 09279368
Place: Mumbai
Date: May 13, 2025

Nirav Sanghavi

Company Secretary
Place: Mumbai
Date: May 13, 2025

Ankur Maheshwari

Chief Financial Officer
Place: Mumbai
Date: May 13, 2025

Vishal Kapoor

Chief Executive Officer
Place: Mumbai
Date: May 13, 2025

BANDHAN AMC LIMITED (formerly known as IDFC Asset Management Company Limited)
STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025

| A. | Equity share capital | | (₹ in million) | |
|----|------------------------|------|----------------|--------|
| | Particulars | Note | Number | Amount |
| | As at April 01, 2023 | 18A | 331,764,120 | 331.76 |
| | Issued during the year | | - | - |
| | As at March 31, 2024 | 18A | 331,764,120 | 331.76 |
| | Issued during the year | | - | - |
| | As at March 31, 2025 | 18A | 331,764,120 | 331.76 |

| B. | Other equity | | (₹ in million) | | | | |
|----|---|------|----------------------|-----------------|--|-----------------------------------|--------------------|
| | | | Reserves and surplus | | | | |
| | Particulars | Note | Securities Premium | General reserve | Surplus in the standalone statement of profit and loss | Share options outstanding account | Total other equity |
| | As at April 01, 2023 | 18B | 943.12 | 479.96 | 272.46 | - | 1,695.54 |
| | Profit for the year | | - | - | 1,417.49 | - | 1,417.49 |
| | Other comprehensive income | | - | - | (2.79) | - | (2.79) |
| | Total comprehensive income for the year | | - | - | 1,414.70 | - | 1,414.70 |
| | Transactions with owners in their capacity as owners: | | | | | | |
| | - Share based payments: | | | | | | |
| | i) Employee stock option expense for the year | 36 | - | - | - | 61.52 | 61.52 |
| | ii) Vested options cancelled during the year | | - | - | - | - | - |
| | iii) Options exercised during the year | | - | - | - | - | - |
| | iv) Options lapsed during the year | | - | - | - | - | - |
| | - Transfer from Share option outstanding account to Securities Premium (towards option exercised) | | - | - | - | - | - |
| | - Dividends paid | 32 | - | - | - | - | - |
| | As at March 31, 2024 | 18B | 943.12 | 479.96 | 1,687.16 | 61.52 | 3,171.76 |
| | Profit for the year | | - | - | 1,083.17 | - | 1,083.17 |
| | Other comprehensive income | | - | - | (17.99) | - | (17.99) |
| | Total comprehensive income for the year | | - | - | 1,065.18 | - | 1,065.18 |
| | Transactions with owners in their capacity as owners: | | | | | | |
| | - Share based payments: | | | | | | |
| | i) Employee stock option expense for the year | 36 | - | - | - | 109.29 | 109.29 |
| | ii) Vested options cancelled during the year | | - | 1.78 | - | (1.78) | - |
| | iii) Options exercised during the year | | - | - | - | - | - |
| | iv) Options lapsed during the year | | - | - | - | - | - |
| | - Transfer from Share option outstanding account to Securities Premium (towards option exercised) | | - | - | - | - | - |
| | - Dividends paid | 32 | - | - | - | - | - |
| | As at March 31, 2025 | 18B | 943.12 | 481.74 | 2,752.34 | 169.03 | 4,346.23 |

See accompanying notes to the standalone financial statements.

This is the standalone statement of changes in equity referred to in our report of even date.

For and on behalf of the Board of Directors of

Bandhan AMC Limited

(formerly known as IDFC Asset Management Company Limited)

CIN No.U65993MH1999PLC123191

For **Price Waterhouse & Co Chartered Accountants LLP**

Firm Registration No. 304026E/E-300009

Ketan Asher

Partner

Membership Number: 113522

Place: Mumbai

Date: May 13, 2025

Bhaskar Sen

Director

DIN: 03193003

Place: Mumbai

Date: May 13, 2025

Karni Singh Arha

Director

DIN: 09279368

Place: Mumbai

Date: May 13, 2025

Nirav Sanghavi

Company Secretary

Place: Mumbai

Date: May 13, 2025

Ankur Maheshwari

Chief Financial Officer

Place: Mumbai

Date: May 13, 2025

Vishal Kapoor

Chief Executive Officer

Place: Mumbai

Date: May 13, 2025

BANDHAN AMC LIMITED *(formerly known as IDFC Asset Management Company Limited)*
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

1A. Background

Bandhan AMC Limited (formerly known as IDFC Asset Management Company Limited) ('the Company') is a public limited company, incorporated in India and regulated by The Securities Exchange Board of India ("SEBI"). The registered office of the Company is at One World Centre, 6th Floor, Jupiter Mills Compound, 841, Senapati Bapat Marg, Elphinstone Road (West), Mumbai 400013.

The Company provides asset management services, portfolio management and investment advisory services. The Company is registered under SEBI (Portfolio Managers) Regulations, 1993 for providing portfolio management services. The Company is also providing investment management services to Alternative Investment Funds launched under SEBI (Alternative Investment Funds) Regulations, 2012.

The Company is also providing the management and advisory services to Category I foreign portfolio investors and Category II foreign portfolio investors through fund manager(s) managing the schemes of the Bandhan Mutual Fund as permitted under Regulation 24(b) of the SEBI (Mutual Funds) Regulations, 1996.

Pursuant to the approval from the Registrar of Companies, with effect from April 19, 2023, the name of the Company has been changed from IDFC Asset Management Company Limited to Bandhan AMC Limited.

The Company has established a branch office in IFSC-GIFT City at Gujarat for undertaking Investment Management activities / services for pooled assets. The International Financial Services Centers Authority (IFSCA) has granted certificate of registration dated October 18, 2024 to Bandhan AMC Limited (IFSC Branch) to carry out activities as a Fund Management Entity (Non-Retail). Bandhan AMC Ltd through its IFSC branch is acting as an Investment Manager to Bandhan India Large & Mid Cap Fund (IFSC), Bandhan India Small Cap Fund(IFSC) and Bandhan India Government Securities Fund (IFSC), which are registered with IFSCA as a Category III Alternative Investment Fund.

These standalone financial statements are authorised for issuance by the Board of Directors on May 13, 2025.

1B. Material accounting policies

1) Basis of preparation

i) Compliance with Ind AS

These standalone financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015 (as amended)] and other relevant provisions of the Act. The accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

ii) Historical cost convention

The standalone financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets - measured at fair value;
- Defined benefit plans assets- measured at fair value; and
- Share-based payments - measured at fair value.

iii) Recent accounting pronouncements

(i) New and amended standards adopted

The Ministry of Corporate Affairs vide notification dated 9 September 2024 and 28 September 2024 notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 and Companies (Indian Accounting Standards) Third Amendment Rules, 2024, respectively, which amended/ notified certain accounting standards (see below), and are effective for annual reporting periods beginning on or after 1 April 2024:

- Insurance contracts - Ind AS 117; and
- Lease Liability in Sale and Leaseback – Amendments to Ind AS 116

These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM's function is to allocate the resources of the Company and assess the performance of the operating segments of the Company. The Chief Executive Officer is identified as the CODM. The board of directors of the Company assesses the financial performance and position of the Company and makes strategic decisions. Refer note 27 for segment information presented.

BANDHAN AMC LIMITED (formerly known as IDFC Asset Management Company Limited)
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

3) Foreign currency translation

i) Functional and presentation currency

Items included in the standalone financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

ii) Transactions and balances

Transactions in foreign currencies are initially recorded in the functional currency using the exchange at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated into the functional currency at the spot rate of exchange at the reporting date. All differences are taken to other income/expense in the Standalone Statement of Profit and Loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

4) Investment in subsidiaries

The Company has invested in certain financial instruments that qualify the definition of equity from the subsidiary's perspective. Such financial instruments are carried at cost, less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognised in the Standalone Statement of Profit and Loss.

5) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Regular purchases and sales of financial assets are recognised on trade date, i.e. the date on which the Company commits to purchase or sell the asset.

At initial recognition, the Company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at FVTPL are expensed in Standalone Statement of Profit and Loss. Trade receivables that do not contain a significant financing component are measured at transaction price.

Financial assets

i) Classification and subsequent measurement

The Company classifies its financial assets in the following measurement categories:

- Fair value through Standalone Statement of Profit and Loss (FVTPL);
- Fair value through other comprehensive income (FVOCI); and
- Amortised cost.

The classification requirements for debt and equity instruments are described below:

Debt instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective such as mutual fund units, alternate investment funds, etc.

For investments in debt instruments, measurement will depend on the classification of debt instruments depending on:

- the Company's business model for managing the asset (Business model assessment); and
- the cash flow characteristics of the asset (Solely Payment of Principal and Interest ("SPPI") assessment).

Business model assessment

The business model reflects how the Company manages the assets in order to generate cash flows. The business model determines whether the Company's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable or when performance of portfolio of financial assets managed is evaluated on a fair value basis, then the financial assets are classified as part of 'other' business model and measured at FVTPL.

The Company determines its business model at the level that best reflects how it manages group of financial assets to achieve its business objective. The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

BANDHAN AMC LIMITED (formerly known as IDFC Asset Management Company Limited)
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

- experience on how the cash flows for these assets were collected,
- how the asset's performance and the business model is evaluated and reported to key management personnel,
- the risks that affect the performance of the business model and how these risks are assessed and managed,
- how managers are compensated.

Solely Payment of Principal and Interest ("SPPI") Assessment

Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Company assesses whether the financial instruments cash flows represent solely payments of principal and interest (the 'SPPI test').

Based on these factors, the Company classifies its debt instruments into one of the following three measurement categories:

Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit and loss when the asset is derecognised or impaired.

Fair value through other comprehensive income:

Debt instruments that meet the following conditions are subsequently measured at FVOCI:

- the asset is held within a business model whose objective is achieved both, by collecting contractual cash flows and selling financial assets;
- the contractual terms of the instrument give rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding; and
- that are not designated at fair value

Movement in carrying amount is taken through other comprehensive income, except for recognition of impairment gains or losses, interest revenues and foreign exchange gains and losses on the instrument's amortised cost that are recognised in Standalone Statement of Profit and Loss.

Fair value through profit/loss:

Assets that do not meet the criteria for amortised cost or FVOCI, are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss and presented in the Standalone Statement of Profit and Loss within 'net gain/(loss) on fair value changes' in the period in which it arises. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method. Company's investment in mutual fund units, alternate investment fund and equity instruments are classified as financial assets measured at FVTPL.

Equity Instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

The Company measures all equity investments at FVTPL, except where the Company's management has elected, at initial recognition, to irrevocably designate an equity investment at FVOCI which is not held for trading. When this election is used, fair value gains and losses are recognised in OCI and are not subsequently reclassified to profit or loss, including on disposal. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value. Dividends, when representing a return on such investments, continue to be recognised in profit or loss as 'dividend income' when the Company's right to receive payments is established.

ii) Impairment

The Company assesses, on a forward-looking basis the expected credit losses ('ECL') associated with its financial instruments measured at amortised cost with the exposure arising from security deposit. The Company recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Explanation of the inputs, assumptions and estimation techniques used in measuring ECL is further detailed in note 35.2.

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NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

iii) Income recognition

Interest income

The Company calculates interest income by applying the effective interest rate (EIR) to the gross carrying amount of financial assets other than credit-impaired assets.

The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset (i.e. its amortised cost before any impairment allowance). The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts paid or received that are integral to the effective interest rate, such as origination fees, commitment fees, etc.

When the Company revises the estimates of future cash flows, the carrying amount of the respective financial asset is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in profit or loss.

When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial asset cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

Dividend income

Dividend income is recognised in the Standalone Statement of Profit and Loss when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably. This is generally when the shareholders approve the dividend.

iv) De-recognition of financial assets

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either -

- the Company transfers substantially all the risks and rewards of ownership; or
- the Company neither transfers nor retains substantially all the risks and rewards of ownership and the Company has not retained control.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Standalone Statement of Profit and Loss on disposal of that financial asset.

Financial liabilities

i) Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Equity instruments issued by the Company are recognised at the proceeds received. Incremental costs directly attributable to the issue of new shares or financial instruments classified as equity are deducted, net of tax, from the proceeds.

ii) Classification and subsequent measurement

Financial liabilities (including borrowings and debt securities) are subsequently measured at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of a financial liability. The calculation includes transaction costs, premiums or discounts and fees and points paid that are integral to the effective interest rate, such as origination fees.

iii) De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. A substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Standalone Statement of Profit and Loss. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. In addition, other qualitative factors, such as changes in the type of interest rate, new conversion features attached to the instrument and change in covenants are also taken into consideration.

If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred are adjusted to the carrying amount of the liability and are amortised over the remaining term of the modified liability.

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NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

6) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

7) Revenue recognition

The Company recognises revenue from contracts with customers based on a five-step model as set out in Ind AS 115- Revenue from Contracts with Customers, to determine when to recognise revenue and at what amount. Revenue is measured based on the transaction price (net of variable consideration) specified in the contract with a customer and excludes amounts collected on behalf of third parties. Revenue from contracts with customers is recognized when services are provided and it can be reliably measured and it is, probable that future economic benefits will flow to the Company.

The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer. A new five-step process must be applied before revenue can be recognised:

- Identification of contract(s) with customers;
- Identification of the separate performance obligations in the contract;
- Determination of transaction price;
- Allocation of transaction price to separate performance obligations; and
- Recognition of revenue when (or as) each performance obligation is satisfied.

i) Management fees

Management fees from mutual funds and alternative investment funds are recognised on an accrual basis in accordance with terms of investment management agreement entered into by the Company with Bandhan Mutual Fund Trustee Limited (formerly known as IDFC AMC Trustee Company Limited) and provisions of The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, SEBI (Alternative Investment Funds) Regulation, 2012 and amendments thereto. Revenue from management fees is recognised as and when services are performed over time as the customer simultaneously receives and consumes the benefits provided by the Company.

ii) Portfolio Management fees

Portfolio management fees (management fees, administration fees and performance fees) are recognised on an accrual basis in accordance with the respective terms of contract with counter parties. Revenue from portfolio management fees is recognised as and when services are performed over time as the customer simultaneously receives and consumes the benefits provided by the Company.

iii) Advisory fees

Advisory fees are recognised as and when services are performed over time as the customer simultaneously receives and consumes the benefits provided by the Company.

8) Income tax

The income tax expense or credit for the period is the tax payable on the taxable income of the current period based on the applicable income tax rates adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses.

i) Current tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

ii) Deferred tax

"Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, carried forward losses and unused tax credits to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax and deferred tax is recognised in the Standalone Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

9) Leases

The determination of whether an arrangement is a lease, or contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or whether the arrangement conveys a right to use the asset.

Company as a lessee

Leases are recognised as a right-of-use asset and corresponding liability at the date at which the leased asset is available for use by the Company. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Asset and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the fixed payments (including in-substance fixed payments), less any lease incentives receivable.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If the rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company uses a indicative AAA equivalent borrowing rate.

Lease payment are allocated between principal and finance cost. The finance cost is charged to profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payment associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

10) Cash and cash equivalents

For the purpose of presentation in the standalone statement of cash flows, cash and cash equivalents includes cash on hand, cash in bank, demand deposits with banks and other deposits with bank with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

11) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflect the Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially

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at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

For trade receivables and contract assets, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

12) Property, plant and equipment

All items of property, plant and equipment are stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Standalone Statement of Profit and Loss during the reporting period in which they are incurred.

i) Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives prescribed. The estimated useful lives for the different type of assets held by the Company are as follows:

| Name of Property, Plant and Equipment | Management estimate of useful life | Useful life as per Schedule II |
|---------------------------------------|--|--------------------------------|
| Computers | 3 | 3 |
| Servers and Network | 6 | 6 |
| Furniture | 10 | 10 |
| Office Equipment | 5 | 5 |
| Vehicles* | 4 | 8 |
| Mobile Phones* | 2 | 5 |
| Leasehold Improvements | Extended lease terms or 5 years which ever is earlier | Over the period of lease |

Depreciation on additions during the year is provided on a pro-rata basis.

*The useful lives have been determined based on internal assessment done by the management which are believed to best represent the period over which the assets are expected to be used. The residual values are not more than 5% of the original cost of the asset.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised in the Standalone Statement of Profit and Loss.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non financial assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

13) Intangible Assets

Intangible assets are recognised where it is probable that the future economic benefit attributable to the assets will flow to the Company and its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortisation and impairment, if any.

Intangible assets are amortised on a straight line basis over their estimated useful lives.

The estimated useful life of the intangible assets is as follows:

Computer Software 3 years

The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

14) Impairment of non-financial assets (including carrying value of equity investments in subsidiaries)

All non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows, which are largely independent of the cash inflows from

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other assets, or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting year.

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 fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

15) Employee benefits

i) Short term obligation

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after reporting period end in which the employee render the related services are recognised in respect of employee's services up to the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled. The liabilities are presented as employee benefits payable in the balance sheet.

ii) Defined contribution plans

The contribution to provident fund, superannuation fund and pension fund are considered as defined contribution plans, and are charged to the Standalone Statement of Profit and Loss as they fall due, based on the amount of contribution required to be made as and when services are rendered. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

iii) Defined benefit plan

The liability or asset recognised in the Balance Sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the standalone statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the standalone statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the standalone statement of profit and loss as past service cost.

iv) Share-based payments

Equity settled options:

The Company has constituted an Employee Stock Option Plan. The plan provides for grant of options to employees of the Company in a specific category to acquire equity shares of the Company that vest in a graded manner on meeting specified conditions and that are to be exercised within a specified period.

The above share awards are treated as an equity settled share based payment transaction. The fair value of options granted under the scheme is recognized as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined with reference to the fair value of the options granted excluding the impact of any service conditions.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on service conditions. It recognises the impact of revision to original estimates, if any, in the Standalone Statement of Profit and Loss, with a corresponding adjustment to equity.

Cash settled options:

The fair value of the amount payable to employees is recognised as employee benefit expenses' with a corresponding increase in liabilities. The liability is remeasured at each reporting period up to, and including the settlement date, with changes in fair value recognized in employee benefits expenses.

16) Trade and other payables

These amounts represent liabilities for services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

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17) Provisions

Provisions are recognised when the Company has a present (legal or constructive) obligation because of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and such amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at best estimate of the future expenditure required to settle the present obligation at the balance sheet date. When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the Standalone Statement of Profit and Loss net of any reimbursement.

18) Contingencies

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

19) Earnings per share

i) Basic earnings per share :

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company;
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares; and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

20) Investor Education Fund

In accordance with the AMFI best practice circular, the accruals of Investor Education Awareness ("IEA") across all mutual fund schemes is pooled and then transferred on monthly basis to a separate bank account maintained by the Company. The funds are utilised towards investor education and awareness initiatives undertaken by the Company. During the year the same has been transferred to Bandhan Mutual Fund.

21) Brokerage Expenses

Brokerage is paid to the brokers for Portfolio Management and Alternative Investment Schemes as per the terms of agreement entered with respective brokers. Brokerage paid by the Company in line with the applicable regulations is being charged to statement of profit and loss over the contractual period or clawback period in case of portfolio management services.

22) Rounding off

All amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest "million" as per the requirement of Schedule III, unless otherwise stated.

23) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting year but not distributed at the end of the reporting year.

24) New Fund Offer Expenses

Expenses relating to new Fund offer of Bandhan Mutual Fund are charged to the Statement of Profit and Loss in the year in which they are incurred in accordance with the requirements of SEBI (Mutual Fund) Regulations, 1996.

2 Use of judgments, estimates and assumptions

The preparation of financial statements requires the use of accounting estimates that, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the Company's accounting policies.

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This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the standalone financial statements.

- Estimation of current tax expense and payable
- Estimation of defined benefit obligation
- Estimation for fair value of financial instruments
- Estimation of deferred tax expense
- Estimation of useful lives of property, plant and equipment and intangible assets
- Estimation of provisions and contingencies
- Estimation for fair value of share-based payments

Estimates and judgments are evaluated continually. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

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NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

3 Cash and cash equivalents

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|----------------------|-------------------------|-------------------------|
| Balances with banks: | | |
| In current accounts | 33.80 | 11.27 |
| Total | 33.80 | 11.27 |

4 Bank balances other than cash and cash equivalents

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|-------------------------|-------------------------|
| Balances with banks: | | |
| In earmarked accounts | | |
| - Investor Education Awareness on behalf of Bandhan Mutual Fund (formerly known as IDFC Mutual Fund) | - | 23.37 |
| - Other bank balances | 6.55 | 3.28 |
| Total | 6.55 | 26.65 |

5 Trade receivables

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| Receivables considered good - secured | - | - |
| Receivables considered good - unsecured | 179.00 | 252.04 |
| Receivables which have significant increase in credit risk | - | - |
| Receivables - credit impaired | - | - |
| (Less): Impairment loss allowance | - | - |
| Total | 179.00 | 252.04 |

Ageing of trade receivables: as at March 31, 2025

(₹ in million)

| Particulars | Unbilled | Not due | Outstanding for following periods from the due date | | | | | Total |
|------------------------------|----------|---------|---|----------------------|-----------|-----------|----------------------|---------------|
| | | | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed trade receivables | | | | | | | | |
| considered good | 15.01 | - | 163.99 | - | - | - | - | 179.00 |
| Disputed trade receivables | - | - | - | - | - | - | - | - |

Ageing of trade receivables: as at March 31, 2024

(₹ in million)

| Particulars | Unbilled | Not due | Outstanding for following periods from the due date | | | | | Total |
|------------------------------|----------|---------|---|----------------------|-----------|-----------|----------------------|--------|
| | | | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed trade receivables | | | | | | | | |
| considered good | 2.97 | - | 249.07 | - | - | - | - | 252.04 |
| Disputed trade receivables | - | - | - | - | - | - | - | - |

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NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

6 Investments

(₹ in million)

| Particulars | At fair value through Other Comprehensive Income | At fair value through Profit and loss | Others # | Total |
|-----------------------------------|--|--|-------------|-----------------|
| As at March 31, 2025 | | | | |
| Mutual fund units | - | 4,408.29 | - | 4,408.29 |
| Alternate investment funds units | - | 151.08 | - | 151.08 |
| Equity instruments | 0.50 | 478.65 | - | 479.15 |
| Subsidiaries | - | - | 66.69 | 66.69 |
| Total (A) - Gross | 0.50 | 5,038.02 | 66.69 | 5,105.21 |
| (Less): Impairment loss allowance | - | - | (59.52) | (59.52) |
| Total (A) - Net | 0.50 | 5,038.02 | 7.17 | 5,045.69 |
| Investments outside India | - | - | 66.69 | 66.69 |
| Investments in India | 0.50 | 5,038.02 | - | 5,038.52 |
| Total (B) - Gross | 0.50 | 5,038.02 | 66.69 | 5,105.21 |
| (Less): Impairment loss allowance | - | - | (59.52) | (59.52) |
| Total (B) - Net | 0.50 | 5,038.02 | 7.17 | 5,045.69 |

Investment in subsidiaries measured at cost as per Ind AS 27 are classified as Others.

Bandhan Investment Managers (Mauritius) Limited (formerly known as IDFC Investment Managers (Mauritius) Limited) is a wholly owned subsidiary of the Company. The subsidiary's networth has eroded significantly due to accumulated losses. Consequently, the Company has incrementally written down the value of investment by ₹ 5.81 million during the year ended March 31, 2025 (previous year ₹ 8.22 million) after considering its recoverable amount (value in use) as ₹ 7.17 million (previous year ₹ 3.76 million) against its carrying value of ₹ 66.69 million as at March 31, 2025 (previous year ₹ 57.47 million).

(₹ in million)

| Particulars | At fair value through Other Comprehensive Income | At fair value through Profit and loss | Others | Total |
|-----------------------------------|--|--|-------------|-----------------|
| As at March 31, 2024 | | | | |
| Mutual fund units | - | 3,005.94 | - | 3,005.94 |
| Alternate investment funds units | - | 140.42 | - | 140.42 |
| Equity instruments | 0.50 | 612.82 | - | 613.32 |
| Subsidiaries | - | - | 57.47 | 57.47 |
| Total (A) - Gross | 0.50 | 3,759.18 | 57.47 | 3,817.15 |
| (Less): Impairment loss allowance | - | - | (53.71) | (53.71) |
| Total (A) - Net | 0.50 | 3,759.18 | 3.76 | 3,763.44 |
| Investments outside India | - | - | 57.47 | 57.47 |
| Investments in India | 0.50 | 3,759.18 | - | 3,759.68 |
| Total (B) - Gross | 0.50 | 3,759.18 | 57.47 | 3,817.15 |
| (Less): Impairment loss allowance | - | - | (53.71) | (53.71) |
| Total (B) - Net | 0.50 | 3,759.18 | 3.76 | 3,763.44 |

More information regarding the valuation methodologies is disclosed in note 34.

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NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

7 Other financial assets

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|-----------------------------------|-------------------------|-------------------------|
| Other receivables | 0.01 | 0.17 |
| Other tax deposit | 36.50 | 36.50 |
| Security deposit | 61.72 | 51.87 |
| (Less): Impairment loss allowance | (8.15) | (7.68) |
| Total | 90.08 | 80.86 |

8 Income tax assets (net)

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|-------------------------|-------------------------|
| Advance tax | 221.26 | 251.50 |
| (net of provision for tax as of 2025: ₹ 3,555.97 million; 2024: ₹ 1,804.07 million) | | |
| Total | 221.26 | 251.50 |

9A Property, plant and equipment

(₹ in million)

| Particulars | Leasehold improvements | Furniture and fixtures | Vehicles | Office Equipments | Computers | Total | Capital Work in Progress |
|---|---------------------------|------------------------------|--------------|----------------------|---------------|---------------|--------------------------------|
| As at March 31, 2024 | | | | | | | |
| Gross carrying amount | | | | | | | |
| Opening gross carrying amount as at April 1, 2023 | 85.20 | 14.11 | 29.25 | 34.68 | 149.54 | 312.78 | - |
| Additions | 45.39 | 6.54 | 18.98 | 6.45 | 27.55 | 104.91 | - |
| Disposals and transfers | (0.57) | (1.58) | (10.57) | (1.16) | (6.52) | (20.40) | - |
| Closing gross carrying amount | 130.02 | 19.07 | 37.66 | 39.97 | 170.57 | 397.29 | - |
| Accumulated depreciation | | | | | | | |
| Opening accumulated depreciation | 57.06 | 8.08 | 17.53 | 24.58 | 107.20 | 214.45 | - |
| Depreciation charge during the year | 15.28 | 1.47 | 5.97 | 4.29 | 19.55 | 46.56 | - |
| Disposals and transfers | (0.57) | (1.56) | (6.60) | (1.16) | (6.47) | (16.36) | - |
| Closing accumulated depreciation | 71.77 | 7.99 | 16.90 | 27.71 | 120.28 | 244.65 | - |
| Net carrying amount as at March 31, 2024 | 58.25 | 11.08 | 20.76 | 12.26 | 50.29 | 152.64 | - |
| As at March 31, 2025 | | | | | | | |
| Gross carrying amount | | | | | | | |
| Opening gross carrying amount as at April 1, 2024 | 130.02 | 19.07 | 37.66 | 39.97 | 170.57 | 397.29 | - |
| Additions | 34.34 | 4.68 | 23.88 | 13.01 | 37.85 | 113.76 | 29.28 |
| Disposals and transfers | - | (0.25) | (3.83) | (0.35) | - | (4.43) | - |
| Closing gross carrying amount | 164.36 | 23.50 | 57.71 | 52.63 | 208.42 | 506.62 | 29.28 |
| Accumulated Depreciation | | | | | | | |
| Opening accumulated depreciation | 71.77 | 7.99 | 16.90 | 27.71 | 120.28 | 244.65 | - |
| Depreciation charge during the year | 23.07 | 2.39 | 9.78 | 6.16 | 25.78 | 67.18 | - |
| Disposals and transfers | - | (0.14) | (3.83) | (0.31) | - | (4.28) | - |
| Closing accumulated depreciation | 94.84 | 10.24 | 22.85 | 33.56 | 146.06 | 307.55 | - |
| Net carrying amount as at March 31, 2025 | 69.52 | 13.26 | 34.86 | 19.07 | 62.36 | 199.07 | 29.28 |

i) Contractual obligations

Refer to note 30 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

BANDHAN AMC LIMITED (formerly known as IDFC Asset Management Company Limited)
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Ageing of CWIP: as at March 31, 2025

(₹ in million)

| Particulars | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|-------------------------------------|------------------|-----------|-----------|-------------------|--------------|
| (i) Projects in progress | 29.28 | - | - | - | 29.28 |
| (ii) Projects temporarily suspended | - | - | - | - | - |
| Total | 29.28 | - | - | - | 29.28 |

Ageing of CWIP: as at March 31, 2024

(₹ in million)

| Particulars | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|-------------------------------------|------------------|-----------|-----------|-------------------|----------|
| (i) Projects in progress | - | - | - | - | - |
| (ii) Projects temporarily suspended | - | - | - | - | - |
| Total | - | - | - | - | - |

9B Leases

The Company leases various offices. Rental contracts are typically made for fixed periods of 11 months to 9 years, but may have extension options as described in (iii) below.

(i) Amount recognised in balance sheet

The balance sheet shows the following amounts relating to leases:

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|----------------------------|-------------------------|-------------------------|
| Right-of-use assets | | |
| Buildings | 364.32 | 359.13 |
| Total | 364.32 | 359.13 |

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--------------------------|-------------------------|-------------------------|
| Lease Liabilities | 431.47 | 423.60 |
| Total | 431.47 | 423.60 |

Addition to the right-of-use assets during the current financial year is ₹ 116.44 million (previous year ₹ 134.33 million) which includes impact on account of lease modification amounting to ₹ 23.75 million (previous year ₹ 8.55 million).

(ii) Amount recognised in the Standalone Statement of Profit and Loss

The Standalone Statement of Profit and Loss shows the following amounts relating to leases:

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|-------------------------|-------------------------|
| Depreciation charge of right-of-use assets | | |
| Buildings (refer note 22) | 111.25 | 89.80 |
| Total | 111.25 | 89.80 |

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|-------------------------|-------------------------|
| Interest expense (refer note 24) | 31.85 | 30.72 |
| Expense relating to short-term leases (refer note 23) | 8.49 | 14.60 |
| Total | 40.34 | 45.32 |

The total cash outflow for leases for the year ended March 31, 2025 was ₹ 135.88 million (previous year ₹ 105.47 million).

BANDHAN AMC LIMITED *(formerly known as IDFC Asset Management Company Limited)*
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(iii) Extension and termination options

Extension and termination options are included in a number of property leases of the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.

(iv) Reconciliation of Lease Liability

| (₹ in million) | | |
|--|-------------------------|-------------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Outstanding at the beginning of the year | 423.60 | 369.37 |
| New/modified leases | 111.90 | 128.98 |
| Interest expense | 31.85 | 30.72 |
| Cash flow | (135.88) | (105.47) |
| Outstanding at the end of the year | 431.47 | 423.60 |

10 Intangible assets

| (₹ in million) | |
|---|-------------------|
| Particulars | Computer software |
| As at March 31, 2024 | |
| Gross carrying amount | |
| Opening gross carrying amount as at April 1, 2023 | 149.83 |
| Additions | 6.17 |
| Disposals and transfers | - |
| Closing gross carrying amount | 156.00 |
| Accumulated amortisation | |
| Opening accumulated amortisation | 137.46 |
| Amortisation during the year | 6.63 |
| Disposals and transfers | - |
| Closing accumulated depreciation | 144.09 |
| Net carrying amount as at March 31, 2024 | 11.91 |
| As at March 31, 2025 | |
| Gross carrying amount | |
| Opening gross carrying amount as at April 1, 2024 | 156.00 |
| Additions | 58.46 |
| Disposals and transfers | - |
| Closing gross carrying amount | 214.46 |
| Accumulated amortisation | |
| Opening accumulated amortisation | 144.09 |
| Amortisation during the year | 14.50 |
| Disposals and transfers | - |
| Closing accumulated depreciation | 158.59 |
| Net carrying amount as at March 31, 2025 | 55.87 |

i) Contractual obligations

Refer to note 30 for disclosure of contractual commitments for the acquisition of intangible assets.

ii) The Company did not have any intangible Capital Work in Progress.

BANDHAN AMC LIMITED (formerly known as IDFC Asset Management Company Limited)
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

11 Other non-financial assets

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| Prepaid expenses - Others | 96.27 | 76.78 |
| Capital advances | 11.60 | 15.79 |
| Supplier advances | 41.45 | 23.93 |
| Advances to employees | 1.09 | 1.16 |
| Receivable in respect of gratuity | 1.31 | - |
| Balances with government authorities - cenvat credit available | 15.02 | 15.02 |
| Other receivables | - | 11.16 |
| Total | 166.74 | 143.84 |

12A Trade payables

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| - Total outstanding dues of micro enterprises and small enterprises (refer note 31) | 4.30 | 24.44 |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises | 170.92 | 224.24 |
| - Total outstanding dues of related parties | - | - |
| Total | 175.22 | 248.68 |

Ageing of trade payables: as at March 31, 2025

(₹ in million)

| Particulars | Unbilled | Not due | Outstanding for following periods from the due date | | | | | Total |
|---|---------------|----------|---|-------------------|-------------|-----------|-------------------|---------------|
| | | | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed trade payables | | | | | | | | |
| Micro enterprises and small enterprises | - | - | 4.30 | - | - | - | - | 4.30 |
| Others | 152.63 | - | 18.25 | 0.03 | 0.01 | # | - | 170.92 |
| Disputed trade payables | | | | | | | | |
| Micro enterprises and small enterprises | - | - | - | - | - | - | - | - |
| Others | - | - | - | - | - | - | - | - |
| Total | 152.63 | - | 22.55 | 0.03 | 0.01 | - | - | 175.22 |

Ageing of trade payables: as at March 31, 2024

(₹ in million)

| Particulars | Unbilled | Not due | Outstanding for following periods from the due date | | | | | Total |
|---|---------------|----------|---|-------------------|-------------|-------------|-------------------|---------------|
| | | | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed trade payables | | | | | | | | |
| Micro enterprises and small enterprises | - | - | 24.44 | - | - | - | - | 24.44 |
| Others | 150.91 | - | 71.68 | 1.39 | 0.04 | 0.22 | - | 224.24 |
| Disputed trade payables | | | | | | | | |
| Micro enterprises and small enterprises | - | - | - | - | - | - | - | - |
| Others | - | - | - | - | - | - | - | - |
| Total | 150.91 | - | 96.12 | 1.39 | 0.04 | 0.22 | - | 248.68 |

The amount is below the rounding off norms adopted by the Company.

BANDHAN AMC LIMITED (formerly known as IDFC Asset Management Company Limited)
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

12B Other payables

| (₹ in million) | | |
|--|-------------------------|-------------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| - Total outstanding dues of micro enterprises and small enterprises (refer note 31) | - | - |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises | - | 4.79 |
| Total | - | 4.79 |

13 Other financial liabilities

| (₹ in million) | | |
|--------------------------------------|-------------------------|-------------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Employee benefits and other payables | 649.73 | 413.40 |
| Total | 649.73 | 413.40 |

14 Income tax liabilities (net)

| (₹ in million) | | |
|---|-------------------------|-------------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Provision for income tax (net of advance tax as of 2025: ₹ 1,536.42 million; 2024: ₹ 2,914.61 million) | 221.48 | 306.78 |
| Total | 221.48 | 306.78 |

15 Provisions

| (₹ in million) | | |
|--|-------------------------|-------------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Provision for gratuity (refer note 26) | 71.84 | 36.23 |
| Total | 71.84 | 36.23 |

16A Deferred tax assets (net)

| (₹ in million) | | |
|---|-------------------------|-------------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Fair value adjustments | | |
| - Security deposits | 4.35 | 4.38 |
| Right-of-use assets | (91.70) | (90.39) |
| Property, plant and equipment | 24.93 | 24.27 |
| Lease liabilities | 108.60 | 106.62 |
| Impairment on financial instruments-security deposits | 2.05 | 1.93 |
| Total | 48.23 | 46.81 |

16B Deferred tax liabilities

| (₹ in million) | | |
|------------------------|-------------------------|-------------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Fair value adjustments | | |
| - Investments | 126.79 | 102.55 |
| Total | 126.79 | 102.55 |

BANDHAN AMC LIMITED (formerly known as IDFC Asset Management Company Limited)
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Movement in Deferred tax liabilities/assets:

The balance comprises temporary differences attributable to the below items and corresponding movement in deferred tax liabilities/assets:

| (₹ in million) | | | |
|---|---------------------|--------------------------------------|----------------------|
| Particulars | As at April 1, 2024 | Charged/ credited to profit and loss | As at March 31, 2025 |
| Deferred tax liability: | | | |
| Fair valuation of investments | 102.55 | 24.24 | 126.79 |
| Total | 102.55 | 24.24 | 126.79 |
| Deferred tax asset: | | | |
| Property, plant and equipment | 24.27 | 0.66 | 24.93 |
| Right-of-use assets | (90.39) | (1.31) | (91.70) |
| Lease liabilities | 106.62 | 1.98 | 108.60 |
| Impairment on financial instruments-security deposits | 1.93 | 0.12 | 2.05 |
| Fair valuation of security deposits | 4.38 | (0.03) | 4.35 |
| Total | 46.81 | 1.42 | 48.23 |

| (₹ in million) | | | |
|---|---------------------|--------------------------------------|----------------------|
| Particulars | As at April 1, 2023 | Charged/ credited to profit and loss | As at March 31, 2024 |
| Deferred tax liability: | | | |
| Fair valuation of investments | 17.04 | 85.51 | 102.55 |
| Total | 17.04 | 85.51 | 102.55 |
| Deferred tax asset: | | | |
| Property, plant and equipment | 24.87 | (0.60) | 24.27 |
| Right-of-use assets | (79.19) | (11.20) | (90.39) |
| Lease liabilities | 92.97 | 13.65 | 106.62 |
| Impairment on financial instruments-security deposits | 1.56 | 0.37 | 1.93 |
| Fair valuation of security deposits | 3.86 | 0.52 | 4.38 |
| Total | 44.07 | 2.74 | 46.81 |

17 Other non-financial liabilities

| (₹ in million) | | | |
|----------------|----------------------|----------------------|--|
| Particulars | As at March 31, 2025 | As at March 31, 2024 | |
| Statutory dues | 85.37 | 60.54 | |
| Total | 85.37 | 60.54 | |

18A Equity share capital

| (₹ in million) | | | | |
|--|----------------------|---------------|----------------------|--------|
| Particulars | As at March 31, 2025 | | As at March 31, 2024 | |
| | Number | ₹ | Number | ₹ |
| Authorised shares | | | | |
| Equity shares of ₹ 1 each (previous year ₹ 1 each) | 350,000,000 | 350.00 | 350,000,000 | 350.00 |
| Issued, subscribed & fully paid-up shares | | | | |
| Equity shares of ₹ 1 each (previous year ₹ 1 each) | 331,764,120 | 331.76 | 331,764,120 | 331.76 |
| Total | 331,764,120 | 331.76 | 331,764,120 | 331.76 |

BANDHAN AMC LIMITED (formerly known as IDFC Asset Management Company Limited)
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

a) Movements in equity share capital

(₹ in million)

| Particulars | As at March 31, 2025 | | As at March 31, 2024 | |
|--|----------------------|---------------|----------------------|--------|
| | Number | ₹ | Number | ₹ |
| Outstanding at the beginning of the year | 331,764,120 | 331.76 | 331,764,120 | 331.76 |
| Stock options exercised under the ESOS | - | - | - | - |
| Bonus issue of shares | - | - | - | - |
| Outstanding at the end of the year | 331,764,120 | 331.76 | 331,764,120 | 331.76 |

b) Terms and rights attached to equity shares

- i) The Company has only one class of equity shares having a par value of ₹1 per share (previous year ₹1 per share). Each holder of equity shares is entitled to one vote per share.
- ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders.
- iii) The dividend proposed by the Board of Directors is subject to the approval of shareholders at the ensuing Annual General Meeting, except in case of interim dividend.

c) Shares reserved for issue under options

Information relating to the Employee Stock Option Scheme (ESOS), including details regarding options issued, exercised and lapsed during the year and options outstanding at the end of the reporting period is set out in note 36.

d) Details of shares held by the holding company

(₹ in million)

| Equity shareholders | As at March 31, 2025 | | As at March 31, 2024 | |
|---|----------------------|---------------|----------------------|--------|
| | Number | Amount | Number | Amount |
| Bandhan Financial Holdings Limited (of which 36 shares are held jointly with nominees) | 198,985,968 | 198.99 | 198,985,968 | 198.99 |

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

| Equity shareholders | As at March 31, 2025 | | As at March 31, 2024 | |
|---|----------------------|---------------|----------------------|--------------|
| | Number | % of holding | Number | % of holding |
| Bandhan Financial Holdings Limited (of which 36 shares are held jointly with nominees) | 198,985,968 | 59.98% | 198,985,968 | 59.98% |
| Lathe Investment Pte Ltd | 66,328,656 | 19.99% | 66,328,656 | 19.99% |
| Tangerine Investments Limited | 55,285,704 | 16.66% | 55,285,704 | 16.66% |

f) Details of shareholding of promoters

| Name of the promoter | As at March 31, 2025 | | | As at March 31, 2024 | | |
|---|----------------------|-----------------------------------|--------------------------------------|----------------------|-----------------------------------|--------------------------------------|
| | Number of shares | Percentage of total no. of shares | Percentage of change during the year | Number of shares | Percentage of total no. of shares | Percentage of change during the year |
| Bandhan Financial Holdings Limited | 198,985,932 | 59.98% | 0% | 198,985,932 | 59.98% | 0% |
| Sagar Ghosh (jointly with Bandhan Financial Holdings Limited) | 12 | 0% | 0% | 12 | 0% | 0% |
| Biplab Kumar Mani (jointly with Bandhan Financial Holdings Limited) | 12 | 0% | 0% | 12 | 0% | 0% |
| Kousik Basu (jointly with Bandhan Financial Holdings Limited) | 12 | 0% | 0% | 12 | 0% | 0% |
| Total | 198,985,968 | 59.98% | | 198,985,968 | 59.98% | |

BANDHAN AMC LIMITED (formerly known as IDFC Asset Management Company Limited)
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

18B Reserves and surplus

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| Securities premium | 943.12 | 943.12 |
| General reserve | 481.74 | 479.96 |
| Surplus in the Standalone Statement of Profit and Loss | 2,752.34 | 1,687.16 |
| Share options outstanding account | 169.03 | 61.52 |
| Total | 4,346.23 | 3,171.76 |

a) Securities premium

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---------------------------|-------------------------|-------------------------|
| Opening balance | 943.12 | 943.12 |
| Additions during the year | - | - |
| Closing balance | 943.12 | 943.12 |

b) General reserve

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| Opening balance | 479.96 | 479.96 |
| Changes during the year | - | - |
| Transfer from Share options outstanding account (towards vested options cancelled) | 1.78 | - |
| Closing balance | 481.74 | 479.96 |

c) Surplus in the Standalone Statement of Profit and Loss

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| Opening balance | 1,687.16 | 272.46 |
| Net profit for the year | 1,083.17 | 1,417.49 |
| Items of other comprehensive income recognised directly in retained earnings | | |
| - Remeasurements of post-employment benefit obligations, net of tax | (17.99) | (2.79) |
| Closing balance | 2,752.34 | 1,687.16 |

d) Share options outstanding account

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| Opening balance | 61.52 | - |
| Employee stock option expense | 109.29 | 61.52 |
| Vested options cancelled during the year | (1.78) | - |
| Closing balance | 169.03 | 61.52 |

BANDHAN AMC LIMITED (formerly known as IDFC Asset Management Company Limited)
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

18C Nature and purpose of reserve

a) Securities premium

It is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

b) General reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to the Standalone Statement of Profit and Loss.

Pursuant to the provisions of Companies Act, 1956, the Company had transferred a portion of the net profit of the Company before declaring dividend, to general reserve. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

c) Share options outstanding account

The share options outstanding account is used to recognise the grant date fair value of options issued to employees by the Company under Employee Stock Option Scheme (ESOS) over the vesting period (refer note 36).

19 Other income

| | (₹ in million) | |
|--|------------------------------|------------------------------|
| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
| Net gain/(loss) on fair value changes of instruments measured at FVTPL | | |
| - Realised | 124.26 | 196.63 |
| - Unrealised | 26.85 | 593.52 |
| Profit on sale of property, plant and equipment (net) | 0.37 | 1.93 |
| Interest on income tax refund | 9.56 | 9.28 |
| Interest income on financial assets measured at amortised cost | 3.75 | 2.93 |
| Dividend income | 2.13 | 1.88 |
| Miscellaneous income | 1.51 | 1.37 |
| Total | 168.43 | 807.54 |

20 Employee benefits expense

| | (₹ in million) | |
|---|------------------------------|------------------------------|
| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
| Salaries, wages and bonus (refer note (i) below) | 1,631.17 | 1,175.56 |
| Contribution to provident and other funds (refer note 26) | 61.01 | 45.95 |
| Contribution to gratuity (refer note 26) | 47.80 | 32.50 |
| Share based payment expense (refer note 36) | 109.29 | 69.36 |
| Staff insurance, training and welfare expense | 120.76 | 54.93 |
| Total | 1,970.03 | 1,378.30 |

- i) Based on the leave rules of the Company, employees are not permitted to accumulate leave. Any unavailed privilege leave to the extent encashable is paid to the employees and charged to the Standalone Statement of Profit and Loss for the year.

21 Impairment of financial instruments

| | (₹ in million) | |
|--|------------------------------|------------------------------|
| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
| On Financial instruments measured at amortised Cost: | | |
| Security deposit | 0.47 | 1.49 |
| On Financial instruments measured at cost: | | |
| Subsidiaries | 5.81 | 8.22 |
| Total | 6.28 | 9.71 |

BANDHAN AMC LIMITED (formerly known as IDFC Asset Management Company Limited)
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

22 Depreciation and amortisation expense

| | (₹ in million) | |
|---|------------------------------|------------------------------|
| | Year ended March 31, 2025 | Year ended March 31, 2024 |
| Particulars | | |
| Depreciation of property, plant and equipment | 67.18 | 46.56 |
| Depreciation on right-of-use assets | 111.25 | 89.80 |
| Amortisation of intangible assets | 14.50 | 6.63 |
| Total | 192.93 | 142.99 |

23 Other expenses

| | (₹ in million) | |
|---|------------------------------|------------------------------|
| | Year ended March 31, 2025 | Year ended March 31, 2024 |
| Particulars | | |
| Rent | 11.13 | 16.74 |
| Rates and taxes | 29.08 | 30.51 |
| Electricity | 16.82 | 14.72 |
| Repairs and maintenance | | |
| - Equipments | 16.16 | 17.51 |
| - Others | 82.10 | 68.31 |
| Insurance charges | 6.45 | 4.38 |
| Travelling and conveyance | 49.38 | 31.14 |
| Printing and stationery | 13.70 | 12.82 |
| Communication costs | 34.32 | 29.82 |
| Advertising, publicity and promotion | 482.97 | 499.81 |
| Listing and rating Fees | 2.67 | 2.87 |
| Professional fees | 232.15 | 133.20 |
| Directors' sitting fees | 5.70 | 5.75 |
| Membership and subscription | 119.44 | 93.72 |
| Computer software expenses | 212.77 | 192.19 |
| Scheme issue expenses (refer note (i) below) | 55.20 | 47.78 |
| Operational cost | 76.09 | 54.48 |
| Contribution for corporate social responsibility (CSR) (refer note (b) below) | 33.69 | 36.81 |
| Auditors remuneration (refer note (a) below) | 4.89 | 4.40 |
| Miscellaneous expenses | 15.31 | 9.26 |
| Total | 1,500.02 | 1,306.22 |

- i) Scheme issue expenses are the expenses incurred by the Company towards launching of new schemes and plans of Bandhan Mutual Fund (formerly known as IDFC Mutual Fund) during the year.

a) Breakup of Auditors' remuneration

| | (₹ in million) | |
|------------------------|------------------------------|------------------------------|
| | Year ended March 31, 2025 | Year ended March 31, 2024 |
| Particulars | | |
| Audit fees | 3.78 | 3.44 |
| Tax audit fees | 0.37 | 0.34 |
| Other Services | 0.67 | 0.57 |
| Out-of-pocket expenses | 0.07 | 0.05 |
| Total | 4.89 | 4.40 |

BANDHAN AMC LIMITED (formerly known as IDFC Asset Management Company Limited)
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

b) Contribution for corporate social responsibility (CSR)

| | (₹ in million) | |
|---|------------------------------|------------------------------|
| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
| Amount required to be spent as per Section 135 of the Act | 33.69 | 36.81 |
| Amount spent during the period/year on: | | |
| (i) Construction/acquisition of an asset | - | - |
| (ii) On purposes other than (i) above | 33.69 | 36.81 |
| Total | 33.69 | 36.81 |

| | (₹ in million) | |
|---|------------------------------|------------------------------|
| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
| (a) Amount required to be spent by the company during the year | 33.69 | 36.81 |
| (b) Amount of expenditure incurred | 33.69 | 36.81 |
| (c) Shortfall at the end of the year | Not applicable | Not applicable |
| (d) Total of previous year's shortfall | Not applicable | Not applicable |
| (e) Reason for shortfall | Not applicable | Not applicable |
| (f) Nature of CSR activities | Refer (i) below | Refer (i) below |
| (g) Details of related party transactions | Refer note 37 | Refer note 37 |
| (h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be | Not applicable | Not applicable |

| | (₹ in million) | |
|--|------------------------------|------------------------------|
| (i) Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
| CSR Expenditure: | | |
| Ennoble Social Innovation Foundation | 7.61 | - |
| School and Teachers Innovating for Results (India) | 5.00 | 5.00 |
| TNS India Foundation | 5.00 | 5.00 |
| Protsahan India Foundation | 5.01 | 4.73 |
| Saajha | 5.32 | 3.63 |
| Bandhan Konnagar | 4.00 | 3.02 |
| Ishita Sharma Foundation | 1.75 | 0.82 |
| K C Mahindra Education Trust - A/c Nanhi Kali | - | 6.09 |
| Human Capital for Third Sector | - | 4.89 |
| Govandi Education Society | - | 2.50 |
| Greensole Foundation | - | 0.70 |
| Soulace Consulting Private Limited | - | 0.43 |
| Total | 33.69 | 36.81 |

The Company does not have any amount remaining unspent under section 135(5) of the Act.

24 Finance cost

| | (₹ in million) | |
|-----------------------------|------------------------------|------------------------------|
| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
| Interest on lease liability | 31.85 | 30.72 |
| Total | 31.85 | 30.72 |

BANDHAN AMC LIMITED (formerly known as IDFC Asset Management Company Limited)
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

25 Income tax

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

| (₹ in million) | | |
|------------------|------------------------------|------------------------------|
| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
| Current tax | 378.02 | 310.81 |
| Deferred tax | 22.82 | 82.77 |
| Prior period tax | (83.56) | (25.82) |
| Total | 317.28 | 367.76 |

b) Reconciliation of the total tax charge

The tax charge shown in the Standalone Statement of Profit and Loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years ended March 31, 2025 and March 31, 2024 is as follows:

| (₹ in million) | | |
|--|------------------------------|------------------------------|
| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
| Accounting profit before tax | 1,400.45 | 1,785.25 |
| Tax at India's statutory income tax rate of 25.17% (previous year 25.17%) | 352.49 | 449.35 |
| Tax effect of the amount which are not taxable in calculating taxable income : | | |
| - Adjustment in respect of current income tax of previous year | (83.56) | (25.82) |
| - Income taxed at differential rate | 15.23 | (84.82) |
| - Expense not deductible for tax purposes | 5.60 | 11.59 |
| - Permanent difference: | | |
| - ESOP | 27.51 | 17.46 |
| - Others | 0.01 | - |
| Income tax expense at effective tax rate | 317.28 | 367.76 |
| Effective tax rate | 22.66% | 20.60% |

26 Employee benefit obligations

a) Defined contribution plans

The Company has recognised the following amounts in the Standalone Statement of Profit and Loss towards contribution to defined contribution plans which are included under contribution to provident and other funds:

| (₹ in million) | | |
|---------------------|------------------------------|------------------------------|
| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
| Provident fund | 52.21 | 39.27 |
| Pension fund | 8.77 | 6.67 |
| Labour welfare fund | 0.02 | 0.01 |
| Total | 61.00 | 45.95 |

b) Defined benefit plans

The Company has a defined benefit gratuity plan in India (funded). The Company's defined benefit gratuity plan requires contributions to be made to a separately administered fund. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the said Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.

BANDHAN AMC LIMITED (formerly known as IDFC Asset Management Company Limited)**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

The following tables summarises the components of net benefit expense recognised in the Standalone Statement of Profit and Loss and the funded status and amounts recognised in the balance sheet for the respective plans:

i) Balance Sheet

| (₹ in million) | | | |
|--|-----------------------------|---------------------------|--------------|
| Particulars | Present value of obligation | Fair value of plan assets | Net amount |
| As at April 1, 2023 | 191.22 | 181.64 | 9.58 |
| Current service cost | 32.34 | - | 32.34 |
| Interest expense/(income) | 13.83 | 13.67 | 0.16 |
| Return on plan assets | - | (1.35) | 1.35 |
| Actuarial loss / (gain) arising from change in financial assumptions | 11.50 | - | 11.50 |
| Actuarial loss / (gain) arising from change in demographic assumptions | - | - | - |
| Actuarial loss / (gain) arising on account of experience changes | (9.12) | - | (9.12) |
| Reversal of the liability | - | - | - |
| Employer contributions | - | 9.58 | (9.58) |
| Benefit payments | (39.48) | (39.48) | - |
| Past Service Cost | - | - | - |
| As at March 31, 2024 | 200.29 | 164.06 | 36.23 |
| Current service cost | 45.73 | - | 45.73 |
| Interest expense/(income) | 13.89 | 11.82 | 2.07 |
| Return on plan assets | - | (0.76) | 0.76 |
| Actuarial loss / (gain) arising from change in financial assumptions | 13.90 | - | 13.90 |
| Actuarial loss / (gain) arising from change in demographic assumptions | - | - | - |
| Actuarial loss / (gain) arising on account of experience changes | 9.38 | - | 9.38 |
| Liabilities assumed / (settled)* | 0.10 | 0.10 | - |
| Employer contributions | - | 36.23 | (36.23) |
| Benefit payments | (29.13) | (29.13) | - |
| Past Service Cost | - | - | - |
| As at March 31, 2025 | 254.16 | 182.32 | 71.84 |

*On account of business combination or inter group transfer

| (₹ in million) | | |
|-----------------------------------|-------------------------|-------------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Present value of plan liabilities | 254.16 | 200.29 |
| Fair value of plan assets | 182.32 | 164.06 |
| Plan liability net of plan assets | 71.84 | 36.23 |

ii) Statement of profit and loss

| (₹ in million) | | |
|--|------------------------------|------------------------------|
| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
| Employee benefit expense | | |
| Current service cost | 45.73 | 32.34 |
| Total | 45.73 | 32.34 |
| Finance costs | 2.07 | 0.16 |
| Past Service Cost | - | - |
| (Gains)/Losses on settlement | - | - |
| Net impact on the profit before tax | 47.80 | 32.50 |

BANDHAN AMC LIMITED (formerly known as IDFC Asset Management Company Limited)
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(₹ in million)

| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
|---|------------------------------|------------------------------|
| Remeasurements of the net defined benefit liability: | | |
| Return on plan assets excluding amounts included in interest expense/income | 0.76 | 1.35 |
| Actuarial gains/(losses) arising from changes in demographic assumptions | - | - |
| Actuarial gains/(losses) arising from changes in financial assumptions | 13.90 | 11.50 |
| Actuarial gains/(losses) arising from changes in experience | 9.38 | (9.12) |
| Net impact on the other comprehensive income before tax | 24.04 | 3.73 |

iii) Defined benefit plan assets

| Category of assets (% allocation) | As at March 31, 2025 | As at March 31, 2024 |
|---------------------------------------|-------------------------|-------------------------|
| Insurer managed funds | | |
| - Government securities | 17.34 | 35.16 |
| - Deposit and money market securities | 6.08 | 7.74 |
| - Debentures / bonds | 76.58 | 57.10 |
| - Equity shares | - | - |
| Total | 100.00 | 100.00 |

iv) Actuarial assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and post retirement medical benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|-------------------------|---|---|
| Discount rate | 6.80 | 7.20 |
| Salary escalation rate* | 12% until year 2 inclusive, then 10% | 12% until year 2 inclusive, then 10% |

* takes into account inflation, seniority, promotions and other relevant factors.

v) Demographic assumptions

Mortality in Service :

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--------------------|-------------------------|-------------------------|
| Age (Years) | Rates (p.a.) | |
| 18 | 0.000874 | 0.000874 |
| 23 | 0.000936 | 0.000936 |
| 28 | 0.000942 | 0.000942 |
| 33 | 0.001086 | 0.001086 |
| 38 | 0.001453 | 0.001453 |
| 43 | 0.002144 | 0.002144 |
| 48 | 0.003536 | 0.003536 |
| 53 | 0.006174 | 0.006174 |
| 58 | 0.009651 | 0.009651 |

BANDHAN AMC LIMITED (formerly known as IDFC Asset Management Company Limited)
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

vi) Sensitivity

| | | (₹ in million) | |
|------------------------|----------------------|--------------------------------------|-------------|
| | | Impact on defined benefit obligation | |
| As at March 31, 2025 | Change in assumption | Increase to | Decrease to |
| Discount rate | 50 bps | 242.03 | 267.19 |
| Salary escalation rate | 50 bps | 266.70 | 242.36 |

| | | (₹ in million) | |
|------------------------|----------------------|--------------------------------------|-------------|
| | | Impact on defined benefit obligation | |
| As at March 31, 2024 | Change in assumption | Increase to | Decrease to |
| Discount rate | 50 bps | 190.80 | 210.47 |
| Salary escalation rate | 50 bps | 210.13 | 191.03 |

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance Sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior year.

vii) Maturity

The defined benefit obligations shall mature after year end as follows:

| | | | (₹ in million) |
|--|-------------------------|-------------------------|----------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 | |
| Within the next 12 months (next annual reporting period) | 14.34 | 14.77 | |
| Between 2 and 5 years | 50.25 | 39.87 | |
| Between 6 and 9 years | 123.94 | 97.63 | |
| Between 10 and above | 370.54 | 307.81 | |
| Total expected payments | 559.07 | 460.08 | |

The weighted average duration of the defined benefit obligation is 9.89 years (previous year - 9.81 years).

27 Segment information

The Company is engaged in the business of providing asset management services to Bandhan Mutual Fund (formerly known as IDFC Mutual Fund), investment advisory and portfolio management services which contributes a single reportable business segment. During the year ended March 31, 2025, the Company was engaged in only one business segment and as such there are no separate reportable segments, as required by Ind AS 108 on 'Segment Reporting'. The Company's revenue is primarily from services rendered in India.

a) Segment revenue

The Company operates as a single segment. The segment revenue is measured in the same way as in the Standalone Statement of Profit and Loss.

| | | | (₹ in million) |
|-----------------|------------------------------|------------------------------|----------------|
| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 | |
| Segment revenue | | | |
| - India* | 4,933.13 | 3,845.65 | |
| - Outside India | - | - | |
| Total | 4,933.13 | 3,845.65 | |

* There is one single party who individually contributes more than 10% of total operating revenue of the Company which aggregates to ₹ 4,922.94 million (previous year ₹ 3,832.55 million).

BANDHAN AMC LIMITED (formerly known as IDFC Asset Management Company Limited)
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

b) Segment assets and segment liabilities

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--------------------------------------|-------------------------|-------------------------|
| Segment assets - India | 6,439.89 | 5,100.09 |
| Total asset as per balance sheet | 6,439.89 | 5,100.09 |
| Segment liabilities - India | 1,761.90 | 1,596.57 |
| Total liability as per balance sheet | 1,761.90 | 1,596.57 |

28 Earnings per share (EPS)

(₹ in million except equity share data)

a) The basic earnings per share has been calculated based on the following:

| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
|---|------------------------------|------------------------------|
| Net profit after tax available for equity shareholders | 1,083.17 | 1,417.49 |
| Weighted average number of equity shares (face value of ₹ 1 each) | 331,764,120 | 331,764,120 |

b) The reconciliation between the basic and the diluted earnings per share is as follows:

| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
|---|------------------------------|------------------------------|
| Basic earnings per share (face value of ₹ 1 each) | 3.26 | 4.27 |
| Effect of outstanding stock options | - | - |
| Diluted earnings per share (face value of ₹ 1 each) | 3.26 | 4.27 |

c) Weighted average number of equity shares is computed for the purpose of calculating diluted earning per share, after giving the dilutive impact of the outstanding stock options for the respective years.

| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
|---|------------------------------|------------------------------|
| Weighted average number of shares for computation of Basic EPS (face value of ₹ 1 each) | 331,764,120 | 331,764,120 |
| Dilutive effect of outstanding stock options | - | - |
| Weighted average number of shares for computation of Diluted EPS (face value of ₹ 1 each) | 331,764,120 | 331,764,120 |

29 Contingent liabilities

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| Claims not acknowledged as debts in respect of: | | |
| - Reversal of Cenvat credit under protest | 15.02 | 15.02 |
| - Income tax demand | 0.72 | 0.72 |
| Total | 15.74 | 15.74 |

30 Capital commitments

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|-------------------------|-------------------------|
| Estimated amount of contracts remaining to be executed on capital account | 55.40 | 94.27 |
| Total | 55.40 | 94.27 |

BANDHAN AMC LIMITED *(formerly known as IDFC Asset Management Company Limited)*
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

31 Trade Payables

Dues to micro and small enterprises

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The below information regarding micro, small and medium enterprises have been determined on the basis of information available with the Company. The disclosures pursuant to the said MSMED Act are as follows (refer note 12A):

| (₹ in million) | | |
|---|-------------------------|-------------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Principal amount due to suppliers registered under MSMED Act and remaining unpaid as at year end | 4.30 | 24.44 |
| Interest due to suppliers registered under MSMED Act and remaining unpaid as at year end | - | - |
| Principal amount paid to suppliers registered under MSMED Act, beyond the appointed day during the year | - | - |
| Interest paid, under Section 16 of MSMED Act, to suppliers registered under MSMED Act, beyond the appointed day during the year | - | - |
| Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under MSMED Act, beyond the appointed day during the year | - | - |
| Amount of Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act | - | - |
| Interest accrued and remaining unpaid at the end of each accounting year | - | - |
| Amount of further interest remaining due and payable even in the succeeding years, until such date when interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act | - | - |

32 Capital management

The capital structure of the Company is based on management's judgment of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. Management considers the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. The Company's policy is to maintain a stable and adequate capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and continue as a going concern entity.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

The management monitors the return on capital as well as the level of dividends to the shareholders. The Company's goal is to continue to be able to provide return to the shareholders by continuing to distribute dividends in future period.

Dividend paid and proposed during the year

| (₹ in million) | | |
|--|------------------------------|------------------------------|
| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
| A. Declared and paid during the year | | |
| Interim dividend for 2025: ₹ Nil per share (2024: ₹ Nil per share) | - | - |
| Dividend Distribution Tax on interim dividend | - | - |
| Total dividends paid including DDT | - | - |

BANDHAN AMC LIMITED *(formerly known as IDFC Asset Management Company Limited)*
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

33 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

(₹ in million)

| Particulars | As at March 31, 2025 | | | As at March 31, 2024 | | |
|---|----------------------|-----------------|-----------------|----------------------|-----------------|-----------------|
| | Within 12 months | After 12 months | Total | Within 12 months | After 12 months | Total |
| Financial Assets | | | | | | |
| Cash and cash equivalents | 33.80 | - | 33.80 | 11.27 | - | 11.27 |
| Bank balances other than cash and cash equivalents above | 6.55 | - | 6.55 | 26.65 | - | 26.65 |
| Trade receivables | 179.00 | - | 179.00 | 252.04 | - | 252.04 |
| Investments | 3,183.88 | 1,861.81 | 5,045.69 | 2,080.64 | 1,682.80 | 3,763.44 |
| Other financial assets | 5.51 | 84.57 | 90.08 | 40.02 | 40.84 | 80.86 |
| Non-financial Assets | | | | | | |
| Income tax assets (net) | - | 221.26 | 221.26 | - | 251.50 | 251.50 |
| Property, plant and equipment | - | 199.07 | 199.07 | - | 152.64 | 152.64 |
| Intangible assets | - | 55.87 | 55.87 | - | 11.91 | 11.91 |
| Capital Work-In-Progress | - | 29.28 | 29.28 | - | - | - |
| Right-of-use assets | - | 364.32 | 364.32 | - | 359.13 | 359.13 |
| Deferred tax asset (net) | - | 48.23 | 48.23 | - | 46.81 | 46.81 |
| Other non-financial assets | 161.58 | 5.16 | 166.74 | 139.17 | 4.67 | 143.84 |
| Total assets | 3,570.32 | 2,869.57 | 6,439.89 | 2,549.79 | 2,550.30 | 5,100.09 |
| Financial Liabilities | | | | | | |
| Payables | | | | | | |
| (I) Trade payables | | | | | | |
| (i) total outstanding dues of micro enterprises and small enterprises | 4.30 | - | 4.30 | 24.44 | - | 24.44 |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 170.92 | - | 170.92 | 224.24 | - | 224.24 |
| (II) Other payables | | | | | | |
| (i) total outstanding dues of micro enterprises and small enterprises | - | - | - | - | - | - |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | - | - | - | 4.79 | - | 4.79 |
| Lease liabilities | 124.18 | 307.29 | 431.47 | 96.90 | 326.70 | 423.60 |
| Other financial liabilities | 649.73 | - | 649.73 | 413.40 | - | 413.40 |
| Non-financial Liabilities | | | | | | |
| Income tax liabilities (net) | 221.48 | - | 221.48 | 306.78 | - | 306.78 |
| Provisions | 71.84 | - | 71.84 | 36.23 | - | 36.23 |
| Deferred tax liabilities | - | 126.79 | 126.79 | - | 102.55 | 102.55 |
| Other non-financial liabilities | 85.37 | - | 85.37 | 60.54 | - | 60.54 |
| Total liabilities | 1,327.82 | 434.08 | 1,761.90 | 1,167.32 | 429.25 | 1,596.57 |
| Net | 2,242.50 | 2,435.49 | 4,677.99 | 1,382.47 | 2,121.05 | 3,503.52 |

BANDHAN AMC LIMITED (formerly known as IDFC Asset Management Company Limited)
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

34 Fair value measurement

a) Financial instruments by category

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in notes to the standalone financial statements.

| (₹ in million) | | | |
|--|----------------------|-------------|-----------------|
| Particulars | As at March 31, 2025 | | Amortised cost |
| | FVTPL | FVOCI | |
| Financial Assets: | | | |
| Cash and cash equivalents | - | - | 33.80 |
| Bank Balances other than cash and cash equivalents | - | - | 6.55 |
| Trade receivables | - | - | 179.00 |
| <u>Investments:</u> | | | |
| - Mutual fund units | 4,408.29 | - | - |
| - Alternate investment funds units | 151.08 | - | - |
| - Equity instruments | 478.65 | 0.50 | - |
| Other financial assets | - | - | 90.08 |
| Total Financial Assets | 5,038.02 | 0.50 | 309.43 |
| Financial Liabilities: | | | |
| Trade and other payables | - | - | 175.22 |
| Lease liabilities | - | - | 431.47 |
| Other financial liabilities | - | - | 649.73 |
| Total Financial Liabilities | - | - | 1,256.42 |

| (₹ in million) | | | |
|------------------------------------|----------------------|-------------|-----------------|
| Particulars | As at March 31, 2024 | | Amortised cost |
| | FVTPL | FVOCI | |
| Financial Assets: | | | |
| Cash and cash equivalents | - | - | 11.27 |
| Bank Balances other than above | - | - | 26.65 |
| Trade receivables | - | - | 252.04 |
| <u>Investments:</u> | | | |
| - Mutual fund units | 3,005.94 | - | - |
| - Alternate investment funds units | 140.42 | - | - |
| - Equity instruments | 612.82 | 0.50 | - |
| Other financial assets | - | - | 80.86 |
| Total Financial Assets | 3,759.18 | 0.50 | 370.82 |
| Financial Liabilities: | | | |
| Trade and other payables | - | - | 253.47 |
| Lease liabilities | - | - | 423.60 |
| Other financial liabilities | - | - | 413.40 |
| Total Financial Liabilities | - | - | 1,090.47 |

The Equity instruments in subsidiaries is measured at cost and not included in the above table.

BANDHAN AMC LIMITED (formerly known as IDFC Asset Management Company Limited)
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

b) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value through Profit and Loss (b) recognised and measured at fair value through other comprehensive income and (c) measured at amortised cost and for which fair values are disclosed in the standalone financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

As at March 31, 2025

| (₹ in million) | | | | | |
|---|------|-----------------|---------------|---------------|-----------------|
| Assets and liabilities measured at fair value - recurring fair value measurements | Note | Level 1 | Level 2 | Level 3 | Total |
| Financial Assets | | | | | |
| <u>Financial Investments at FVTPL</u> | 6 | | | | |
| - Mutual fund units | | 4,408.29 | - | - | 4,408.29 |
| - Alternate investment funds units | | - | 151.08 | - | 151.08 |
| - Equity instruments | | 374.88 | - | 103.77 | 478.65 |
| <u>Financial Investments at FVOCI</u> | | | | | |
| - Equity instruments | | - | 0.50 | - | 0.50 |
| Total financial assets | | 4,783.17 | 151.58 | 103.77 | 5,038.52 |

As at March 31, 2024

| (₹ in million) | | | | | |
|---|------|-----------------|---------------|---------------|-----------------|
| Assets and liabilities measured at fair value - recurring fair value measurements | Note | Level 1 | Level 2 | Level 3 | Total |
| Financial assets | | | | | |
| <u>Financial Investments at FVTPL</u> | 6 | | | | |
| - Mutual fund units | | 3,005.94 | - | - | 3,005.94 |
| - Alternate investment funds units | | - | 140.42 | - | 140.42 |
| - Equity instruments | | 507.00 | - | 105.82 | 612.82 |
| <u>Financial Investments at FVOCI</u> | | | | | |
| - Equity instruments | | - | 0.50 | - | 0.50 |
| Total financial assets | | 3,512.94 | 140.92 | 105.82 | 3,759.68 |

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. However, there are no transfers between levels 1, 2 and 3 during the year.

The Company uses the following hierarchy for determining and disclosing the fair value of financial assets by valuation technique:

The fair value of financial instruments are classified into three categories i.e. Level 1, 2 or 3 depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements).

The hierarchies used are as follows:

Level 1: The fair value of financial instruments traded in active markets (such as open ended mutual funds and listed equity securities) is based on quoted market prices at the end of the reporting period. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (such as close ended mutual fund units and alternate investment fund units) is determined using observable market data and not the entity specific estimates. These investments are valued at closing Net Asset Value (NAV), which represents the repurchase price at which the issuer will redeem the units from investors. Since all significant inputs required to fair value an instrument are observable, the investments are included in Level 2.

Level 3: If one or more significant inputs is not based on observable market data (such as unlisted equity), the instrument is included in level 3.

c) Valuation technique used to determine fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

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NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Specific valuation techniques used to value financial instruments include:

- The fair value of alternate investment fund units is determined using observable NAV representing repurchase price issued by the alternate investment funds. However, the Company may perform an adjustment (e.g. liquidity valuation adjustment in case of thinly traded investment) to the NAV if they consider the same as significant in order to derive the fair value of the Level 2 classified investments.
- The investment in Mutual Fund utility (MFU) participation shares (classified under FVOCI) entitles access to MFU a transaction aggregating portal that enables free access to investors for NAV and other scheme related content across mutual funds. The Association of Mutual Funds in India mandates this investment for all the asset management companies in proportion of their assets under management (AUM) to access MFU. These units do not carry any participation in the net assets of MFU and will be redeemed at their face value when the AMC exits the platform. Accordingly the face value of the units is considered as a reasonable approximation of its fair value being the actual amount recoverable on exit from the platform.
- The investment in AMC Repo Clearing Limited (ARCL) is valued at a cost approach. The cost approach values the underlying assets of the business to determine the business value. In the case of the 'Underlying Asset' approach, the value per equity share is determined by arriving at the Net Assets (Assets Less Liabilities) of the Company. The said approach is considered taking into account fair value of assets and liabilities, to the extent possible, the respective asset would fetch or liability is payable as on the Valuation Date. This valuation method carries more weight considering the fact that the Company is not carrying on any material commercial business operations and in the absence of any projected financial statements providing true reflection of the potential of future business operations over the sufficient time period with reasonable certainty.

d) Fair value measurements using significant unobservable inputs (level 3)

The following table represents the changes in level 3 items for the period ended March 31, 2025 and March 31, 2024.

| | (₹ in million) |
|--|----------------------------|
| Particulars | Unlisted equity securities |
| As at April 1, 2023 | 102.64 |
| Acquisitions | - |
| Gains/(losses) recognised in Standalone Statement of Profit and Loss | 3.18 |
| As at March 31, 2024 | 105.82 |
| Acquisitions | - |
| Gains/(losses) recognised in Standalone Statement of Profit and Loss | (2.05) |
| As at March 31, 2025 | 103.77 |

e) Valuation Inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable input used in level 3 fair value measurements.

| | Fair value as at | | Significant unobservable inputs | Sensitivity |
|------------------------|------------------|----------------|---------------------------------|---|
| Particulars | March 31, 2025 | March 31, 2024 | | |
| Unquoted equity shares | 103.77 | 105.82 | Net Asset Value | <p>Increase in net asset value by 1% would increase value by ₹ 1.04 million (previous year ₹ 1.06 million).</p> <p>Decrease in net asset value by 1% would decrease value by ₹ 1.04 million (previous year ₹ 1.06 million).</p> |

f) Fair value of financial assets and liabilities measured at amortised cost

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts are a reasonable approximation of their fair value. Such instruments include, cash and bank balances, trade and other receivables, trade and other payables.

The fair values for security deposits were calculated based on cash flows discounted using the incremental borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

For financial assets and financial liabilities measured at amortised cost, the carrying amounts are equal to the amortised cost except on above.

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35 Financial risk management

35.1 Introduction

Risk management is an integral part of the business practices of the Company. The framework of risk management concentrates on formalising a system to deal with the most relevant risks, building on existing management practices, knowledge and structures. The Company's senior management has the overall responsibility for the establishment and oversight of the Company's risk management framework. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The financial instruments held by the Company expose it to a variety of financial risks: market risk, credit risk and liquidity risk. In addition, the Company is indirectly exposed to market risk through management fee income which is determined by the assets under management of the schemes of Bandhan Mutual Fund (formerly known as IDFC Mutual Fund). The Company uses different methods such as sensitivity analysis to measure different types of risk to which it is exposed.

35.2 Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from its investment transactions.

Credit risk is monitored on an ongoing basis by the Company in accordance with its policies and procedures. The Company is exposed to credit risk from investments held in units of the funds it manages. These investments are measured at fair value through profit or loss. The Company has no significant concentration of credit risk.

The Company's financial assets subject to the expected credit loss model under Ind AS 109 are cash and cash equivalents, deposits with banks, security deposits, trade receivables and other receivables.

Trade receivables and other receivables have been considered to have a low credit risk as they meet the following criteria:

- i) they have a low risk of default,
- ii) the counterparty is considered, in the short term, to have a strong capacity to meet its obligations in the near term, and
- iii) the Company expects, in the longer term, that adverse changes in economic and business conditions might, but will not necessarily, reduce the ability of the counterparty to fulfill its obligations.

The Company has placed security deposit with lessors for premises leased by the Company aggregating to ₹ 61.72 million as at March 31, 2025 (previous year ₹ 51.87 million). Where the Company perceives any significant decline in credit risk of the lessors and the amount of security deposit is material the Company has provided for expected credit losses on such security deposits.

The exposure to security deposit is considered in stage 1 and accordingly impairment loss is charged considering 12 months expected credit loss model. The ECL computation is done based on the formula Exposure at default (EAD)*Probability of default (PD)*Loss given default (LGD) where:

- Exposure at default (EAD) is based on the amount that the Company expects to be owed at the time of default, over the next 12 months (12M EAD).
- The Probability of default (PD) represents the likelihood of a counterparty defaulting on its financial obligation over the next 12 months (12M PD).
- Loss given default (LGD) represents the Company's expectation of the extent of loss on a defaulted exposure. LGD varies by the type of counterparty.

The following table contains an analysis of the credit risk exposure of security deposits for which an ECL allowance is recognised. The gross carrying amount of security deposit below also represents the Company's maximum exposure to credit risk on these assets.

As at March 31, 2025

| Particulars | Risk rating | Lessor type | Exposure at default (₹ in million) | Probability of default | Loss given default | Expected credit loss (₹ in million) |
|------------------|------------------------|-------------|---------------------------------------|------------------------|--------------------|--|
| Security Deposit | Stage 1 (12 month ECL) | Corporate | 32.01 | 24.20% | 45.00% | 3.48 |
| | | Others | 29.71 | 24.20% | 65.00% | 4.67 |
| | Total | | 61.72 | | | 8.15 |

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As at March 31, 2024

| Particulars | Risk rating | Lessor type | Exposure at default (₹ in million) | Probability of default | Loss given default | Expected credit loss (₹ in million) |
|------------------|------------------------|-------------|---------------------------------------|------------------------|--------------------|--|
| Security Deposit | Stage 1 (12 month ECL) | Corporate | 25.83 | 26.92% | 45.00% | 3.13 |
| | | Others | 26.04 | 26.92% | 65.00% | 4.55 |
| | Total | | 51.87 | | | 7.68 |

Reconciliation of impairment allowance on security deposit

| | ₹ in million |
|---|--------------|
| Impairment allowance measured as per general approach | |
| Impairment allowance as at April 1, 2023 | 6.19 |
| Add/(less): changes during the year | 1.49 |
| Impairment allowance as at March 31, 2024 | 7.68 |
| Add/(less): changes during the year | 0.47 |
| Impairment allowance as at March 31, 2025 | 8.15 |

Cash and cash equivalents and bank deposits are held with only high rated banks/financial institutions, credit risk on them is, therefore, insignificant.

The Company's exposure to credit risk is limited to the carrying amount of the following assets recognised at the reporting date, as summarised below:

| | (₹ in million) | |
|--|-------------------------|-------------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Investments | 5,045.69 | 3,763.44 |
| Receivables | 179.00 | 252.04 |
| Cash and cash equivalents | 33.80 | 11.27 |
| Bank balances other than cash and cash equivalents above | 6.55 | 26.65 |
| Other financial assets | 90.08 | 80.86 |

35.3 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. Prudent liquidity risk management implies maintaining sufficient cash and liquid investments. The Company believes that current cash and bank balances, bank deposits and investments in liquid investments are sufficient to meet liquidity requirements since Company has no external borrowings. Accordingly, liquidity risk is perceived to be low. The following table shows the maturity analysis of financial liabilities of the Company based on contractually agreed undiscounted cash flows as at the balance sheet date:

| | | (₹ in million) | | |
|-----------------------------|-------------|---------------------|---------------------|----------|
| As at March 31, 2025 | Note | Less than 12 months | More than 12 months | Total |
| Trade and other payables | 12A and 12B | 175.22 | - | 175.22 |
| Lease Liability | 9B | 124.18 | 307.29 | 431.47 |
| Other financial liabilities | 13 | 649.73 | - | 649.73 |
| Total | | 949.13 | 307.29 | 1,256.42 |

| | | (₹ in million) | | |
|-----------------------------|-------------|---------------------|---------------------|----------|
| As at March 31, 2024 | Note | Less than 12 months | More than 12 months | Total |
| Trade and other payables | 12A and 12B | 253.47 | - | 253.47 |
| Lease Liability | 9B | 96.90 | 326.70 | 423.60 |
| Other financial liabilities | 13 | 413.40 | - | 413.40 |
| Total | | 763.77 | 326.70 | 1,090.47 |

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35.4 Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the value of a financial asset. The value of a financial asset may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments.

i) Interest rate risk:

Interest rate risk is where the Company is exposed to the risk that the fair value or future cash flows of its financial instruments will fluctuate as a result of changes in market interest rates.

The Company does not have any variable rate borrowings. There are some investments in fixed rate debt securities measured at fair value through profit or loss.

The Company is exposed to interest rate risk from investments held in debt oriented units of the schemes of the mutual fund it manages. The exposure of debt oriented fund units to interest rate risk is measured using the sensitivity analysis as follows:

Exposure

| (₹ in million) | | |
|--|-------------------------|-------------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Investment in mutual fund units (Debt) | 3,325.80 | 2,155.48 |

| Impact on profit after tax and equity | | |
|--|----------------|----------------|
| Particulars | March 31, 2025 | March 31, 2024 |
| Increase 100 basis points (bps) (previous year 100 bps)* | 24.45 | 18.15 |
| Decrease 100 basis points (bps) (previous year 100 bps)* | (24.45) | (18.15) |

*Company has investment in various debt oriented mutual funds which are tracked to different benchmarks. The sensitivity analysis for these investments is performed with reference to respective benchmarks. The analysis is based on the assumption of keeping all other variables constant.

ii) Foreign currency risk:

The Company does not have any foreign currency exposures in respect of financial assets and financial liabilities as at the balance sheet date that will result in net currency gains or losses in the Standalone Statement of Profit and Loss due to change in foreign currency exchange rates.

iii) Price risk:

Price risk is the risk that the financial assets at fair value may fluctuate as a result of changes in market prices.

The Company is mainly exposed to price risk due to its investment in equity oriented mutual fund units, alternate investment fund units and equity instruments classified as fair value through profit and loss / fair value through other comprehensive income. Price risk arises due to uncertainties in the prices of the underlying securities in the schemes of the mutual fund which the Company manages and the alternate investment funds. To manage its price risk arising from investments, the Company diversifies its portfolio. Diversification is done in accordance with the limits set by the risk management policies of the Company.

Exposure

| (₹ in million) | | |
|---|-------------------------|-------------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Investment in mutual fund units (equity-oriented) | 1,082.49 | 850.46 |
| Investment in alternate investment fund units | 151.08 | 140.42 |
| Investment in equity instruments | 478.65 | 612.82 |
| Total | 1,712.22 | 1,603.70 |

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Sensitivity

Investment in mutual fund units and alternate investment fund units

The table summarises the impact of the increase/decrease in NAV of mutual fund units and alternate investment fund units on the Company's equity and profit for the year.

| Particulars | (₹ in million) | |
|---|------------------------------|------------------------------|
| | Impact on profit after tax* | |
| | Year ended March 31, 2025 | Year ended March 31, 2024 |
| Investment in mutual fund units | | |
| - Increase 100 basis points (bps) (previous year 100 bps) | 7.62 | 5.85 |
| - Decrease 100 basis points (bps) (previous year 100 bps) | (7.62) | (5.85) |
| Investment in alternate investment fund units | | |
| - Increase 100 basis points (bps) (previous year 100 bps) | 1.55 | 1.09 |
| - Decrease 100 basis points (bps) (previous year 100 bps) | (1.55) | (1.09) |

*Company has investment in various equity oriented mutual funds and alternate investment funds which are tracked to different benchmarks. The sensitivity analysis for these investments is performed with reference to respective benchmarks.

The analysis is based on the assumption keeping all other variables constant.

Investment in equity instruments

The majority of the Company's investments in equity instruments is in Gandhar Oil Refinery (India) Ltd (GORL) and through Bandhan NEO Equity Portfolio (formerly known IDFC NEO Equity Portfolio) which are publicly traded and are included in the BSE 200 Index. The table below summarises the impact of increase/decrease of the benchmark index on the Company's equity and profit for the year. The analysis is based on the assumption that the equity index had increased by 15% (previous year 15%) or decreased by 15% (previous year 15%) with all other variables held constant, and that all the Company's equity instruments moved in line with the benchmark index BSE 200.

| Particulars | (₹ in million) | |
|---------------------------------------|--|------------------------------|
| | Impact on profit after tax and equity* | |
| | Year ended March 31, 2025 | Year ended March 31, 2024 |
| BSE 200 | | |
| - Increase by 15% (previous year 15%) | 6.62 | 10.52 |
| - Decrease by 15% (previous year 15%) | (6.62) | (10.52) |

*The sensitivity analysis represents movement as at the March 31, 2025 and March 31, 2024 and does not represent movement during the year.

36 Employee share based payments

a) Employee stock option scheme (equity settled)

- I Company has constituted the Bandhan AMC Limited Employee Stock Option Scheme, 2023 ("BAMC ESOS 2023") which grant options to eligible employees of the Company as decided by Nomination and Remuneration Committee (NRC). This ESOS – 2023 was formulated by NRC at its meeting held on July 27, 2023 and the same was approved by the Board of Directors on July 27, 2023 and subsequently by the Shareholders of the Company vide special resolution at their Extra-Ordinary General Meeting held on August 1, 2023.

The options granted under BAMC ESOS - 2023 would vest essentially on passage of time in the following manner. The vesting of options would be a function of continued employment with the Company (vesting condition) and on achievement of performance criteria (performance condition) as specified by the NRC as communicated on grant of options. The options granted can be exercised within a maximum period of five years from the date of vesting.

| Date of vesting | Vesting options |
|---|----------------------------|
| 1 st Anniversary from the Grant Date | 34% of the Options Granted |
| 2 nd Anniversary from the Grant Date | 33% of the Options Granted |
| 3 rd Anniversary from the Grant Date | 33% of the Options Granted |

Options are granted under the plan for no consideration and carry no dividend or voting rights. When exercisable, each option is convertible into one equity share.

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Summary of options granted under the plan:

| Particulars | Year ended March 31, 2025 | | Year ended March 31, 2024 | |
|--------------------------------|----------------------------|-------------------|----------------------------|-------------------|
| | Average exercise price (₹) | Number of options | Average exercise price (₹) | Number of options |
| Opening balance | 135.39 | 6,102,365 | - | - |
| Granted during the year | 135.39 | 3,399,481 | 135.39 | 6,221,102 |
| Exercised during the year | - | - | - | - |
| Forfeited during the year | 135.39 | (366,164) | 135.39 | (118,737) |
| Lapsed/expired during the year | - | - | - | - |
| Closing balance | 135.39 | 9,135,682 | 135.39 | 6,102,365 |
| Vested and exercisable | 135.39 | 9,50,702 | - | - |

There were no options that were exercised during the year ended March 31, 2025 and March 31, 2024.

Share options outstanding at the end of the year have the following expiry date and exercise prices:

| Grant date | Expiry date | | | Exercise price (₹) | Outstanding as at March 31, 2025 | Outstanding as at March 31, 2024 |
|---|-----------------|-----------------|-----------------|--------------------|----------------------------------|----------------------------------|
| | Vest 1 | Vest 2 | Vest 3 | | | |
| August 1, 2023 | August 1, 2029 | August 1, 2030 | August 1, 2031 | 135.39 | 5,674,911 | 5,906,448 |
| August 25, 2023 | August 25, 2029 | August 25, 2030 | August 25, 2031 | 135.39 | 17,811 | 41,558 |
| March 1, 2024 | March 1, 2030 | March 1, 2031 | March 1, 2032 | 135.39 | 106,864 | 154,359 |
| August 1, 2024 | August 1, 2030 | August 1, 2031 | August 1, 2032 | 135.39 | 3,336,096 | - |
| Total | | | | | 9,135,682 | 6,102,365 |
| Weighted average remaining contractual life of options outstanding at end of period | | | | | 6.69 | 7.83 |

i) Fair value of options granted

The fair value at grant date is determined using the Black Scholes Model/Monte Carlo Model which takes into account the exercise price, the term of the option, the share price at grant date, expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The options are granted for no consideration and will vest upon the completion of service condition and performance condition as specified in the scheme in a graded manner. Vested options are exercisable for a period of five years after vesting.

The model inputs for options granted during the year ended March 31, 2025 included:

| Assumptions | Year ended March 31, 2025 | Year ended March 31, 2024 |
|--|---------------------------|---------------------------|
| | Weighted Average | Weighted Average |
| Expected volatility | 32.51% | 34.14% |
| Expected dividends | 2.50% | 2.50% |
| Expected term (In years) | 3.83 | 4.66 |
| Risk free rate | 6.75% | 7.02% |
| Exercise price (₹) | 135.39 | 135.39 |
| Market price (₹) | 130.60 | 135.27 |
| Fair value of the option at grant date (₹) | 35.43 | 35.54 |

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

II Cash Settled share based payment

In the event of change of control of the Company during the previous year, the options granted were fully vested subject to the minimum time for vesting prescribed under the SEBI Regulations. For the outstanding options under the ESOS - 2020 scheme, the Company had, after applying the guidance under Ind AS 102, classified them as "Cash settled share based payments" in the standalone financial statements. The fair value of the amount payable to employees was recognised as employee benefit expenses' with a corresponding increase in liabilities.

There are no share options outstanding at the year ended March 31, 2025 and March 31, 2024 that are required to be cash settled.

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During the previous year, NRC at its meeting held on July 27, 2023 approved the closure of Employee Stock Option Scheme - 2020 ("ESOS 2020") and the same was approved by the Board of Directors on the same day.

b) Expense arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised in the Standalone Statement of Profit and Loss as part of employee benefit expense were as follows:

| | (₹ in million) | |
|---|------------------------------|------------------------------|
| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
| Employee stock option scheme (equity settled) | 109.29 | 61.52 |
| Employee stock option scheme (cash settled) | - | 7.84 |
| Total | 109.29 | 69.36 |

37 Related party transactions

a) Ultimate holding company

Bandhan Financial Services Limited

b) Holding company

Bandhan Financial Holdings Limited

The list of related parties with whom transactions have taken place during the year:

c) Subsidiaries/Controlled Funds

Direct:

Bandhan Investment Managers (Mauritius) Limited (formerly known as IDFC Investment Managers (Mauritius) Limited)

d) Fellow subsidiaries

Bandhan Mutual Fund Trustee Limited (formerly known as IDFC AMC Trustee Company Limited)

e) Entity forming part of the Promoter group

Bandhan Konnagar

f) Post employment benefits plan

Bandhan AMC Limited Employees Group Gratuity Scheme

g) Key management personnel

Mr. Vishal Kapoor - Chief Executive Officer

Mr. Karni Singh Arha - Associate Director*

Mr. Bhaskar Sen - Independent Director

Mr. Nitin Mittal - Independent Director

Mr. Atanu Sen - Associate Director

Mr. Ankit Singhal - Associate Director*

Ms. Nandini Dias - Independent Director (date of appointment: May 1, 2023)

Mr. S. Ravindran - Independent Director (date of appointment: December 1, 2023)

Mr. Akash Kedia - Nominee Director (date of appointment: February 23, 2024)*

Mr. Pankaj Sood - Associate Director (ceased to be Director with effect from February 23, 2024)*

Mr. G Mahalingam - Independent Director (ceased to be the Director with effect from December 1, 2023)

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(₹ in million)

| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
|--|------------------------------|------------------------------|
| Key management personnel compensation | | |
| Short-term employee benefit | 63.69 | 128.66 |
| Long-term employee benefit | 4.37 | 4.45 |
| Total | 68.06 | 133.11 |
| Directors | | |
| Sitting Fees | 5.70 | 5.75 |
| Total | 5.70 | 5.75 |

*No transaction during the year

h) Transactions with related parties

(₹ in million)

| Particulars | Transactions | Year ended March 31, 2025 | Year ended March 31, 2024 |
|--|--|------------------------------|------------------------------|
| Bandhan Financial Services Limited | Purchase of Domain | 0.22 | - |
| Bandhan Investment Managers (Mauritius) Limited (formerly known as IDFC Investment Managers (Mauritius) Limited) | Purchase of Equity shares | 9.22 | 7.57 |
| Bandhan Mutual Fund Trustee Limited (formerly known as IDFC AMC Trustee Company Limited) | Reimbursement of expenses | 0.50 | 0.10 |
| | Recovery of expenses | 1.17 | 1.02 |
| Bandhan Konnagar | Contribution towards Corporate Social Responsibility | 4.00 | 3.02 |
| Bandhan AMC Limited Employees Group Gratuity Scheme | Post employment benefits plan | Refer Note 26 | Refer Note 26 |

i) Outstanding balances

(₹ in million)

| Particulars | Balances | As at March 31, 2025 | As at March 31, 2024 |
|--|--|-------------------------|-------------------------|
| Bandhan Investment Managers (Mauritius) Limited (formerly known as IDFC Investment Managers (Mauritius) Limited) | Outstanding investments as at year end (net of impairment) | 7.17 | 3.76 |
| Bandhan AMC Limited Employees Group Gratuity Scheme | Post employment benefits plan | Refer Note 26 | Refer Note 26 |

- j) The Ultimate Holding company, Bandhan Financial Services Limited, is a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India ("RBI"), which is required to obtain Certificate of Registration from the RBI. It has obtained such registration and it continues to fulfil the criteria of a CIC.

38 Investment in unconsolidated structured entities

The Company acts as the fund manager for Bandhan Mutual Fund (formerly known as IDFC Mutual Fund), and through its capacity as a manager, has a active involvement in decision-making over the fund's operations and activities. However, fund managers are subject to substantial restrictions under local laws and regulations including regulator's and trustees' oversight. The Company considers its decision making powers as a fund manager to be held in an 'agent' capacity. The accounting framework provides guidance to apply the agency concept only while assessing whether the fund is a subsidiary of the fund manager. Ind AS 28 does not provide guidance on how to apply the agency concept, while assessing significant influence. Accordingly, the Company assesses significant influence over managed funds by considering rights, restrictions etc., as required by IND AS 28, but excluding decision-making powers held in its capacity as an 'agent' from such assessment, depending on facts and circumstances of each case.

The Company invested in the below mentioned fund to comply with the then applicable SEBI Mutual Fund Regulations [Reg 28(4)], where in the sponsor or asset management company was required to invest not less than one percent of the amount raised in the new fund offer or fifty lakh rupees, whichever is less. Further, para 6.9.4 of SEBI Master Circular for Mutual Funds dated May 19, 2023, mandated that the investment made under the erstwhile Regulation 28(4) shall not be withdrawn.

Accordingly, it is assessed that there is no significant influence exercised by the company as per IND AS 28 over the below mentioned fund that it manages.

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The following table shows the income and carrying amount of the Company's recorded interest in the structured entities as well as the maximum exposure to risk due to these exposures in the unconsolidated structured entities and asset management activities.

| Particulars | (₹ in million) | |
|--|--------------------------------------|----------------------|
| | Asset Under Management of the scheme | |
| | As at March 31, 2025 | As at March 31, 2024 |
| Financial instruments classified as FVTPL | | |
| Bandhan S&P BSE Sensex ETF | 11.70 | 11.05 |

The following table sets out an analysis of the carrying amount of interests held by the Company in unconsolidated structured entities. The maximum exposure to loss is the carrying amount of the assets held.

| Particulars | (₹ in million) | |
|--|----------------------|----------------------|
| | As at March 31, 2025 | As at March 31, 2024 |
| Investment in Bandhan S&P BSE Sensex ETF | 3.11 | 2.94 |
| Management fees receivable | 0.01 | # |
| Total | 3.12 | 2.94 |

#The amount is below rounding off norms adopted by the Company.

The investment held by the Company is in an Exchange Traded Fund (ETF) scheme which replicates the S&P BSE Sensex index which does not involve active portfolio management.

39 Additional regulatory information required by Schedule III

i) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

ii) Borrowing secured against current assets

The Company does not have any borrowings from banks and financial institutions on the basis of security of current assets.

iii) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

iv) Relationship with struck off companies

The Company has not entered into any transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956 other than those stated below:

| Name of the struck off Company | Nature of transactions with struck-off Company | Relationship with the struck off company | Balance outstanding as at March 31, 2025 | Balance outstanding as at March 31, 2024 |
|--------------------------------|--|--|--|--|
| | | NIL | | |

v) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

vi) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

vii) Utilisation of borrowed funds and share premium

- a) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

BANDHAN AMC LIMITED *(formerly known as IDFC Asset Management Company Limited)***NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

- b) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - ii) provide any guarantee, security or the like on behalf of the ultimate beneficiaries

viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that is required to be recorded in the books of account.

ix) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

x) Valuation of PP&E, intangible asset and investment property

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

- xi) The Company does not hold any immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee).

- xii) There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

- xiii) There are no borrowings obtained by the Company from banks and financial institutions.

40 Financial ratios

| Ratio | Numerator | Denominator | March 31, 2025 (a) | March 31, 2024 (b) | Variance (a-b) | Variance unit | Variance % |
|----------------------------------|--|-----------------------------|--------------------------|--------------------------|-------------------|-------------------|---------------|
| Current Ratio | Current assets | Current liabilities | 2.69 | 2.18 | 0.51 | turns | 23% |
| Return on equity ratio | Net profit after tax reduced by preference dividend (if any) | Average shareholders equity | 25.58% | 50.00% | -24% | percentage points | -49% |
| Trade receivables turnover ratio | Total sales | Closing trade receivable | 27.56 | 15.26 | 12.30 | turns | 81% |
| Trade payables turnover ratio | Total purchases | Closing trade payable | 8.56 | 5.25 | 3.31 | turns | 63% |
| Net capital turnover ratio | Sales | Working capital | 2.20 | 2.78 | -0.58 | turns | -21% |
| Net profit ratio | Net profit after tax | Sales | 21.96% | 36.86% | -15% | percentage points | -40% |
| Return on capital employed | Earnings before interest and tax | Average Capital employed | 30.58% | 57.32% | -27% | percentage points | -47% |
| Return on investment | Earnings before interest and tax | Average total assets | 24.82% | 43.25% | -18% | percentage points | -43% |
| Debt-equity Ratio | Total debt | Total Equity | NA | NA | - | Not applicable | - |
| Debt Service Coverage Ratio | Net profit after tax plus depreciation and interest | Total debt | NA | NA | - | Not applicable | - |
| Inventory Turnover Ratio | COGS | Average Inventory | NA | NA | - | Not applicable | - |

Reason for variance for more than 25%

- i) Return on equity ratio: Decrease is mainly due to decrease in net profit and increase in shareholders equity.
- ii) Trade receivables turnover ratio: Increase is due to increase in revenue from operations and decrease in trade receivables.
- iii) Trade payable turnover ratio: Increase is due to higher other expenses and also due to decrease in closing trade payable.
- iv) Net Profit ratio: Net profit after tax decreased mainly due to increase in employee cost.
- v) Return on capital employed: Decrease is due to decrease in earning before interest and tax on account of increase in expenses.

BANDHAN AMC LIMITED *(formerly known as IDFC Asset Management Company Limited)*
NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

vi) Return on investment: Decrease is due to decrease in earning before interest and tax and increase in average closing assets.

41 The Company uses an accounting software for maintaining its books of accounts that has a feature of recording audit trail as required under rule 3(1) of the Companies (Accounts) Rules 2014. The Company has established and maintained an adequate internal control framework on the standalone financial statements as on March 31, 2025.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration No. 304026E/E-300009

Ketan Asher
Partner
Membership Number: 113522
Place: Mumbai
Date: May 13, 2025

For and on behalf of the Board of Directors of

Bandhan AMC Limited
(formerly known as IDFC Asset Management Company Limited)
CIN No.U65993MH1999PLC123191

Bhaskar Sen
Director
DIN: 03193003
Place: Mumbai
Date: May 13, 2025

Karni Singh Arha
Director
DIN: 09279368
Place: Mumbai
Date: May 13, 2025

Nirav Sanghavi
Company Secretary
Place: Mumbai
Date: May 13, 2025

Ankur Maheshwari
Chief Financial Officer
Place: Mumbai
Date: May 13, 2025

Vishal Kapoor
Chief Executive Officer
Place: Mumbai
Date: May 13, 2025

BANDHAN AMC LIMITED *(formerly known as IDFC Asset Management Company Limited)* **INDEPENDENT AUDITOR'S REPORT**

To the Members of Bandhan AMC Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Bandhan AMC Limited (formerly known as IDFC Asset Management Company Limited) (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group") (refer Note 1A to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2025, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, material accounting policy information and other explanatory information (hereinafter referred to as "the consolidated financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("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 consolidated state of affairs of the Group as at March 31, 2025, and consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 12 of the Other Matters section below is sufficient and appropriate to provide a basis for our opinion.

Other Information

4. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

5. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.
6. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
7. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

INDEPENDENT AUDITOR'S REPORT

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

8. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
10. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
11. 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.

Other Matters

12. The financial statements of one subsidiary located outside India, included in the consolidated financial statements, which constitute total assets of Rs 7.55 million and net assets of Rs 7.30 million as at March 31, 2025, total comprehensive income (comprising of loss and other comprehensive income) of Rs (6.03) million and net cash flows amounting to Rs (6.39) million for the year then ended, have been prepared in accordance with accounting principles generally accepted in their country and have been audited by other auditors under generally accepted auditing standards applicable in their country. The Company's management has converted the financial statements of such subsidiary located outside India from the accounting principles generally accepted in their country to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India, including other information, is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

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

INDEPENDENT AUDITOR'S REPORT

Report on Other Legal and Regulatory Requirements

13. This report does not contain a statement on the matter specified in paragraph 3(xxi) of 'the Companies (Auditor's Report) Order, 2020' ("CARO 2020") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act as, in our opinion, and according to the information and explanations given to us, there are no qualifications or adverse remarks included in the CARO 2020 reports issued in respect of the standalone financial statements of the Holding company which is included in these Consolidated Financial Statements. Further, according to the information and explanations given to us, CARO 2020 is not applicable to any of the other companies included in these Consolidated Financial Statements.
14. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, except for the matters stated in paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) ("the Rules").
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding company incorporated in India is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 14(b) above on reporting under Section 143(3)(b) and paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Rules.
 - (g) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group— Refer Note 29 to the consolidated financial statements.
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts as at March 31, 2025 - Refer Note 7 to the consolidated financial statements in respect of such items as it relates to the Group. The Group did not have any derivative contracts as at March 31, 2025.
 - iii. During the year ended March 31, 2025, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company.
 - iv.
 - (a) The Management of the Holding Company incorporated in India whose financial statements have been audited under the Act have represented to us, to the best of their knowledge and belief, as disclosed in Note 41(vii)(a) to the consolidated financial statements, no funds (which are material either individually or in the aggregate) 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 or any of such subsidiary to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The Management of the Holding Company incorporated in India whose financial statements have been audited under the Act have represented to us, to the best of their knowledge and belief, as disclosed in the Notes 41(vii)(b) to the consolidated financial statements, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

BANDHAN AMC LIMITED *(formerly known as IDFC Asset Management Company Limited)*
INDEPENDENT AUDITOR'S REPORT

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us, 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) contain any material misstatement.

v. The Holding Company has not declared or paid any dividend during the year.

vi. Based on our examination, which included test checks, the Holding Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software. During the course of our audit, we did not notice any instance of audit trail feature being tampered with. Further, the audit trail to the extent maintained in the prior year has been preserved by the Holding Company as per the Statutory requirements for record retention.

With respect to an accounting software used for payroll processing by an outsourced service provider, the service organisation's auditor's report specifies that it has a feature of recording audit trail (edit log) and that has operated throughout the year for all relevant transactions recorded in the software, except that the audit trail record does not contain the pre-modified values. The service organisation's auditor did not report any instance of the audit trail feature being tampered with or on the audit trail has been preserved by the company as per the statutory requirements of record retention.

15. The Holding Company has not approved or paid any remuneration to the directors of the Company other than sitting fees for meetings, which are within the limits prescribed. Also, the Holding Company has not appointed any whole-time directors or managers as covered under Section 197 read with Schedule V to the Act.

For **Price Waterhouse & Co Chartered Accountants LLP**

Firm Registration Number: 304026E/E-300009

Ketan Asher

Partner

Membership Number: 113522

UDIN: 25113522BMKYWZ4432

Place: Mumbai

Date: May 13, 2025

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 14(g) of the Independent Auditor's Report of even date to the members of Bandhan AMC Limited ("the Company") on the consolidated financial statements for the year ended March 31, 2025

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the financial statements of the Company as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to financial statements of Bandhan AMC Limited (formerly known as IDFC Asset Management Company Limited) (hereinafter referred to as "the Holding Company") as of that date. There is no subsidiary incorporated in India.

Management's Responsibility for Internal Financial Controls

2. The Board of Directors of the Holding Company are responsible for establishing and maintaining internal financial controls based on "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 ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Holding Company, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Price Waterhouse & Co Chartered Accountants LLP**

Firm Registration Number: 304026E/E-300009

Ketan Asher

Partner

Membership Number: 113522

UDIN: 25113522BMKYWZ4432

Place: Mumbai

Date: May 13, 2025

BANDHAN AMC LIMITED (formerly known as IDFC Asset Management Company Limited)**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2025**

(₹ in million)

| Particulars | Note | As at March 31, 2025 | As at March 31, 2024 |
|---|------|-------------------------|-------------------------|
| ASSETS | | | |
| Financial assets | | | |
| Cash and cash equivalents | 3 | 41.23 | 15.60 |
| Bank balances other than cash and cash equivalents above | 4 | 6.55 | 26.65 |
| Receivables | | | |
| (i) Trade receivables | 5 | 179.00 | 252.04 |
| Investments | 6 | 5,038.52 | 3,759.68 |
| Other financial assets | 7 | 90.08 | 80.86 |
| Non-financial assets | | | |
| Income tax assets (net) | 8 | 221.26 | 251.50 |
| Property, plant and equipment | 9A | 199.07 | 152.64 |
| Intangible assets | 10 | 55.87 | 11.91 |
| Capital Work-In-Progress | 9A | 29.28 | - |
| Right-of-use assets | 9B | 364.32 | 359.13 |
| Deferred tax assets (net) | 16A | 48.23 | 46.81 |
| Other non-financial assets | 11 | 166.86 | 143.96 |
| Total assets | | 6,440.27 | 5,100.78 |
| LIABILITIES AND EQUITY | | | |
| LIABILITIES | | | |
| Financial liabilities | | | |
| Payables | | | |
| (i) Trade payables | 12A | | |
| (i) total outstanding dues of micro enterprises and small enterprises | | 4.30 | 24.44 |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | | 171.17 | 224.81 |
| (ii) Other payables | 12B | | |
| (i) total outstanding dues of micro enterprises and small enterprises | | - | - |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | | - | 4.79 |
| Lease liabilities | 9B | 431.47 | 423.60 |
| Other financial liabilities | 13 | 649.73 | 413.40 |
| Non-financial liabilities | | | |
| Income tax liabilities (net) | 14 | 221.48 | 306.78 |
| Provisions | 15 | 71.84 | 36.23 |
| Deferred tax liabilities | 16B | 126.79 | 102.55 |
| Other non-financial liabilities | 17 | 85.37 | 60.54 |
| EQUITY | | | |
| Equity share capital | 18A | 331.76 | 331.76 |
| Other equity | 18B | 4,346.36 | 3,171.88 |
| Total liabilities and equity | | 6,440.27 | 5,100.78 |

See accompanying notes to the consolidated financial statements.

This is the consolidated balance sheet referred to in our report of even date.

For and on behalf of the Board of Directors of

Bandhan AMC Limited

(formerly known as IDFC Asset Management Company Limited)

CIN No.U65993MH1999PLC123191

For **Price Waterhouse & Co Chartered Accountants LLP**

Firm Registration No. 304026E/E-300009

Ketan Asher

Partner

Membership Number: 113522

Bhaskar Sen

Director

DIN: 03193003

Place: Mumbai

Date: May 13, 2025

Karni Singh Arha

Director

DIN: 09279368

Place: Mumbai

Date: May 13, 2025

Nirav Sanghavi

Company Secretary

Place: Mumbai

Date: May 13, 2025

Ankur Maheshwari

Chief Financial Officer

Place: Mumbai

Date: May 13, 2025

Vishal Kapoor

Chief Executive Officer

Place: Mumbai

Date: May 13, 2025

Place: Mumbai

Date: May 13, 2025

BANDHAN AMC LIMITED (formerly known as IDFC Asset Management Company Limited)**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025**

| | | (₹ in million) | |
|---|------|------------------------------|------------------------------|
| Particulars | Note | Year ended March 31, 2025 | Year ended March 31, 2024 |
| REVENUE FROM OPERATIONS | | | |
| Management fees | | 4,922.94 | 3,832.55 |
| Portfolio management fees | | 7.78 | 13.10 |
| Advisory fees | | 2.41 | - |
| Total revenue from operations | | 4,933.13 | 3,845.65 |
| Other income | 19 | 168.43 | 807.54 |
| Total income | | 5,101.56 | 4,653.19 |
| EXPENSES | | | |
| Finance cost | 24 | 31.85 | 30.72 |
| Employee benefits expense | 20 | 1,970.03 | 1,378.30 |
| Impairment on financial instruments | 21 | 0.47 | 1.49 |
| Depreciation and amortisation expense | 22 | 192.93 | 142.99 |
| Other expenses | 23 | 1,506.04 | 1,314.53 |
| Total expenses | | 3,701.32 | 2,868.03 |
| Profit before tax | | 1,400.24 | 1,785.16 |
| INCOME TAX EXPENSE: | | | |
| | 25 | | |
| - Current tax | | 378.02 | 310.81 |
| - Deferred tax | | 22.82 | 82.77 |
| - Adjustment of tax relating to earlier periods | | (83.56) | (25.82) |
| Total tax expense | | 317.28 | 367.76 |
| Profit for the year | | 1,082.96 | 1,417.40 |
| OTHER COMPREHENSIVE INCOME | | | |
| Items that will not be reclassified to profit or loss | | | |
| - Remeasurement of post-employment benefit obligations | 26 | (24.04) | (3.73) |
| - Income tax relating to the above | | 6.05 | 0.94 |
| Other comprehensive income for the year, net of tax | | (17.99) | (2.79) |
| Total comprehensive income for the year | | 1,064.97 | 1,414.61 |
| Net Profit/(Loss) is attributable to: | | | |
| - Owners | | 1,082.96 | 1,417.40 |
| - Non-controlling interests | | - | - |
| Other comprehensive income is attributable to: | | | |
| - Owners | | (17.99) | (2.79) |
| - Non-controlling interests | | - | - |
| Total comprehensive income is attributable to: | | | |
| - Owners | | 1,064.97 | 1,414.61 |
| - Non-controlling interests | | - | - |
| Earnings per equity share (face value of ₹1 each): | | | |
| | 28 | | |
| - Basic (₹) | | 3.26 | 4.27 |
| - Diluted (₹) | | 3.26 | 4.27 |

See accompanying notes to the consolidated financial statements.

This is the consolidated statement of profit and loss referred to in our report of even date.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration No. 304026E/E-300009**Ketan Asher**
Partner
Membership Number: 113522Place: Mumbai
Date: May 13, 2025

For and on behalf of the Board of Directors of

Bandhan AMC Limited
(formerly known as IDFC Asset Management Company Limited)
CIN No.U65993MH1999PLC123191**Bhaskar Sen**
Director
DIN: 03193003
Place: Mumbai
Date: May 13, 2025**Nirav Sanghavi**
Company Secretary
Place: Mumbai
Date: May 13, 2025**Karni Singh Arha**
Director
DIN: 09279368
Place: Mumbai
Date: May 13, 2025**Ankur Maheshwari**
Chief Financial Officer
Place: Mumbai
Date: May 13, 2025**Vishal Kapoor**
Chief Executive Officer
Place: Mumbai
Date: May 13, 2025

BANDHAN AMC LIMITED (formerly known as IDFC Asset Management Company Limited)**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2025**

(₹ in million)

| Particulars | Note | Year ended March 31, 2025 | Year ended March 31, 2024 |
|---|------|------------------------------|------------------------------|
| CASH FLOW FROM OPERATING ACTIVITIES : | | | |
| Profit before tax : | | 1,400.24 | 1,785.16 |
| Adjustments : | | | |
| Depreciation and amortisation | 22 | 192.93 | 142.99 |
| Net (gain) / loss on sale of property, plant and equipment | 19 | (0.37) | (1.93) |
| Impairment on financial instruments | 21 | 0.47 | 1.49 |
| Employee share based payment expense | 36b) | 109.29 | 61.52 |
| Net exchange differences | | 0.22 | 0.02 |
| Net gain/(loss) on fair value changes of instruments measured at FVTPL-realised | 19 | (124.26) | (196.63) |
| Net gain/(loss) on fair value changes of instruments measured at FVTPL-unrealised | 19 | (26.85) | (593.52) |
| Interest income on financial assets measured at amortised cost | 19 | (3.75) | (2.93) |
| Dividend income | 19 | (2.13) | (1.88) |
| Finance cost | 24 | 31.85 | 30.72 |
| Operating profit before working capital changes | | 1,577.64 | 1,225.01 |
| Adjustments for (increase)/ decrease in operating assets : | | | |
| Bank balances other than cash and cash equivalents | 4 | 20.10 | 24.27 |
| Trade receivables | 5 | 73.04 | (56.92) |
| Other financial assets | 7 | (10.47) | (12.83) |
| Other non-financial assets | 11 | (22.90) | (15.74) |
| Adjustments for increase/ (decrease) in operating liabilities : | | | |
| Trade payables | 12A | (73.78) | 122.02 |
| Other payables | 12B | (4.79) | (26.47) |
| Other financial liabilities | 13 | 236.33 | (81.95) |
| Provisions | 15 | 11.57 | 22.92 |
| Other non-financial liabilities | 17 | 24.82 | (30.46) |
| Cash generated from operations | | 1,831.56 | 1,169.85 |
| Less : Income taxes paid (net of refunds) | | (343.47) | (171.59) |
| Net cash inflow / (outflow) from operating activities* | A | 1,488.09 | 998.26 |
| CASH FLOW FROM INVESTING ACTIVITIES : | | | |
| Purchase of property, plant and equipment | 9A | (143.04) | (104.91) |
| Proceeds from disposal of property, plant and equipment | | 0.51 | 5.97 |
| Purchase of intangible assets | 10 | (58.46) | (6.17) |
| Purchase of investment measured at FVTPL | | (5,248.38) | (4,200.32) |
| Proceeds from sale of investments | | 4,120.66 | 3,403.79 |
| Dividend received | 19 | 2.13 | 1.88 |
| Net cash inflow / (outflow) from investing activities | B | (1,326.58) | (899.76) |

BANDHAN AMC LIMITED (formerly known as IDFC Asset Management Company Limited)
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2025

| (₹ in million) | | | |
|---|-------|------------------------------|------------------------------|
| Particulars | Note | Year ended March 31, 2025 | Year ended March 31, 2024 |
| CASH FLOW FROM FINANCING ACTIVITIES : | | | |
| Principal elements of lease payments | 9B | (104.03) | (74.75) |
| Interest elements of lease payments | 9B | (31.85) | (30.72) |
| Net cash inflow / (outflow) from financing activities | C | (135.88) | (105.47) |
| NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS | A+B+C | 25.63 | (6.97) |
| Add : Cash and cash equivalents at beginning of the year | | 15.60 | 22.57 |
| Cash and cash equivalents at end of the year | | 41.23 | 15.60 |
| Non-Cash financing and investing activities | | | |
| Addition to the right-of-use asset | | 116.44 | 134.33 |

Reconciliation of cash and cash equivalents as per the consolidated statement of cash flows

Cash and cash equivalents as per above comprise of the following

| (₹ in million) | | | |
|--|--|------------------------------|------------------------------|
| Particulars | | Year ended March 31, 2025 | Year ended March 31, 2024 |
| Cash and cash equivalents | | 41.23 | 15.60 |
| Balances as per consolidated statement of cash flows | | 41.23 | 15.60 |

*Includes amount paid towards Corporate Social Responsibility ₹ 33.69 million (previous year ₹ 36.81 million)

Figures in brackets indicate cash outflow.

The above consolidated statement of cash flows has been prepared under the indirect method as set out in Ind AS 7 Statement of Cash Flows.

See accompanying notes to the consolidated financial statements.

This is the consolidated statement of cash flows referred to in our report of even date.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration No. 304026E/E-300009

Ketan Asher
Partner
Membership Number: 113522

Place: Mumbai
Date: May 13, 2025

For and on behalf of the Board of Directors of
Bandhan AMC Limited
(formerly known as IDFC Asset Management Company Limited)
CIN No.U65993MH1999PLC123191

Bhaskar Sen
Director
DIN: 03193003
Place: Mumbai
Date: May 13, 2025

Nirav Sanghavi
Company Secretary
Place: Mumbai
Date: May 13, 2025

Karni Singh Arha
Director
DIN: 09279368
Place: Mumbai
Date: May 13, 2025

Ankur Maheshwari
Chief Financial Officer
Place: Mumbai
Date: May 13, 2025

Vishal Kapoor
Chief Executive Officer
Place: Mumbai
Date: May 13, 2025

BANDHAN AMC LIMITED (formerly known as IDFC Asset Management Company Limited)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025

| A. Equity share capital | | (₹ in million) | |
|-----------------------------|------|--------------------|--------|
| Particulars | Note | Number | Amount |
| As at April 01, 2023 | 18A | 331,764,120 | 331.76 |
| Issued during the year | | - | - |
| As at March 31, 2024 | 18A | 331,764,120 | 331.76 |
| Issued during the year | | - | - |
| As at March 31, 2025 | 18A | 331,764,120 | 331.76 |

| B. Other equity | | (₹ in million) | | | | | |
|---|------|----------------------|-----------------|--|-----------------------------------|--------------------------------------|--------------------|
| Particulars | Note | Reserves and surplus | | | Other Comprehensive Income | | Total other equity |
| | | Securities Premium | General reserve | Surplus in the consolidated statement of profit and loss | Share options outstanding account | Foreign currency translation reserve | |
| As at April 01, 2023 | 18B | 943.12 | 479.96 | 271.68 | - | 0.97 | 1,695.73 |
| Profit for the year | | - | - | 1,417.40 | - | - | 1,417.40 |
| Other comprehensive income | | - | - | (2.79) | - | - | (2.79) |
| Total comprehensive income for the year | | - | - | 1,414.61 | - | - | 1,414.61 |
| Transactions with owners in their capacity as owners: | | | | | | | |
| - Share based payments: | | | | | | | |
| i) Employee stock option expense for the year | 36 | - | - | - | 61.52 | - | 61.52 |
| ii) Vested options cancelled during the year | | - | - | - | - | - | - |
| iii) Options exercised during the year | | - | - | - | - | - | - |
| iv) Options lapsed during the year | | - | - | - | - | - | - |
| - Transfer from Share option outstanding account to Securities Premium (towards option exercised) | | - | - | - | - | - | - |
| - Change during the year | | - | - | - | - | 0.02 | 0.02 |
| - Dividends paid | 32 | - | - | - | - | - | - |
| As at March 31, 2024 | 18B | 943.12 | 479.96 | 1,686.29 | 61.52 | 0.99 | 3,171.88 |
| Profit for the year | | - | - | 1,082.96 | - | - | 1,082.96 |
| Other comprehensive income | | - | - | (17.99) | - | - | (17.99) |
| Total comprehensive income for the year | | - | - | 1,064.97 | - | - | 1,064.97 |
| Transactions with owners in their capacity as owners: | | | | | | | |
| - Share based payments: | | | | | | | |
| i) Employee stock option expense for the year | 36 | - | - | - | 109.29 | - | 109.29 |
| ii) Vested options cancelled during the year | | - | 1.78 | - | (1.78) | - | - |
| iii) Options exercised during the year | | - | - | - | - | - | - |
| iv) Options lapsed during the year | | - | - | - | - | - | - |
| - Transfer from Share option outstanding account to Securities Premium (towards option exercised) | | - | - | - | - | - | - |
| - Change during the year | | - | - | - | - | 0.22 | 0.22 |
| - Dividends paid | 32 | - | - | - | - | - | - |
| As at March 31, 2025 | 18B | 943.12 | 481.74 | 2,751.26 | 169.03 | 1.21 | 4,346.36 |

See accompanying notes to the consolidated financial statements.

This is the consolidated statement of changes in equity referred to in our report of even date.

For and on behalf of the Board of Directors of

Bandhan AMC Limited

(formerly known as IDFC Asset Management Company Limited)

CIN No.U65993MH1999PLC123191

Bhaskar Sen

Director

DIN: 03193003

Place: Mumbai

Date: May 13, 2025

Nirav Sanghavi

Company Secretary

Place: Mumbai

Date: May 13, 2025

Karni Singh Arha

Director

DIN: 09279368

Place: Mumbai

Date: May 13, 2025

Ankur Maheshwari

Chief Financial Officer

Place: Mumbai

Date: May 13, 2025

Vishal Kapoor

Chief Executive Officer

Place: Mumbai

Date: May 13, 2025

For **Price Waterhouse & Co Chartered Accountants LLP**

Firm Registration No. 304026E/E-300009

Ketan Asher

Partner

Membership Number: 113522

Place: Mumbai

Date: May 13, 2025

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

1A. Background

Bandhan AMC Limited (formerly known as IDFC Asset Management Company Limited) ('the Company') is a public limited company, incorporated in India and regulated by The Securities Exchange Board of India ("SEBI"). The registered office of the Company is at One World Centre, 6th Floor, Jupiter Mills Compound, 841, Senapati Bapat Marg, Elphinstone Road (West), Mumbai 400013.

The Company provides asset management services, portfolio management and investment advisory services. The Company is registered under SEBI (Portfolio Managers) Regulations, 1993 for providing portfolio management services. The Company is also providing investment management services Alternative Investment Funds launched under SEBI (Alternative Investment Funds) Regulations, 2012.

The Company is also providing the management and advisory services to Category I foreign portfolio investors and Category II foreign portfolio investors through fund manager(s) managing the schemes of the Bandhan Mutual Fund as permitted under Regulation 24(b) of the SEBI (Mutual Funds) Regulations, 1996.

Pursuant to the approval from the Registrar of Companies, with effect from April 19, 2023, the name of the Company has been changed from IDFC Asset Management Company Limited to Bandhan AMC Limited.

The Company has established a branch office in IFSC-GIFT City at Gujarat for undertaking Investment Management activities / services for pooled assets. The International Financial Services Centers Authority (IFSCA) has granted certificate of registration dated October 18, 2024 to Bandhan AMC Limited (IFSC Branch) to carry out activities as a Fund Management Entity (Non-Retail). Bandhan AMC Ltd through its IFSC branch is acting as an Investment Manager to Bandhan India Large & Mid Cap Fund (IFSC), Bandhan India Small Cap Fund(IFSC) and Bandhan India Government Securities Fund (IFSC), which are registered with IFSCA as a Category III Alternative Investment Fund.

These financial statement is for the group consisting the Company and its subsidiary viz., Bandhan Investment Manager (Mauritius) Limited (formerly known as IDFC Investment Manager (Mauritius) Limited). Refer note 39.

These consolidated financial statements are authorised for issuance by the Board of Directors on May 13, 2025.

1B. Material accounting policies

1) Basis of preparation

i) Compliance with Ind AS

These consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] (as amended)] and other relevant provisions of the Act. The accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

ii) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets which are measured at fair value:

- Certain financial assets - measured at fair value;
- Defined benefit plans assets- measured at fair value; and
- Share-based payments - measured at fair value.

iii) Recent accounting pronouncements

(i) New and amended standards adopted

The Ministry of Corporate Affairs vide notification dated 9 September 2024 and 28 September 2024 notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 and Companies (Indian Accounting Standards) Third Amendment Rules, 2024, respectively, which amended/ notified certain accounting standards (see below), and are effective for annual reporting periods beginning on or after 1 April 2024:

- Insurance contracts - Ind AS 117; and
- Lease Liability in Sale and Leaseback – Amendments to Ind AS 116

These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

iv) Consolidation

The following set of financial statements represents the consolidated financial statements of the Group.

a) Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and can affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group uses the acquisition method of accounting to account for business combinations.

The Group combines the financial statements of the Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions within Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

(ii) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

2) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM's function is to allocate the resources of the Group and assess the performance of the operating segments of the Group. The Chief Executive Officer is identified as the CODM. The board of directors of the Group assesses the financial performance and position of the Group and makes strategic decisions. Refer note 27 for segment information presented.

3) Foreign currency translation

i) Functional and presentation currency

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (INR), which is the Group's functional and presentation currency.

ii) Transactions and balances

Transactions in foreign currencies are initially recorded in the functional currency using the exchange at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated into the functional currency at the spot rate of exchange at the reporting date. All differences are taken to other income/expense in the consolidated statement of profit and loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognised in other comprehensive income.

4) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments. Regular purchases and sales of financial assets are recognised on trade date, i.e. the date on which the Group commits to purchase or sell the asset.

At initial recognition, the Group measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at FVTPL are expensed in consolidated statement of profit and loss. Trade receivables that do not contain a significant financing component are measured at transaction price.

Financial assets

i) Classification and subsequent measurement

The Group classifies its financial assets in the following measurement categories:

- Fair value through consolidated statement of profit and loss (FVTPL);
- Fair value through other comprehensive income (FVOCI); and
- Amortised cost.

The classification requirements for debt and equity instruments are described below:

Debt instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective such as mutual fund units, alternate investment funds, etc.

For investments in debt instruments, measurement will depend on the classification of debt instruments depending on:

- the Group's business model for managing the asset (Business model assessment); and
- the cash flow characteristics of the asset (Solely Payment of Principal and Interest ("SPPI") assessment).

Business model assessment

The business model reflects how the Group manages the assets in order to generate cash flows. The business model determines whether the Group's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable or when performance of portfolio of financial assets managed is evaluated on a fair value basis, then the financial assets are classified as part of 'other' business model and measured at FVTPL.

The Group determines its business model at the level that best reflects how it manages group of financial assets to achieve its business objective. The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- experience on how the cash flows for these assets were collected,
- how the asset's performance and the business model is evaluated and reported to key management personnel,
- the risks that affect the performance of the business model and how these risks are assessed and managed,
- how managers are compensated.

Solely Payment of Principal and Interest ("SPPI") Assessment

Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Group assesses whether the financial instruments cash flows represent solely payments of principal and interest (the 'SPPI test').

Based on these factors, the Group classifies its debt instruments into one of the following three measurement categories:

Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit and loss when the asset is derecognised or impaired.

Fair value through other comprehensive income:

Debt instruments that meet the following conditions are subsequently measured at FVOCI:

- the asset is held within a business model whose objective is achieved both, by collecting contractual cash flows and selling financial assets;
- the contractual terms of the instrument give rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding; and
- that are not designated at fair value

Movement in carrying amount is taken through other comprehensive income, except for recognition of impairment gains or losses, interest revenues and foreign exchange gains and losses on the instrument's amortised cost that are recognised in consolidated statement of profit and loss.

Fair value through profit/loss:

Assets that do not meet the criteria for amortised cost or FVOCI, are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss and presented in the statement of profit and loss within 'net gain/(loss) on fair value changes' in the period in which it arises. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method. Group's investment in mutual fund units, alternate investment fund and equity instruments are classified as financial assets measured at FVTPL.

Equity Instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

The Group measures all equity investments at FVTPL, except where the Group's management has elected, at initial recognition, to irrevocably designate an equity investment at FVOCI which is not held for trading. When this election is used, fair value gains and losses are recognised in OCI and are not subsequently reclassified to profit or loss, including on disposal. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value. Dividends, when representing a return on such investments, continue to be recognised in profit or loss as 'dividend income' when the Group's right to receive payments is established.

Portfolio investments

Portfolio investments are carried at Fair Value through Profit & Loss. Where there is a decline, other than temporary, in the carrying amounts of investments, the resultant reduction in the carrying amount is charged to the revenue account during the period in which such decline is identified.

ii) Impairment

The Group assesses, on a forward-looking basis the expected credit losses ('ECL') associated with its financial instruments measured at amortised cost with the exposure arising from security deposit. The Group recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Explanation of the inputs, assumptions and estimation techniques used in measuring ECL is further detailed in note 35.2.

iii) Income recognition

Interest income

The Group calculates interest income by applying the effective interest rate (EIR) to the gross carrying amount of financial assets other than credit-impaired assets.

The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset (i.e. its amortised cost before any impairment allowance). The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts paid or received that are integral to the effective interest rate, such as origination fees, commitment fees, etc.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

When the Group revises the estimates of future cash flows, the carrying amount of the respective financial asset is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in profit or loss.

When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Group calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial asset cures and is no longer credit-impaired, the Group reverts to calculating interest income on a gross basis.

Dividend income

Dividend income is recognised in the Statement of Profit and Loss when the Group's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably. This is generally when the shareholders approve the dividend.

iv) De-recognition of financial assets

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either -

- the Group transfers substantially all the risks and rewards of ownership; or
- the Group neither transfers nor retains substantially all the risks and rewards of ownership and the Group has not retained control.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the consolidated statement of profit and loss on disposal of that financial asset.

Financial liabilities**i) Classification as debt or equity**

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instrument

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Equity instruments issued by the Group are recognised at the proceeds received. Incremental costs directly attributable to the issue of new shares or financial instruments classified as equity are deducted, net of tax, from the proceeds.

ii) Classification and subsequent measurement

Financial liabilities (including borrowings and debt securities) are subsequently measured at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of a financial liability. The calculation includes transaction costs, premiums or discounts and fees and points paid that are integral to the effective interest rate, such as origination fees.

iii) De-recognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. A substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the consolidated statement of profit and loss. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. In addition, other qualitative factors, such as changes in the type of interest rate, new conversion features attached to the instrument and change in covenants are also taken into consideration.

If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred are adjusted to the carrying amount of the liability and are amortised over the remaining term of the modified liability.

5) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

6) Revenue recognition

The Group recognises revenue from contracts with customers based on a five-step model as set out in Ind AS 115- Revenue from Contracts with Customers, to determine when to recognise revenue and at what amount. Revenue is measured based on the transaction price (net of variable consideration) specified in the contract with a customer and excludes amounts collected on behalf of third parties. Revenue from contracts with customers is recognized when services are provided and it can be reliably measured and it is, probable that future economic benefits will flow to the Group.

The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer. A new five-step process must be applied before revenue can be recognised:

- Identification of contract(s) with customers;
- Identification of the separate performance obligations in the contract;
- Determination of transaction price;
- Allocation of transaction price to separate performance obligations; and
- Recognition of revenue when (or as) each performance obligation is satisfied.

i) Management fees

Management fees from mutual funds and alternative investment funds are recognised on an accrual basis in accordance with terms of investment management agreement entered into by the Bandhan AMC Limited (formerly known as IDFC Asset Management Company Limited) with Bandhan Mutual Fund Trustee Limited (formerly known as IDFC AMC Trustee Company Limited) and provisions of The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, SEBI (Alternative Investment Funds) Regulation, 2012 and amendments thereto. Revenue from management fees is recognised as and when services are performed over time as the customer simultaneously receives and consumes the benefits provided by the Group.

ii) Portfolio Management fees

Portfolio management fees (management fees, administration fees and performance fees) are recognised on an accrual basis in accordance with the respective terms of contract with counter parties. Revenue from portfolio management fees is recognised as and when services are performed over time as the customer simultaneously receives and consumes the benefits provided by the Group.

iii) Advisory fees

Advisory fees are recognised as and when services are performed over time as the customer simultaneously receives and consumes the benefits provided by the Group .i.e. advisory fees are recognized on accrual basis as per the terms of the contract entered with each client.

7) Income tax

The income tax expense or credit for the period is the tax payable on the taxable income of the current period based on the applicable income tax rates adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses.

i) Current tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, carried forward losses and unused tax credits to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax and deferred tax is recognised in the consolidated statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

8) Leases

The determination of whether an arrangement is a lease, or contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or whether the arrangement conveys a right to use the asset.

Group as a lessee

Leases are recognised as a right-of-use asset and corresponding liability at the date at which the leased asset is available for use by the Group. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group has is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Asset and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the fixed payments (including in-substance fixed payments), less any lease incentives receivable.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If the rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions .

To determine the incremental borrowing rate, the Group uses a indicative AAA equivalent borrowing rate.

Lease payment are allocated between principal and finance cost. The finance cost is charged to profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payment associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

9) Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents includes cash on hand, cash in bank, demand deposits with banks and other deposits with bank with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

10) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflect the Group's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

For trade receivables and contract assets, the group applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

11) Property, plant and equipment

All items of property, plant and equipment are stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the consolidated statement of profit and loss during the reporting period in which they are incurred.

i) Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives prescribed. The estimated useful lives for the different type of assets held by the Group are as follows:

| Name of Property, Plant and Equipment | Management estimate of useful life | Useful life as per Schedule II |
|---------------------------------------|--|--------------------------------|
| Computers | 3 | 3 |
| Servers and Network | 6 | 6 |
| Furniture | 10 | 10 |
| Office Equipment | 5 | 5 |
| Vehicles* | 4 | 8 |
| Mobile Phones* | 2 | 5 |
| Leasehold Improvements | Extended lease terms or 5 years which ever is earlier | Over the period of lease |

Depreciation on additions during the year is provided on a pro-rata basis.

* The useful lives have been determined based on internal assessment done by the management which are believed to best represent the period over which the assets are expected to be used. The residual values are not more than 5% of the original cost of the asset.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised in the consolidated statement of profit and loss.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non financial assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

12) Intangible Assets

Intangible assets are recognised where it is probable that the future economic benefit attributable to the assets will flow to the Group and its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortisation and impairment, if any.

Intangible assets are amortised on a straight line basis over their estimated useful lives.

The estimated useful life of the intangible assets is as follows:

Computer Software 3 years

The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

13) Impairment of non-financial assets

All non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows, which are largely independent of the cash inflows from other assets, or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting year.

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 fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

14) Employee benefits**i) Short term obligation**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after reporting period end in which the employee render the related services are recognised in respect of employee's services up to the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled. The liabilities are presented as employee benefit obligation in the balance sheet.

ii) Defined contribution plans

The contribution to provident fund, superannuation fund and pension fund are considered as defined contribution plans, and are charged to the consolidated statement of profit and loss as they fall due, based on the amount of contribution required to be made as and when services are rendered. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

iii) Defined benefit plan

The liability or asset recognised in the Balance Sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the consolidated statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the consolidated statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the consolidated statement of profit and loss as past service cost.

iv) Share-based payments**Equity settled options:**

The Group has constituted an Employee Stock Option Plan. The plan provides for grant of options to employees of the Company in a specific category to acquire equity shares of the Company that vest in a graded manner on meeting specified conditions and that are to be exercised within a specified period.

The above share awards are treated as an equity settled share based payment transaction. The fair value of options granted under the scheme is recognized as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined with reference to the fair value of the options granted excluding the impact of any service conditions.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on service conditions. It recognises the impact of revision to original estimates, if any, in the consolidated statement of profit and loss, with a corresponding adjustment to equity.

Cash settled options:

The fair value of the amount payable to employees is recognised as employee benefit expenses' with a corresponding increase in liabilities. The liability is remeasured at each reporting period up to, and including the settlement date, with changes in fair value recognized in employee benefits expenses.

15) Trade and other payables

These amounts represent liabilities for services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

16) Provisions

Provisions are recognised when the Group has a present (legal or constructive) obligation because of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and such amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at best estimate of the future expenditure required to settle the present obligation at the balance sheet date. When the effect of the time value of money is material, the Group determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the consolidated statement of profit and loss net of any reimbursement.

17) Contingencies

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

18) Earnings per share

i) Basic earnings per share :

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group;
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares; and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

19) Investor Education Fund

In accordance with the AMFI best practice circular, the accruals of Investor Education Awareness ("IEA") across all mutual fund schemes is pooled and then transferred on monthly basis to a separate bank account maintained by the Company. The funds are utilised towards investor education and awareness initiatives undertaken by the Company. During the year the same has been transferred to Bandhan Mutual Fund.

20) Brokerage Expenses

Brokerage is paid to the brokers for Portfolio Management and Alternative Investment Schemes as per the terms of agreement entered with respective brokers. Brokerage paid by the group in line with the applicable regulations is being charged to consolidated statement of profit and loss over the contractual period or clawback period in case of portfolio management services.

21) Rounding off

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest "million" as per the requirement of Schedule III, unless otherwise stated.

22) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting year but not distributed at the end of the reporting year.

23) New Fund Offer Expenses

Expenses relating to new fund offer of Bandhan Mutual Fund are charged to the Statement of Profit and Loss in the year in which they are incurred in accordance with the requirements of SEBI (Mutual Fund) Regulations, 1996.

2 Use of judgments, estimates and assumptions

The preparation of Group's consolidated financial statements requires the use of accounting estimates that, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the Group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the consolidated financial statements.

- Estimation of current tax expense and payable
- Estimation of defined benefit obligation
- Estimation for fair value of financial instruments
- Estimation of deferred tax expense
- Estimation of consolidation decision
- Estimation of useful lives of property, plant and equipment and intangible assets
- Estimation of provisions and contingencies
- Estimation for fair value of share-based payments

Estimates and judgments are evaluated continually. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
3 Cash and cash equivalents

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|----------------------|-------------------------|-------------------------|
| Balances with banks: | | |
| In current accounts | 41.23 | 15.60 |
| Total | 41.23 | 15.60 |

4 Bank balances other than cash and cash equivalents

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| Balances with banks: | | |
| In earmarked accounts | | |
| - Investor Education Awareness on behalf of Bandhan Mutual Fund (formerly known as IDFC Mutual Fund) | - | 23.37 |
| - Other bank balances | 6.55 | 3.28 |
| Total | 6.55 | 26.65 |

5 Trade receivables

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| Receivables considered good - secured | - | - |
| Receivables considered good - unsecured | 179.00 | 252.04 |
| Receivables which have significant increase in credit risk | - | - |
| Receivables - credit impaired | - | - |
| (Less): Impairment loss allowance | - | - |
| Total | 179.00 | 252.04 |

6 Investments

(₹ in million)

| Particulars | At fair value through Other Comprehensive Income | At fair value through Profit and loss | Total |
|-----------------------------------|--|--|-----------------|
| As at March 31, 2025 | | | |
| Mutual fund units | - | 4,408.29 | 4,408.29 |
| Alternate investment funds units | - | 151.08 | 151.08 |
| Equity instruments | 0.50 | 478.65 | 479.15 |
| Total (A) - Gross | 0.50 | 5,038.02 | 5,038.52 |
| (Less): Impairment loss allowance | - | - | - |
| Total (A) - Net | 0.50 | 5,038.02 | 5,038.52 |
| Investments outside India | - | - | - |
| Investments in India | 0.50 | 5,038.02 | 5,038.52 |
| Total (B) - Gross | 0.50 | 5,038.02 | 5,038.52 |
| (Less): Impairment loss allowance | - | - | - |
| Total (B) - Net | 0.50 | 5,038.02 | 5,038.52 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
6 Investments (contd.)

(₹ in million)

| Particulars | At fair value through Other Comprehensive Income | At fair value through Profit and loss | Total |
|-----------------------------------|--|--|----------|
| As at March 31, 2024 | | | |
| Mutual fund units | - | 3,005.94 | 3,005.94 |
| Alternate investment funds units | - | 140.42 | 140.42 |
| Equity instruments | 0.50 | 612.82 | 613.32 |
| Total (A) - Gross | 0.50 | 3,759.18 | 3,759.68 |
| (Less): Impairment loss allowance | - | - | - |
| Total (A) - Net | 0.50 | 3,759.18 | 3,759.68 |
| Investments outside India | - | - | - |
| Investments in India | 0.50 | 3,759.18 | 3,759.68 |
| Total (B) - Gross | 0.50 | 3,759.18 | 3,759.68 |
| (Less): Impairment loss allowance | - | - | - |
| Total (B) - Net | 0.50 | 3,759.18 | 3,759.68 |

7 Other financial assets

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|-----------------------------------|-------------------------|-------------------------|
| Other receivables | 0.01 | 0.17 |
| Other deposit | 36.50 | 36.50 |
| Security deposit | 61.72 | 51.87 |
| (Less): Impairment loss allowance | (8.15) | (7.68) |
| Total | 90.08 | 80.86 |

8 Income tax assets (net)

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|-------------------------|-------------------------|
| Advance tax | 221.26 | 251.50 |
| (net of provision for tax as of 2025: ₹ 3,555.97 million; 2024: ₹ 1,804.07 million) | | |
| Total | 221.26 | 251.50 |

9A Property, plant and equipment

(₹ in million)

| Particulars | Leasehold improvements | Furniture and fixtures | Vehicles | Office Equipments | Computers | Total | Capital Work in Progress |
|---|---------------------------|---------------------------|----------|----------------------|-----------|---------|--------------------------------|
| As at March 31, 2024 | | | | | | | |
| Gross carrying amount | | | | | | | |
| Opening gross carrying amount as at April 1, 2023 | 85.20 | 14.11 | 29.25 | 34.68 | 149.54 | 312.78 | - |
| Additions | 45.39 | 6.54 | 18.98 | 6.45 | 27.55 | 104.91 | - |
| Disposals and transfers | (0.57) | (1.58) | (10.57) | (1.16) | (6.52) | (20.40) | - |
| Closing gross carrying amount | 130.02 | 19.07 | 37.66 | 39.97 | 170.57 | 397.29 | - |
| Accumulated depreciation | | | | | | | |
| Opening accumulated depreciation | 57.06 | 8.08 | 17.53 | 24.58 | 107.20 | 214.45 | - |
| Depreciation charge during the year | 15.28 | 1.47 | 5.97 | 4.29 | 19.55 | 46.56 | - |
| Disposals and transfers | (0.57) | (1.56) | (6.60) | (1.16) | (6.47) | (16.36) | - |
| Closing accumulated depreciation | 71.77 | 7.99 | 16.90 | 27.71 | 120.28 | 244.65 | - |
| Net carrying amount as at March 31, 2024 | 58.25 | 11.08 | 20.76 | 12.26 | 50.29 | 152.64 | - |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(₹ in million)

| Particulars | Leasehold improvements | Furniture and fixtures | Vehicles | Office Equipments | Computers | Total | Capital Work in Progress |
|---|------------------------|------------------------|--------------|-------------------|---------------|---------------|--------------------------|
| As at March 31, 2025 | | | | | | | |
| Gross carrying amount | | | | | | | |
| Opening gross carrying amount as at April 1, 2024 | 130.02 | 19.07 | 37.66 | 39.97 | 170.57 | 397.29 | - |
| Additions | 34.34 | 4.68 | 23.88 | 13.01 | 37.85 | 113.76 | 29.28 |
| Disposals and transfers | - | (0.25) | (3.83) | (0.35) | - | (4.43) | - |
| Closing gross carrying amount | 164.36 | 23.50 | 57.71 | 52.63 | 208.42 | 506.62 | 29.28 |
| Accumulated depreciation | | | | | | | |
| Opening accumulated depreciation | 71.77 | 7.99 | 16.90 | 27.71 | 120.28 | 244.65 | - |
| Depreciation charge during the year | 23.08 | 2.38 | 9.78 | 6.16 | 25.78 | 67.18 | - |
| Disposals and transfers | - | (0.14) | (3.83) | (0.31) | - | (4.28) | - |
| Closing accumulated depreciation | 94.85 | 10.23 | 22.85 | 33.56 | 146.06 | 307.55 | - |
| Net carrying amount as at March 31, 2025 | 69.51 | 13.27 | 34.86 | 19.07 | 62.36 | 199.07 | 29.28 |

i) Contractual obligations

Refer to note 30 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

9B Leases

The Group leases various offices. Rental contracts are typically made for fixed periods of 11 months to 9 years, but may have extension options as described in (iii) below.

(ii) Amount recognised in balance sheet

The balance sheet shows the following amounts relating to leases:

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|----------------------------|----------------------|----------------------|
| Right-of-use assets | | |
| Buildings | 364.32 | 359.13 |
| Total | 364.32 | 359.13 |

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|-------------------|----------------------|----------------------|
| Lease Liabilities | 431.47 | 423.60 |
| Total | 431.47 | 423.60 |

Addition to the right-of-use assets during the current financial year is ₹ 116.44 million (previous year ₹ 134.33 million) which includes impact on account of lease modification amounting to ₹ 23.75 million (previous year ₹ 8.55 million).

(ii) Amount recognised in the consolidated statement of profit and loss

The consolidated statement of profit and loss shows the following amounts relating to leases:

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|----------------------|----------------------|
| Depreciation charge of right-of-use assets | | |
| Buildings (refer note 22) | 111.25 | 89.80 |
| Total | 111.25 | 89.80 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|-------------------------|-------------------------|
| Interest expense (refer note 24) | 31.85 | 30.72 |
| Expense relating to short-term leases (refer note 23) | 8.49 | 14.60 |
| Total | 40.34 | 45.32 |

The total cash outflow for leases for the year ended March 31, 2025 was ₹ 135.88 million (previous year ₹ 105.47 million).

(iii) Extension and termination options

Extension and termination options are included in a number of property leases of the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

(iv) Reconciliation of lease liability

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|-------------------------|-------------------------|
| Outstanding at the beginning of the year | 423.60 | 369.37 |
| New/modified leases | 111.90 | 128.98 |
| Interest expense | 31.85 | 30.72 |
| Cash flow | (135.88) | (105.47) |
| Outstanding at the end of the year | 431.47 | 423.60 |

10 Intangible assets

(₹ in million)

| Particulars | Computer software |
|---|-------------------|
| As at March 31, 2024 | |
| Gross carrying amount | |
| Opening gross carrying amount as at April 1, 2023 | 149.83 |
| Additions | 6.17 |
| Disposals and transfers | - |
| Closing gross carrying amount | 156.00 |
| Accumulated Amortisation | |
| Opening Accumulated Amortisation | 137.46 |
| Amortisation during the year | 6.63 |
| Disposals and transfers | - |
| Closing accumulated depreciation | 144.09 |
| Net carrying amount as at March 31, 2024 | 11.91 |
| As at March 31, 2025 | |
| Gross carrying amount | |
| Opening gross carrying amount as at April 1, 2024 | 156.00 |
| Additions | 58.46 |
| Disposals and transfers | - |
| Closing gross carrying amount | 214.46 |
| Accumulated Amortisation | |
| Opening accumulated amortisation | 144.09 |
| Amortisation during the year | 14.50 |
| Disposals and transfers | - |
| Closing accumulated depreciation | 158.59 |
| Net carrying amount as at March 31, 2025 | 55.87 |

i) Contractual obligations

Refer to note 30 for disclosure of contractual commitments for the acquisition of intangible assets.

ii) The Group did not have any intangible capital work in progress.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**11 Other non-financial assets**

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| Prepaid expenses - Others | 96.39 | 76.90 |
| Capital advances | 11.60 | 15.79 |
| Supplier advances | 41.45 | 23.93 |
| Advances to employees | 1.09 | 1.16 |
| Receivable in respect of gratuity | 1.31 | - |
| Balances with government authorities - cenvat credit available | 15.02 | 15.02 |
| Other receivables | - | 11.16 |
| Total | 166.86 | 143.96 |

12A Trade payables

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| - Total outstanding dues of micro enterprises and small enterprises (refer note 31) | 4.30 | 24.44 |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises | 171.17 | 224.81 |
| - Total outstanding dues of related parties | - | - |
| Total | 175.47 | 249.25 |

12B Other payables

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| - Total outstanding dues of micro enterprises and small enterprises (refer note 31) | - | - |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises | - | 4.79 |
| Total | - | 4.79 |

13 Other financial liabilities

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---------------------------|-------------------------|-------------------------|
| Employee benefits payable | 649.73 | 413.40 |
| Total | 649.73 | 413.40 |

14 Income tax liabilities (net)

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|-------------------------|-------------------------|
| Provision for income tax (net of advance tax as of 2025: ₹ 1,536.42 million; 2024: ₹ 2,914.61 million) | 221.48 | 306.78 |
| Total | 221.48 | 306.78 |

15 Provisions

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| Provision for gratuity (refer note 26) | 71.84 | 36.23 |
| Total | 71.84 | 36.23 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
16A Deferred tax assets (net)

| (₹ in million) | | |
|---|-------------------------|-------------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Fair value adjustments | | |
| - Security deposits | 4.35 | 4.38 |
| Right-of-use assets | (91.70) | (90.39) |
| Property, plant and equipment | 24.93 | 24.27 |
| Lease liabilities | 108.60 | 106.62 |
| Impairment on financial instruments-security deposits | 2.05 | 1.93 |
| Total | 48.23 | 46.81 |

16B Deferred tax liabilities

| (₹ in million) | | |
|------------------------|-------------------------|-------------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Fair value adjustments | | |
| - Investments | 126.79 | 102.55 |
| Total | 126.79 | 102.55 |

Movement in Deferred tax liabilities/assets:

The balance comprises temporary differences attributable to the below items and corresponding movement in deferred tax liabilities / assets:
(₹ in million)

| Particulars | As at April 1, 2024 | Charged/ credited to profit and loss | As at March 31, 2025 |
|---|------------------------|---|-------------------------|
| Deferred Tax Liability: | | | |
| Fair valuation of investments | 102.55 | 24.24 | 126.79 |
| Total | 102.55 | 24.24 | 126.79 |
| Deferred Tax Asset: | | | |
| Property, plant and equipment | 24.27 | 0.66 | 24.93 |
| Right-of-use assets | (90.39) | (1.31) | (91.70) |
| Lease liabilities | 106.62 | 1.98 | 108.60 |
| Impairment on financial instruments-security deposits | 1.93 | 0.12 | 2.05 |
| Fair valuation of security deposits | 4.38 | (0.03) | 4.35 |
| Total | 46.81 | 1.42 | 48.23 |

| (₹ in million) | | | |
|---|------------------------|---|-------------------------|
| Particulars | As at April 1, 2023 | Charged/ credited to profit and loss | As at March 31, 2024 |
| Deferred Tax Liability: | | | |
| Fair valuation of investments | 17.04 | 85.51 | 102.55 |
| | 17.04 | 85.51 | 102.55 |
| Deferred Tax Asset: | | | |
| Property, plant and equipment | 24.87 | (0.60) | 24.27 |
| Right-of-use assets | (79.19) | (11.20) | (90.39) |
| Lease liabilities | 92.97 | 13.65 | 106.62 |
| Impairment on financial instruments-security deposits | 1.56 | 0.37 | 1.93 |
| Fair valuation of security deposits | 3.86 | 0.52 | 4.38 |
| Total | 44.07 | 2.74 | 46.81 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**17 Other non-financial liabilities**

(₹ in million)

| Particulars | As at | As at |
|----------------|----------------|----------------|
| | March 31, 2025 | March 31, 2024 |
| Statutory dues | 85.37 | 60.54 |
| Total | 85.37 | 60.54 |

18A Equity share capital

(₹ in million)

| Particulars | As at March 31, 2025 | | As at March 31, 2024 | |
|--|----------------------|---------------|----------------------|--------|
| | Number | ₹ | Number | ₹ |
| Authorised shares | | | | |
| Equity shares of ₹1 each (previous year ₹1 each) | 350,000,000 | 350.00 | 350,000,000 | 350.00 |
| Issued, subscribed & fully paid-up shares | | | | |
| Equity shares of ₹1 each (previous year ₹1 each) | 331,764,120 | 331.76 | 331,764,120 | 331.76 |
| Total | 331,764,120 | 331.76 | 331,764,120 | 331.76 |

a) Movements in equity share capital

(₹ in million)

| Particulars | As at March 31, 2025 | | As at March 31, 2024 | |
|--|----------------------|---------------|----------------------|--------|
| | Number | ₹ | Number | ₹ |
| Outstanding at the beginning of the year | 331,764,120 | 331.76 | 331,764,120 | 331.76 |
| Stock options exercised under the ESOS | - | - | - | - |
| Bonus issue of shares | - | - | - | - |
| Outstanding at the end of the year | 331,764,120 | 331.76 | 331,764,120 | 331.76 |

b) Terms and rights attached to equity shares

- The Group has only one class of equity shares having a par value of ₹1 per share (previous year ₹1 per share). Each holder of equity shares is entitled to one vote per share.
- In the event of liquidation, the holders of equity shares will be entitled to receive any of the remaining assets of the Group, after distribution of all preferential amounts. However, no such preferential amounts exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders.
- The dividend proposed by the Board of Directors is subject to the approval of shareholders at the ensuing Annual General Meeting, except in case of interim dividend.

c) Shares reserved for issue under options

Information relating to the Employee Stock Option Scheme (ESOS), including details regarding options issued, exercised and lapsed during the year and options outstanding at the end of the reporting period is set out in note 36.

d) Details of shares held by the holding company

(₹ in million)

| Equity Shareholders | As at March 31, 2025 | | As at March 31, 2024 | |
|---|----------------------|---------------|----------------------|--------|
| | Number | Amount | Number | Amount |
| Bandhan Financial Holdings Limited (of which 36 shares are held jointly with nominees) | 198,985,968 | 198.99 | 198,985,968 | 198.99 |

e) Details of shareholders holding more than 5% of the shares in the Group

| Equity Shareholders | As at March 31, 2025 | | As at March 31, 2024 | |
|---|----------------------|---------------|----------------------|-----------|
| | Number | % holding | Number | % holding |
| Bandhan Financial Holdings Limited (of which 36 shares are held jointly with nominees) | 198,985,968 | 59.98% | 198,985,968 | 59.98% |
| Lathe Investment Pte Ltd | 66,328,656 | 19.99% | 66,328,656 | 19.99% |
| Tangerine Investments Limited | 55,285,704 | 16.66% | 55,285,704 | 16.66% |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**f) Details of shareholding of promoters**

| Particulars | As at March 31, 2025 | | | As at March 31, 2024 | | |
|---|----------------------|-----------------------------------|--------------------------------------|----------------------|-----------------------------------|--------------------------------------|
| | Number of shares | Percentage of total no. of shares | Percentage of change during the year | Number of shares | Percentage of total no. of shares | Percentage of change during the year |
| Bandhan Financial Holdings Limited | 198,985,932 | 59.98% | 0% | 198,985,932 | 59.98% | 0% |
| Sagar Ghosh (jointly with Bandhan Financial Holdings Limited) | 12 | 0% | 0% | 12 | 0% | 0% |
| Biplab Kumar Mani (jointly with Bandhan Financial Holdings Limited) | 12 | 0% | 0% | 12 | 0% | 0% |
| Kousik Basu (jointly with Bandhan Financial Holdings Limited) | 12 | 0% | 0% | 12 | 0% | 0% |
| Total | 198,985,968 | 59.98% | | 198,985,968 | 59.98% | |

18B Reserves and surplus

| (₹ in million) | | |
|--|----------------------|----------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Securities premium | 943.12 | 943.12 |
| General reserve | 481.74 | 479.96 |
| Surplus in the Consolidated Statement of Profit and Loss | 2,751.26 | 1,686.29 |
| Share options outstanding account | 169.03 | 61.52 |
| Foreign Translation reserve | 1.21 | 0.99 |
| Total | 4,346.36 | 3,171.88 |

a) Securities premium

| (₹ in million) | | |
|---------------------------|----------------------|----------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Opening balance | 943.12 | 943.12 |
| Additions during the year | - | - |
| Closing balance | 943.12 | 943.12 |

b) General reserve

| (₹ in million) | | |
|--|----------------------|----------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Opening balance | 479.96 | 479.96 |
| Changes during the year | - | - |
| Transfer from Share options outstanding account (towards vested options cancelled) | 1.78 | - |
| Closing balance | 481.74 | 479.96 |

c) Surplus in the Consolidated Statement of Profit and Loss

| (₹ in million) | | |
|--|----------------------|----------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Opening balance | 1,686.29 | 271.68 |
| Net profit for the year | 1,082.96 | 1,417.40 |
| Items of other comprehensive income recognised directly in retained earnings | | |
| - Remeasurements of post-employment benefit obligations, net of tax | (17.99) | (2.79) |
| Closing balance | 2,751.26 | 1,686.29 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**d) Share options outstanding account**

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| Opening balance | 61.52 | - |
| Employee stock option expense | 109.29 | 61.52 |
| Vested options cancelled during the year | (1.78) | - |
| Closing balance | 169.03 | 61.52 |

e) Foreign Currency Translation reserve

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|------------------------|-------------------------|-------------------------|
| Opening balance | 0.99 | 0.97 |
| Change during the year | 0.22 | 0.02 |
| Closing balance | 1.21 | 0.99 |

18C Nature and purpose of reserve**a) Securities premium**

It is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

b) General reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to the consolidated statement of profit and loss.

Pursuant to the provisions of Companies Act, 1956, the Group had transferred a portion of the net profit of the Group before declaring dividend, to general reserve. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

c) Share options outstanding account

The share options outstanding account is used to recognise the grant date fair value of options issued to employees by the Group under Employee Stock Option Scheme (ESOS) over the vesting period (refer note 36).

d) Foreign currency translation reserve

Exchange difference arising on translation of foreign operations are recognised in other comprehensive income as described in accounting policy are accumulated in special reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed off.

19 Other income

(₹ in million)

| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
|--|------------------------------|------------------------------|
| Net gain/(loss) on fair value changes of instruments measured at FVTPL | | |
| - Realised | 124.26 | 196.63 |
| - Unrealised | 26.85 | 593.52 |
| Profit on sale of property, plant and equipment (net) | 0.37 | 1.93 |
| Interest on income tax refund | 9.56 | 9.28 |
| Interest income on financial assets measured at amortised cost | 3.75 | 2.93 |
| Dividend income | 2.13 | 1.88 |
| Miscellaneous income | 1.51 | 1.37 |
| Total | 168.43 | 807.54 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**20 Employee Benefits expense**

| | (₹ in million) | |
|---|------------------------------|------------------------------|
| | Year ended March 31, 2025 | Year ended March 31, 2024 |
| Particulars | | |
| Salaries, wages and bonus (refer note (i) below) | 1,631.17 | 1,175.56 |
| Contribution to provident and other funds (refer note 26) | 61.01 | 45.95 |
| Contribution to gratuity (refer note 26) | 47.80 | 32.50 |
| Share based payment expense (refer note 36) | 109.29 | 69.36 |
| Staff insurance, training and welfare expense | 120.76 | 54.93 |
| Total | 1,970.03 | 1,378.30 |

- i) Based on the leave rules of the Group, employees are not permitted to accumulate leave. Any unavailed privilege leave to the extent encashable is paid to the employees and charged to the consolidated statement of profit and loss for the year.

21 Impairment of financial instruments

| | (₹ in million) | |
|--|------------------------------|------------------------------|
| | Year ended March 31, 2025 | Year ended March 31, 2024 |
| Particulars | | |
| On Financial instruments measured at amortised Cost: | | |
| Security deposit | 0.47 | 1.49 |
| Total | 0.47 | 1.49 |

22 Depreciation and amortisation expense

| | (₹ in million) | |
|---|------------------------------|------------------------------|
| | Year ended March 31, 2025 | Year ended March 31, 2024 |
| Particulars | | |
| Depreciation of property, plant and equipment | 67.18 | 46.56 |
| Depreciation on right-of-use assets | 111.25 | 89.80 |
| Amortisation of intangible assets | 14.50 | 6.63 |
| Total | 192.93 | 142.99 |

23 Other expenses

| | (₹ in million) | |
|---|------------------------------|------------------------------|
| | Year ended March 31, 2025 | Year ended March 31, 2024 |
| Particulars | | |
| Rent | 11.13 | 16.74 |
| Rates and taxes | 29.49 | 30.53 |
| Electricity | 16.82 | 14.72 |
| Repairs and maintenance | | |
| - Equipments | 16.16 | 17.51 |
| - Others | 82.10 | 68.31 |
| Insurance charges | 6.80 | 4.66 |
| Travelling and conveyance | 49.38 | 31.14 |
| Printing and stationery | 13.70 | 12.82 |
| Communication costs | 34.32 | 29.82 |
| Advertising, publicity and promotion | 482.97 | 499.81 |
| Listing and rating Fees | 2.67 | 2.87 |
| Professional fees | 234.25 | 135.50 |
| Directors' sitting fees | 5.70 | 5.75 |
| Membership and subscription | 119.44 | 93.72 |
| Computer software expenses | 212.77 | 192.19 |
| Scheme issue expenses (refer note (i) below) | 55.20 | 47.78 |
| Operational cost | 76.09 | 54.48 |
| Contribution for corporate social responsibility (CSR) (refer note (b) below) | 33.69 | 36.81 |
| Auditors remuneration (refer note (a) below) | 4.89 | 4.40 |
| Miscellaneous expenses | 18.47 | 14.97 |
| Total | 1,506.04 | 1,314.53 |

- i) Scheme issue expenses are the expenses incurred by the Bandhan AMC Limited towards launching of schemes and plans of Bandhan Mutual Fund (formerly known as IDFC Mutual Fund) during the year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**a) Breakup of Auditors' remuneration**

| | (₹ in million) | |
|------------------------|------------------------------|------------------------------|
| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
| Audit fees | 3.78 | 3.44 |
| Tax audit fees | 0.37 | 0.34 |
| Other Services | 0.67 | 0.57 |
| Out-of-pocket expenses | 0.07 | 0.05 |
| Total | 4.89 | 4.40 |

b) Contribution for corporate social responsibility (CSR)

| | (₹ in million) | |
|---|------------------------------|------------------------------|
| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
| Amount required to be spent as per Section 135 of the Act | 33.69 | 36.81 |
| Amount spent during the year on: | | |
| (i) Construction/acquisition of an asset | - | - |
| (ii) On purposes other than (i) above | 33.69 | 36.81 |
| Total | 33.69 | 36.81 |

| | (₹ in million) | |
|---|------------------------------|------------------------------|
| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
| (a) Amount required to be spent by the company during the year | 33.69 | 36.81 |
| (b) Amount of expenditure incurred | 33.69 | 36.81 |
| (c) Shortfall at the end of the year | Not applicable | Not applicable |
| (d) Total of previous year's shortfall | Not applicable | Not applicable |
| (e) Reason for shortfall | Not applicable | Not applicable |
| (f) Nature of CSR activities | Refer (i) below | Refer (i) below |
| (g) Details of related party transactions | Refer note 37 | Refer note 37 |
| (h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be | Not applicable | Not applicable |

| | (₹ in million) | |
|--|------------------------------|------------------------------|
| (i) Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
| CSR Expenditure: | | |
| Ennoble Social Innovation Foundation | 7.61 | - |
| School and Teachers Innovating for Results (India) | 5.00 | 5.00 |
| TNS India Foundation | 5.00 | 5.00 |
| Protsahan India Foundation | 5.01 | 4.73 |
| Saajha | 5.32 | 3.63 |
| Bandhan Konnagar | 4.00 | 3.02 |
| Ishita Sharma Foundation | 1.75 | 0.82 |
| K C Mahindra Education Trust - A/c Nanhi Kali | - | 6.09 |
| Human Capital for Third Sector | - | 4.89 |
| Govandi Education Society | - | 2.50 |
| Greensole Foundation | - | 0.70 |
| Soulace Consulting Private Limited | - | 0.43 |
| Total | 33.69 | 36.81 |

The Group does not have any amount remaining unspent under section 135(5) of the Act.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**24 Finance cost**

(₹ in million)

| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
|-----------------------------|------------------------------|------------------------------|
| Interest on lease liability | 31.85 | 30.72 |
| Total | 31.85 | 30.72 |

25 Income tax**a) The components of income tax expense for the year ended March 31, 2025 and March 31, 2024 are:**

(₹ in million)

| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
|------------------|------------------------------|------------------------------|
| Current tax | 378.02 | 310.81 |
| Deferred tax | 22.82 | 82.77 |
| Prior period tax | (83.56) | (25.82) |
| Total | 317.28 | 367.76 |

b) Reconciliation of the total tax charge

The tax charge shown in the consolidated statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years ended March 31, 2025 and March 31, 2024 is, as follows:

(₹ in million)

| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
|--|------------------------------|------------------------------|
| Accounting profit before tax | 1,400.24 | 1,785.16 |
| Tax at India's statutory income tax rate of 25.17% (previous year 25.17%) | 352.44 | 449.32 |
| Tax Effect of the Amount which are Not Taxable in Calculating Taxable Income : | | |
| - Adjustment in respect of current income tax of previous year | (83.56) | (25.82) |
| - Income taxed at differential rate | 15.23 | (84.82) |
| - Expense not deductible for tax purposes | 5.60 | 11.60 |
| - Permanent difference: | | |
| - ESOP | 27.51 | 17.46 |
| - Scheme issue expenses | - | - |
| - Others | 0.06 | 0.02 |
| Income tax expense at effective tax rate | 317.28 | 367.76 |
| Effective tax rate | 22.66% | 20.60% |

26 Employee benefit obligations**a) Defined contribution plans**

The Group has recognised the following amounts in the consolidated statement of profit and loss towards contribution to defined contribution plans which are included under contribution to provident and other funds:

(₹ in million)

| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
|---------------------|------------------------------|------------------------------|
| Provident fund | 52.21 | 39.27 |
| Pension fund | 8.77 | 6.67 |
| Labour welfare fund | 0.02 | 0.01 |
| Total | 61.00 | 45.95 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025
b) Defined benefit plans

The Group has a defined benefit gratuity plan in India (funded). The Group's defined benefit gratuity plan which requires contributions to be made to a separately administered fund. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the said Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.

The following tables summarises the components of net benefit expense recognised in the consolidated statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans:

i) Balance sheet

| (₹ in million) | | | |
|--|-----------------------------|---------------------------|--------------|
| Particulars | Present value of obligation | Fair value of plan assets | Net amount |
| As at April 1, 2023 | 191.22 | 181.64 | 9.58 |
| Current service cost | 32.34 | - | 32.34 |
| Interest expense/(income) | 13.83 | 13.67 | 0.16 |
| Return on plan assets | - | (1.35) | 1.35 |
| Actuarial loss / (gain) arising from change in financial assumptions | 11.50 | - | 11.50 |
| Actuarial loss / (gain) arising from change in demographic assumptions | - | - | - |
| Actuarial loss / (gain) arising on account of experience changes | (9.12) | - | (9.12) |
| Reversal of the liability | - | - | - |
| Employer contributions | - | 9.58 | (9.58) |
| Benefit payments | (39.48) | (39.48) | - |
| Past Service Cost | - | - | - |
| As at March 31, 2024 | 200.29 | 164.06 | 36.23 |
| Current service cost | 45.73 | - | 45.73 |
| Interest expense/(income) | 13.89 | 11.82 | 2.07 |
| Return on plan assets | - | (0.76) | 0.76 |
| Actuarial loss / (gain) arising from change in financial assumptions | 13.90 | - | 13.90 |
| Actuarial loss / (gain) arising from change in demographic assumptions | - | - | - |
| Actuarial loss / (gain) arising on account of experience changes | 9.38 | - | 9.38 |
| Liabilities assumed / (settled)* | 0.10 | 0.10 | - |
| Employer contributions | - | 36.23 | (36.23) |
| Benefit payments | (29.13) | (29.13) | - |
| Past Service Cost | - | - | - |
| As at March 31, 2025 | 254.16 | 182.32 | 71.84 |

*On account of business combination or inter group transfer

| (₹ in million) | | |
|-----------------------------------|----------------------|----------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Present value of plan liabilities | 254.16 | 200.29 |
| Fair value of plan assets | 182.32 | 164.06 |
| Plan liability net of plan assets | 71.84 | 36.23 |

ii) Statement of profit and loss

| (₹ in million) | | |
|--|---------------------------|---------------------------|
| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
| Employee benefit expense | | |
| Current service cost | 45.73 | 32.34 |
| Total | 45.73 | 32.34 |
| Finance costs | 2.07 | 0.16 |
| Past Service Cost | - | - |
| (Gains)/Losses on settlement | - | - |
| Net impact on the profit before tax | 47.80 | 32.50 |

(₹ in million)

| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
|---|------------------------------|------------------------------|
| Remeasurements of the net defined benefit liability: | | |
| Return on plan assets excluding amounts included in interest expense/income | 0.76 | 1.35 |
| Actuarial gains/(losses) arising from changes in demographic assumptions | - | - |
| Actuarial gains/(losses) arising from changes in financial assumptions | 13.90 | 11.50 |
| Actuarial gains/(losses) arising from changes in experience | 9.38 | (9.12) |
| Net impact on the other comprehensive income before tax | 24.04 | 3.73 |

iii) Defined benefit plan assets

| Category of assets (% allocation) | As at March 31, 2025 | As at March 31, 2024 |
|---------------------------------------|-------------------------|-------------------------|
| Insurer managed funds | | |
| - Government securities | 17.34 | 35.16 |
| - Deposit and money market securities | 6.08 | 7.74 |
| - Debentures / bonds | 76.58 | 57.10 |
| - Equity shares | - | - |
| Total | 100.00 | 100.00 |

iv) Actuarial assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and post retirement medical benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|-------------------------|---|--|
| Discount rate | 6.80 | 7.20 |
| Salary escalation rate* | 12% until year 2 inclusive, then 10% | 12% until year2 inclusive, then 10% |

* takes into account inflation, seniority, promotions and other relevant factors.

v) Demographic assumptions

Mortality in Service :

| | As at March 31, 2025 | As at March 31, 2024 |
|--------------------|-------------------------|-------------------------|
| Age (Years) | Rates (p.a.) | |
| 18 | 0.000874 | 0.000874 |
| 23 | 0.000936 | 0.000936 |
| 28 | 0.000942 | 0.000942 |
| 33 | 0.001086 | 0.001086 |
| 38 | 0.001453 | 0.001453 |
| 43 | 0.002144 | 0.002144 |
| 48 | 0.003536 | 0.003536 |
| 53 | 0.006174 | 0.006174 |
| 58 | 0.009651 | 0.009651 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**vi) Sensitivity**

| (₹ in million) | | | |
|------------------------|----------------------|--------------------------------------|-------------|
| | Change in assumption | Impact on defined benefit obligation | |
| | | Increase to | Decrease to |
| As at March 31, 2025 | | | |
| Discount rate | 50 bps | 242.03 | 267.19 |
| Salary escalation rate | 50 bps | 266.70 | 242.36 |
| | | | |
| | Change in assumption | Impact on defined benefit obligation | |
| | | Increase to | Decrease to |
| As at March 31, 2024 | | | |
| Discount rate | 50 bps | 190.80 | 210.47 |
| Salary escalation rate | 50 bps | 210.13 | 191.03 |

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance Sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior year.

vii) Maturity

The defined benefit obligations shall mature after year end as follows:

| (₹ in million) | | |
|--|----------------------|----------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Within the next 12 months (next annual reporting period) | 14.34 | 14.77 |
| Between 2 and 5 years | 50.25 | 39.87 |
| Between 6 and 9 years | 123.94 | 97.63 |
| Between 10 and above | 370.54 | 307.81 |
| Total expected payments | 559.07 | 460.08 |

The weighted average duration of the defined benefit obligation is 9.89 years (previous year - 9.81 years).

27 Segment information

The Group is engaged in the business of providing asset management services to Bandhan Mutual Fund (formerly known as IDFC Mutual Fund), investment advisory and portfolio management services which contributes a single reportable business segment. During the year ended March 31, 2025, the Group was engaged in only one business segment and as such there are no separate reportable segments, as required by Ind AS 108 on 'Segment Reporting'. The Group's revenue is primarily from services rendered in India.

a) Segment revenue

The Group operates as a single segment. The segment revenue is measured in the same way as in the consolidated statement of profit and loss.

| (₹ in million) | | |
|-----------------|---------------------------|---------------------------|
| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
| Segment revenue | | |
| - India* | 4,933.13 | 3,845.65 |
| - Outside India | - | - |
| Total | 4,933.13 | 3,845.65 |

* There is one single party who individually contributes more than 10% of total operating revenue of the Group which aggregates to ₹ 4,922.94 million (previous year ₹ 3,832.55 million).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**b) Segment assets and segment liabilities**

(₹ in million)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|--------------------------------------|-------------------------|-------------------------|
| Segment assets | | |
| - India | 6,432.72 | 5,096.33 |
| - Outside India | 7.55 | 4.45 |
| Total Segment assets | 6,440.27 | 5,100.78 |
| Total asset as per balance sheet | 6,440.27 | 5,100.78 |
| Segment liabilities | | |
| - India | 1,761.89 | 1,596.57 |
| - Outside India | 0.26 | 0.57 |
| Total Segment liabilities | 1,762.15 | 1,597.14 |
| Total liability as per balance sheet | 1,762.15 | 1,597.14 |

28 Earnings per share (EPS)

(₹ in million except equity share data)

a) Basic earnings per share

| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
|--|------------------------------|------------------------------|
| From continuing operations attributable to the equity holders of the group | 3.26 | 4.27 |
| Total basic earnings per share attributable to the equity holders of the group | 3.26 | 4.27 |

b) Diluted earnings per share

| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
|--|------------------------------|------------------------------|
| From continuing operations attributable to the equity holders of the group | 3.26 | 4.27 |
| Total diluted earnings per share attributable to the equity holders of the group | 3.26 | 4.27 |

c) Reconciliations of earnings used in calculating earnings per share:

| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
|---|------------------------------|------------------------------|
| Basic earnings per share (face value of ₹1 each) | | |
| Profit from continuing operations as presented in the statement of profit or loss | 1,082.96 | 1,417.40 |
| Less: Profit from continuing operations attributable to non-controlling interests | - | - |
| Profit from continuing operations attributable to the equity holders of the group | 1,082.96 | 1,417.40 |
| Profit attributable to the equity holders of the group used in calculating basic earnings per share | 1,082.96 | 1,417.40 |
| Diluted earnings per share (face value of ₹1 each) | | |
| Profit from continuing operations as presented in the statement of profit or loss | 1,082.96 | 1,417.40 |
| Less: Profit from continuing operations attributable to non-controlling interests | - | - |
| Profit from continuing operations attributable to the equity holders of the group | 1,082.96 | 1,417.40 |
| Profit attributable to the equity holders of the group used in calculating basic earnings per share | 1,082.96 | 1,417.40 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

- d) **Weighted average number of equity shares is computed for the purpose of calculating diluted earning per share, after giving the dilutive impact of the outstanding stock options for the respective years.**

| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
|--|------------------------------|------------------------------|
| Weighted average number of equity shares used as the denominator in calculating basic earnings per share | 331,764,120 | 331,764,120 |
| Adjustments for calculation of diluted earnings per share: | | |
| Options | - | - |
| Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share | 331,764,120 | 331,764,120 |

29 Contingent liabilities

| | (₹ in million) | |
|--|-------------------------|-------------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Claims not acknowledged as debts in respect of: | | |
| - Reversal of Cenvat credit under protest | 15.02 | 15.02 |
| - Income tax demand | 0.72 | 0.72 |
| Total | 15.74 | 15.74 |

30 Capital commitments

| | (₹ in million) | |
|---|-------------------------|-------------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Estimated amount of contracts remaining to be executed on capital account | 55.40 | 94.27 |
| Total | 55.40 | 94.27 |

31 Trade Payables**Dues to micro and small enterprises**

The Group has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The below information regarding micro, small and medium enterprises have been determined on the basis of information available with the Group. The disclosures pursuant to the said MSMED Act are as follows (refer note 12A):

| | (₹ in million) | |
|---|-------------------------|-------------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Principal amount due to suppliers registered under MSMED Act and remaining unpaid as at year end | 4.30 | 24.44 |
| Interest due to suppliers registered under MSMED Act and remaining unpaid as at year end | - | - |
| Principal amount paid to suppliers registered under MSMED Act, beyond the appointed day during the year | - | - |
| Interest paid, under Section 16 of MSMED Act, to suppliers registered under MSMED Act, beyond the appointed day during the year | - | - |
| Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under MSMED Act, beyond the appointed day during the year | - | - |
| Amount of Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act | - | - |
| Interest accrued and remaining unpaid at the end of each accounting year | - | - |
| Amount of further interest remaining due and payable even in the succeeding years, until such date when interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act | - | - |

32 Capital management

The capital structure of the Group is based on management's judgment of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. Management considers the amount of capital in proportion to risk and manage the capital structure in light of changes

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

in economic conditions and the risk characteristics of the underlying assets. The Group's policy is to maintain a stable and adequate capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and continue as a going concern entity.

The Group manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

The management monitors the return on capital as well as the level of dividends to the shareholders. The Group's goal is to continue to be able to provide return to the shareholders by continuing to distribute dividends in future period.

Dividend paid and proposed during the year

| (₹ in million) | | |
|--|------------------------------|------------------------------|
| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
| A. Declared and paid during the year | | |
| Interim dividend for 2025: ₹ NIL per share (2024: ₹ NIL per share) | - | - |
| Dividend Distribution Tax on interim dividend | - | - |
| Total dividends paid including DDT | - | - |

33 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

| (₹ in million) | | | | | | |
|---|----------------------|-----------------|-----------------|----------------------|-----------------|----------|
| Particulars | As at March 31, 2025 | | | As at March 31, 2024 | | |
| | Within 12 months | After 12 months | Total | Within 12 months | After 12 months | Total |
| Financial assets | | | | | | |
| Cash and cash equivalents | 41.23 | - | 41.23 | 15.60 | - | 15.60 |
| Bank balances other than cash and cash equivalents above | 6.55 | - | 6.55 | 26.65 | - | 26.65 |
| Trade receivables | 179.00 | - | 179.00 | 252.04 | - | 252.04 |
| Investments | 3,183.88 | 1,854.64 | 5,038.52 | 2,080.64 | 1,679.04 | 3,759.68 |
| Other financial assets | 5.51 | 84.57 | 90.08 | 40.02 | 40.84 | 80.86 |
| Non-financial assets | | | | | | |
| Income tax assets (net) | - | 221.26 | 221.26 | - | 251.50 | 251.50 |
| Property, plant and equipment | - | 199.07 | 199.07 | - | 152.64 | 152.64 |
| Intangible assets | - | 55.87 | 55.87 | - | 11.91 | 11.91 |
| Capital Work-In-Progress | - | 29.28 | 29.28 | - | - | - |
| Right-of-use assets | - | 364.32 | 364.32 | - | 359.13 | 359.13 |
| Deferred tax asset (net) | - | 48.23 | 48.23 | - | 46.81 | 46.81 |
| Other non-financial assets | 161.70 | 5.16 | 166.86 | 139.29 | 4.67 | 143.96 |
| Total assets | 3,577.87 | 2,862.40 | 6,440.27 | 2,554.24 | 2,546.54 | 5,100.78 |
| Financial Liabilities | | | | | | |
| Payables | | | | | | |
| (I) Trade payables | | | | | | |
| (i) total outstanding dues of micro enterprises and small enterprises | 4.30 | - | 4.30 | 24.44 | - | 24.44 |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 171.17 | - | 171.17 | 224.81 | - | 224.81 |
| (II) Other payables | | | | | | |
| (i) total outstanding dues of micro enterprises and small enterprises | - | - | - | - | - | - |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(₹ in million)

| Particulars | As at March 31, 2025 | | | As at March 31, 2024 | | |
|---|----------------------|-----------------|-----------------|----------------------|-----------------|-----------------|
| | Within 12 months | After 12 months | Total | Within 12 months | After 12 months | Total |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | - | - | - | 4.79 | - | 4.79 |
| Lease liabilities | 124.18 | 307.29 | 431.47 | 96.90 | 326.70 | 423.60 |
| Other financial liabilities | 649.73 | - | 649.73 | 413.40 | - | 413.40 |
| Non-Financial Liabilities | | | | | | |
| Income tax liabilities (net) | 221.48 | - | 221.48 | 306.78 | - | 306.78 |
| Provisions | 71.84 | - | 71.84 | 36.23 | - | 36.23 |
| Deferred tax liabilities | - | 126.79 | 126.79 | - | 102.55 | 102.55 |
| Other non-financial liabilities | 85.37 | - | 85.37 | 60.54 | - | 60.54 |
| Total liabilities | 1,328.07 | 434.08 | 1,762.15 | 1,167.89 | 429.25 | 1,597.14 |
| Net | 2,249.80 | 2,428.32 | 4,678.12 | 1,386.35 | 2,117.29 | 3,503.64 |

34 Fair Value Measurement
a) Financial instruments by category

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in notes to the financial statements.

(₹ in million)

| Particulars | As at March 31, 2025 | | |
|--|----------------------|-------------|-----------------|
| | FVTPL | FVOCI | Amortised cost |
| Financial Assets: | | | |
| Cash and cash equivalents | - | - | 41.23 |
| Bank Balances other than cash and cash equivalents | - | - | 6.55 |
| Trade receivables | - | - | 179.00 |
| <u>Investments:</u> | | | |
| - Mutual fund units | 4,408.29 | - | - |
| - Alternate investment funds units | 151.08 | - | - |
| - Equity instruments | 478.65 | 0.50 | - |
| Other financial assets | - | - | 90.08 |
| Total Financial Assets | 5,038.02 | 0.50 | 316.86 |
| Financial Liabilities: | | | |
| Trade and other payables | - | - | 175.47 |
| Lease liabilities | - | - | 431.47 |
| Other financial liabilities | - | - | 649.73 |
| Total Financial Liabilities | - | - | 1,256.67 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(₹ in million)

| Particulars | As at March 31, 2024 | | |
|------------------------------------|----------------------|-------------|-----------------|
| | FVTPL | FVOCI | Amortised cost |
| Financial Assets: | | | |
| Cash and cash equivalents | - | - | 15.60 |
| Bank Balances other than above | - | - | 26.65 |
| Trade receivables | - | - | 252.04 |
| Investments: | | | |
| - Mutual fund units | 3,005.94 | - | - |
| - Alternate investment funds units | 140.42 | - | - |
| - Equity instruments | 612.82 | 0.50 | - |
| Other financial assets | - | - | 80.86 |
| Total Financial Assets | 3,759.18 | 0.50 | 375.15 |
| Financial Liabilities: | | | |
| Trade and other payables | - | - | 254.04 |
| Lease liabilities | - | - | 423.60 |
| Other financial liabilities | - | - | 413.40 |
| Total Financial Liabilities | - | - | 1,091.04 |

The Equity instruments in subsidiaries is measured at cost and not included in the above table.

b) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value through Profit and Loss (b) recognised and measured at fair value through other comprehensive income and (c) measured at amortised cost and for which fair values are disclosed in the consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

As at March 31, 2025

(₹ in million)

| Assets and liabilities measured at fair value - recurring fair value measurements | Note | Level 1 | Level 2 | Level 3 | Total |
|---|----------|-----------------|---------------|---------------|-----------------|
| Financial Assets | | | | | |
| Financial Investments at FVTPL | 6 | | | | |
| - Mutual fund units | | 4,408.29 | - | - | 4,408.29 |
| - Alternate investment funds units | | - | 151.08 | - | 151.08 |
| - Equity instruments | | 374.88 | - | 103.77 | 478.65 |
| Financial Investments at FVOCI | | | | | |
| - Equity instruments | | - | 0.50 | - | 0.50 |
| Total financial assets | | 4,783.17 | 151.58 | 103.77 | 5,038.52 |

As at March 31, 2024

(₹ in million)

| Assets and liabilities measured at fair value - recurring fair value measurements | Note | Level 1 | Level 2 | Level 3 | Total |
|---|----------|-----------------|---------------|---------------|-----------------|
| Financial Assets | | | | | |
| Financial Investments at FVTPL | 6 | | | | |
| - Mutual fund units | | 3,005.94 | - | - | 3,005.94 |
| - Alternate investment funds units | | - | 140.42 | - | 140.42 |
| - Equity instruments | | 507.00 | - | 105.82 | 612.82 |
| Financial Investments at FVOCI | | | | | |
| - Equity instruments | | - | 0.50 | - | 0.50 |
| Total financial assets | | 3,512.94 | 140.92 | 105.82 | 3,759.68 |

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. However, there are no transfers between levels 1, 2 and 3 during the year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

The Group uses the following hierarchy for determining and disclosing the fair value of financial assets by valuation technique:

The fair value of financial instruments are classified into three categories i.e. Level 1, 2 or 3 depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements).

The hierarchies used are as follows:

Level 1: The fair value of financial instruments traded in active markets (such as open ended mutual funds and listed equity securities) is based on quoted market prices at the end of the reporting period. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (such as close ended mutual fund units and alternate investment fund units) is determined using observable market data and not the entity specific estimates. These investments are valued at closing Net Asset Value (NAV), which represents the repurchase price at which the issuer will redeem the units from investors. Since all significant inputs required to fair value an instrument are observable, the investments are included in Level 2.

Level 3: If one or more significant inputs is not based on observable market data (such as unlisted equity), the instrument is included in level 3.

c) Valuation technique used to determine fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

Specific valuation techniques used to value financial instruments include:

- The fair value of alternate investment fund units is determined using observable NAV representing repurchase price issued by the alternate investment funds. However, the Company may perform an adjustment (e.g. liquidity valuation adjustment in case of thinly traded investment) to the NAV if they consider the same as significant in order to derive the fair value of the Level 2 classified investments.
- The investment in Mutual Fund utility (MFU) participation shares (classified under FVOCI) entitles access to MFU a transaction aggregating portal that enables free access to investors for NAV and other scheme related content across mutual funds. The Association of Mutual Funds in India mandates this investment for all the asset management companies in proportion of their assets under management (AUM) to access MFU. These units do not carry any participation in the net assets of MFU and will be redeemed at their face value when the AMC exits the platform. Accordingly the face value of the units is considered as a reasonable approximation of its fair value being the actual amount recoverable on exit from the platform.
- The investment in AMC Repo Clearing Limited (ARCL) is valued at a cost approach. The cost approach values the underlying assets of the business to determine the business value. In the case of the 'Underlying Asset' approach, the value per equity share is determined by arriving at the Net Assets (Assets Less Liabilities) of the company. The said approach is considered taking into account fair value of assets and liabilities, to the extent possible, the respective asset would fetch or liability is payable as on the Valuation Date. This valuation method carries more weight considering the fact that the company is not carrying on any material commercial business operations and in the absence of any projected financial statements providing true reflection of the potential of future business operations over the sufficient time period with reasonable certainty.

d) Fair value measurements using significant unobservable inputs (level 3)

The following table represents the changes in level 3 items for the period ended March 31, 2025 and March 31, 2024.

| | (₹ in million) |
|--|----------------------------|
| Particulars | Unlisted equity securities |
| As at April 1, 2023 | 102.64 |
| Acquisitions | - |
| Gains/(losses) recognised in consolidated statement of profit and loss | 3.18 |
| As at March 31, 2024 | 105.82 |
| Acquisitions | - |
| Gains/(losses) recognised in consolidated statement of profit and loss | (2.05) |
| As at March 31, 2025 | 103.77 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**e) Valuation Inputs and relationships to fair value**

The following table summarises the quantitative information about the significant unobservable input used in level 3 fair value measurements.

(₹ in million)

| Particulars | Fair value as at | | Significant unobservable inputs | Sensitivity |
|------------------------|------------------|----------------|---------------------------------|--|
| | March 31, 2025 | March 31, 2024 | | |
| Unquoted equity shares | 103.77 | 105.82 | Net Asset Value | Increase in net asset value by 1% would increase value by ₹ 1.04 million (previous year ₹ 1.06 million). Decrease in net asset value by 1% would decrease value by ₹ 1.04 million (previous year ₹ 1.06 million). |

f) Fair value of financial assets and liabilities measured at amortised cost

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts are a reasonable approximation of their fair value. Such instruments include, cash and bank balances, trade and other receivables, trade and other payables.

The fair values for security deposits were calculated based on cash flows discounted using the incremental borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

For financial assets and financial liabilities measured at amortised cost, the carrying amounts are equal to the amortised cost except on above.

35 Financial risk management**35.1 Introduction**

Risk management is an integral part of the business practices of the Group. The framework of risk management concentrates on formalising a system to deal with the most relevant risks, building on existing management practices, knowledge and structures. The Group's senior management has the overall responsibility for the establishment and oversight of the Group's risk management framework. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The financial instruments held by the Group expose it to a variety of financial risks: market risk, credit risk and liquidity risk. In addition, the Group is indirectly exposed to market risk through management fee income which is determined by the assets under management of the schemes of Bandhan Mutual Fund (formerly known as IDFC Mutual Fund). The Group uses different methods such as sensitivity analysis to measure different types of risk to which it is exposed.

35.2 Credit risk

Credit risk is the risk of financial loss to the Group if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from its investment transactions.

Credit risk is monitored on an ongoing basis by the Group in accordance with its policies and procedures. The Group is exposed to credit risk from investments held in units of the funds it manages. These investments are measured at fair value through profit or loss. The Group has no significant concentration of credit risk.

The Group's financial assets subject to the expected credit loss model under Ind AS 109 are cash and cash equivalents, deposits with banks, security deposits, trade receivables and other receivables.

Trade receivables and other receivables have been considered to have a low credit risk as they meet the following criteria:

- they have a low risk of default,
- the counterparty is considered, in the short term, to have a strong capacity to meet its obligations in the near term, and
- the Group expects, in the longer term, that adverse changes in economic and business conditions might, but will not necessarily, reduce the ability of the counterparty to fulfill its obligations."

The Group has placed security deposit with lessors for premises leased by the Group aggregating to ₹ 61.72 million as at March 31, 2025 (previous year ₹ 51.87 million). Where the Group perceives any significant decline in credit risk of the lessors and the amount of security deposit is material the Group has provided for expected credit losses on such security deposits.

The exposure to security deposit is considered in stage 1 and accordingly impairment loss is charged considering 12 months expected credit loss model. The ECL computation is done based on the formula Exposure at default (EAD)*Probability of default (PD)*Loss given default (LGD) where:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

- Exposure at default (EAD) is based on the amount that the Group expects to be owed at the time of default, over the next 12 months (12M EAD).
- The Probability of default (PD) represents the likelihood of a counterparty defaulting on its financial obligation over the next 12 months (12M PD).
- Loss given default (LGD) represents the Group's expectation of the extent of loss on a defaulted exposure. LGD varies by the type of counterparty.

The following table contains an analysis of the credit risk exposure of security deposits for which an ECL allowance is recognised. The gross carrying amount of security deposit below also represents the Group's maximum exposure to credit risk on these assets.

As at March 31, 2025

| Particulars | Risk rating | Lessor type | Exposure at default (₹ in million) | Probability of default | Loss given default | Expected credit loss (₹ in million) |
|------------------|---------------------------|-------------|---------------------------------------|------------------------|--------------------|--|
| Security Deposit | Stage 1 (12 month ECL) | Corporate | 32.01 | 24.20% | 45.00% | 3.48 |
| | | Others | 29.71 | 24.20% | 65.00% | 4.67 |
| | Total | | 61.72 | | | 8.15 |

As at March 31, 2024

| Particulars | Risk rating | Lessor type | Exposure at default (₹ in million) | Probability of default | Loss given default | Expected credit loss (₹ in million) |
|------------------|---------------------------|-------------|---------------------------------------|------------------------|--------------------|--|
| Security Deposit | Stage 1 (12 month ECL) | Corporate | 25.83 | 26.92% | 45.00% | 3.13 |
| | | Others | 26.04 | 26.92% | 65.00% | 4.55 |
| | Total | | 51.87 | | | 7.68 |

Reconciliation of impairment allowance on security deposit

| Impairment allowance measured as per general approach | ₹ in million |
|---|--------------|
| Impairment allowance as at April 1, 2023 | 6.19 |
| Add/(less): changes during the year | 1.49 |
| Impairment allowance as at March 31, 2024 | 7.68 |
| Add/(less): changes during the year | 0.47 |
| Impairment allowance as at March 31, 2025 | 8.15 |

Cash and cash equivalents and bank deposits are held with only high rated banks/financial institutions, credit risk on them is, therefore, insignificant.

The Group's exposure to credit risk is limited to the carrying amount of the following assets recognised at the reporting date, as summarised below:

| | (₹ in million) | |
|--|-------------------------|-------------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Investments | 5,038.52 | 3,759.68 |
| Receivables | 179.00 | 252.04 |
| Cash and cash equivalents | 41.23 | 15.60 |
| Bank balances other than cash and cash equivalents above | 6.55 | 26.65 |
| Other financial assets | 90.08 | 80.86 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**35.3 Liquidity risk**

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. Prudent liquidity risk management implies maintaining sufficient cash and liquid investments. The Group believes that current cash and bank balances, bank deposits and investments in liquid investments are sufficient to meet liquidity requirements since Group has no external borrowings. Accordingly, liquidity risk is perceived to be low. The following table shows the maturity analysis of financial liabilities of the Group based on contractually agreed undiscounted cash flows as at the balance sheet date:

| (₹ in million) | | | | |
|-----------------------------|-------------|---------------------|---------------------|-----------------|
| As at March 31, 2025 | Note | Less than 12 months | More than 12 months | Total |
| Trade and other payables | 12A and 12B | 175.47 | - | 175.47 |
| Lease Liability | 9B | 124.18 | 307.29 | 431.47 |
| Other financial liabilities | 13 | 649.73 | - | 649.73 |
| Total | | 949.38 | 307.29 | 1,256.67 |

| (₹ in million) | | | | |
|-----------------------------|-------------|---------------------|---------------------|-----------------|
| As at March 31, 2024 | Note | Less than 12 months | More than 12 months | Total |
| Trade and other payables | 12A and 12B | 254.04 | - | 254.04 |
| Lease Liability | 9B | 96.90 | 326.70 | 423.60 |
| Other financial liabilities | 13 | 413.40 | - | 413.40 |
| Total | | 764.34 | 326.70 | 1,091.04 |

35.4 Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the value of a financial asset. The value of a financial asset may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments.

i) Interest rate risk:

Interest rate risk is where the Group is exposed to the risk that the fair value or future cash flows of its financial instruments will fluctuate as a result of changes in market interest rates.

The Group does not have any variable rate borrowings. There are some investments in fixed rate debt securities measured at fair value through profit or loss.

The Group is exposed to interest rate risk from investments held in debt oriented units of the schemes of the mutual fund it manages. The exposure of debt oriented fund units to interest rate risk is measured using the sensitivity analysis as follows:

Exposure

| (₹ in million) | | |
|--|-------------------------|-------------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Investment in mutual fund units (Debt) | 3,325.80 | 2,155.48 |

| (₹ in million) | | |
|--|-------------------------|-------------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Increase 100 basis points (bps) (previous year 100 bps)* | 24.45 | 18.15 |
| Decrease 100 basis points (bps) (previous year 100 bps)* | (24.45) | (18.15) |

*Group has investment in various debt oriented mutual funds which are tracked to different benchmarks. The sensitivity analysis for these investments is performed with reference to respective benchmarks. The analysis is based on the assumption of keeping all other variables constant.

ii) Foreign currency risk:

The Group does not have any foreign currency exposures in respect of financial assets and financial liabilities as at the balance sheet date that will result in net currency gains or losses in the Statement of Profit and Loss due to change in foreign currency exchange rates.

iii) Price risk:

Price risk is the risk that the financial assets at fair value may fluctuate as a result of changes in market prices.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

The Group is mainly exposed to price risk due to its investment in equity oriented mutual fund units, alternate investment fund units and equity instruments classified as fair value through profit and loss / fair value through other comprehensive income. Price risk arises due to uncertainties in the prices of the underlying securities in the schemes of the mutual fund which the Group manages, the alternate investment funds and venture capital funds. To manage its price risk arising from investments, the Group diversifies its portfolio. Diversification is done in accordance with the limits set by the risk management policies of the Group.

Exposure

| Particulars | (₹ in million) | |
|---|-------------------------|-------------------------|
| | As at March 31, 2025 | As at March 31, 2024 |
| Investment in mutual fund units (equity-oriented) | 1,082.49 | 850.46 |
| Investment in alternate investment fund units | 151.08 | 140.42 |
| Investment in equity instruments | 478.65 | 612.82 |
| Total | 1,712.22 | 1,603.70 |

Sensitivity
Investment in mutual fund units and alternate investment fund units

The table summarises the impact of the increase/decrease in NAV of mutual fund units and alternate investment fund units on the Group's equity and profit for the year.

| Particulars | (₹ in million) | |
|---|------------------------------|------------------------------|
| | Impact on profit after tax* | |
| | Year ended March 31, 2025 | Year ended March 31, 2024 |
| Investment in mutual fund units | | |
| - Increase 100 basis points (bps) (previous year 100 bps) | 7.62 | 5.85 |
| - Decrease 100 basis points (bps) (previous year 100 bps) | (7.62) | (5.85) |
| Investment in alternate investment fund units | | |
| - Increase 100 basis points (bps) (previous year 100 bps) | 1.55 | 1.09 |
| - Decrease 100 basis points (bps) (previous year 100 bps) | (1.55) | (1.09) |

*Group has investment in various equity oriented mutual funds and alternate investment funds which are tracked to different benchmarks. The sensitivity analysis for these investments is performed with reference to respective benchmarks.

The analysis is based on the assumption keeping all other variables constant.

Investment in equity instruments

The majority of the Group's investments in equity instruments is in Gandhar Oil Refinery (India) Ltd (GORL) and through Bandhan NEO Equity Portfolio (formerly known as IDFC NEO Equity Portfolio) which are publicly traded and are included in the BSE 200 Index. The table below summarises the impact of increase/decrease of the benchmark index on the Group's equity and profit for the year. The analysis is based on the assumption that the equity index had increased by 15% (previous year 15%) or decreased by 15% (previous year 15%) with all other variables held constant, and that all the Group's equity instruments moved in line with the benchmark index BSE 200.

| Particulars | (₹ in million) | |
|---------------------------------------|--|------------------------------|
| | Impact on profit after tax and equity* | |
| | Year ended March 31, 2025 | Year ended March 31, 2024 |
| BSE 200 | | |
| - Increase by 15% (previous year 15%) | 6.62 | 10.52 |
| - Decrease by 15% (previous year 15%) | (6.62) | (10.52) |

*The sensitivity analysis represents movement as at the March 31, 2025 and March 31, 2024 and does not represent movement during the year.

36 Employee share based payments
a) Employee stock option scheme (equity settled)

- I The Company has constituted the Bandhan AMC Limited Employee Stock Option Scheme, 2023 ("BAMC ESOS 2023") which grant options to eligible employees of the Company as decided by Nomination and Remuneration Committee (NRC). This ESOS – 2023 was formulated by NRC at its meeting held on July 27, 2023 and the same was approved by the Board of Directors on July 27, 2023 and subsequently by the Shareholders of the Company vide special resolution at their Extra-Ordinary General Meeting held on August 1, 2023.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

The options granted under BAMC ESOS - 2023 would vest essentially on passage of time in the following manner. The vesting of options would be a function of continued employment with the Company (vesting condition) and on achievement of performance criteria (performance condition) as specified by the NRC as communicated on grant of options. The options granted can be exercised within a maximum period of five years from the date of vesting.

| Date of vesting | Vesting options |
|---|----------------------------|
| 1 st Anniversary from the Grant Date | 34% of the Options Granted |
| 2 nd Anniversary from the Grant Date | 33% of the Options Granted |
| 3 rd Anniversary from the Grant Date | 33% of the Options Granted |

Options are granted under the plan for no consideration and carry no dividend or voting rights. When exercisable, each option is convertible into one equity share.

Summary of options granted under the plan:

| Particulars | Year ended March 31, 2025 | | Year ended March 31, 2024 | |
|--------------------------------|----------------------------|-------------------|----------------------------|-------------------|
| | Average exercise price (₹) | Number of options | Average exercise price (₹) | Number of options |
| Opening balance | 135.39 | 6,102,365 | - | - |
| Granted during the year | 135.39 | 3,399,481 | 135.39 | 6,221,102 |
| Exercised during the year | - | - | - | - |
| Forfeited during the year | 135.39 | (366,164) | 135.39 | (118,737) |
| Lapsed/expired during the year | - | - | - | - |
| Closing balance | 135.39 | 9,135,682 | 135.39 | 6,102,365 |
| Vested and exercisable | 135.39 | 950,702 | - | - |

There were no options that were exercised during the year ended March 31, 2025 and March 31, 2024.

Share options outstanding at the end of the year have the following expiry date and exercise prices:

| Grant date | Expiry date | | | Exercise price (₹) | Outstanding as at March 31, 2025 | Outstanding as at March 31, 2024 |
|---|-----------------|-----------------|-----------------|--------------------|----------------------------------|----------------------------------|
| | Vest 1 | Vest 2 | Vest 3 | | | |
| August 1, 2023 | August 1, 2029 | August 1, 2030 | August 1, 2031 | 135.39 | 5,674,911 | 5,906,448 |
| August 25, 2023 | August 25, 2029 | August 25, 2030 | August 25, 2031 | 135.39 | 17,811 | 41,558 |
| March 1, 2024 | March 1, 2030 | March 1, 2031 | March 1, 2032 | 135.39 | 106,864 | 154,359 |
| August 1, 2024 | August 1, 2030 | August 1, 2031 | August 1, 2032 | 135.39 | 3,336,096 | - |
| Total | | | | | 9,135,682 | 6,102,365 |
| Weighted average remaining contractual life of options outstanding at end of period | | | | | 6.69 | 7.83 |

i) Fair value of options granted

The fair value at grant date is determined using the Black Scholes Model/Monte Carlo Model which takes into account the exercise price, the term of the option, the share price at grant date, expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The options are granted for no consideration and will vest upon the completion of service condition and performance condition as specified in the scheme in a graded manner. Vested options are exercisable for a period of five years after vesting.

The model inputs for options granted during the year ended March 31, 2025 included:

| Assumptions | Year ended March 31, 2025 | Year ended March 31, 2024 |
|--|---------------------------|---------------------------|
| | Weighted Average | Weighted Average |
| Expected volatility | 32.51% | 34.14% |
| Expected dividends | 2.50% | 2.50% |
| Expected term (In years) | 3.83 | 4.66 |
| Risk free rate | 6.75% | 7.02% |
| Exercise price (₹) | 135.39 | 135.39 |
| Market price (₹) | 130.60 | 135.27 |
| Fair value of the option at grant date (₹) | 35.43 | 35.54 |

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**II) Cash Settled share based payment**

In the event of change of control of the Company during the previous year, the options granted were fully vested subject to the minimum time for vesting prescribed under the SEBI Regulations. For the outstanding options under the ESOS - 2020 scheme, the Company had, after applying the guidance under Ind AS 102, classified them as "Cash settled share based payments" in the consolidated financial statements. The fair value of the amount payable to employees was recognised as employee benefit expenses' with a corresponding increase in liabilities.

There are no share options outstanding at the year ended March 31, 2025 and March 31, 2024 that are required to be cash settled.

During the previous year, NRC at its meeting held on July 27, 2023 approved the closure of Employee Stock Option Scheme - 2020 ("ESOS 2020") and the same was approved by the Board of Directors on the same day.

b) Expense arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised in the Statement of Profit and Loss as part of employee benefit expense were as follows.

| | (₹ in million) | |
|---|------------------------------|------------------------------|
| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
| Employee stock option scheme (equity settled) | 109.29 | 61.52 |
| Employee stock option scheme (cash settled) | - | 7.84 |
| Total | 109.29 | 69.36 |

37 Related party transactions**a) Ultimate holding company**

Bandhan Financial Services Limited

b) Holding company

Bandhan Financial Holdings Limited

The list of related parties with whom transactions have taken place during the year:

c) Subsidiaries/Controlled Funds

Bandhan Investment Managers (Mauritius) Limited (formerly known as IDFC Investment Managers (Mauritius) Limited)

d) Fellow subsidiaries

Bandhan Mutual Fund Trustee Limited (formerly known as IDFC AMC Trustee Company Limited)

e) Entity forming part of the Promoter group

Bandhan Konnagar

f) Post employment benefits plan

Bandhan AMC Limited Employees Group Gratuity Scheme

g) Key management personnel

Mr. Vishal Kapoor - Chief Executive Officer

Mr. Karni Singh Arha - Associate Director*

Mr. Bhaskar Sen - Independent Director

Mr. Nitin Mittal - Independent Director

Mr. Atanu Sen - Associate Director

Mr. Ankit Singhal - Associate Director*

Ms. Nandini Dias - Independent Director (date of appointment: May 1, 2023)

Mr. S. Ravindran - Independent Director (date of appointment: December 1, 2023)

Mr. Akash Kedia - Nominee Director (date of appointment: February 23, 2024)*

Mr. Pankaj Sood - Associate Director (ceased to be Director with effect from February 23, 2024)*

Mr. G Mahalingam - Independent Director (ceased to be the Director with effect from December 1, 2023)

(₹ in million)

| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
|--|------------------------------|------------------------------|
| Key management personnel compensation | | |
| Short-term employee benefit | 63.69 | 128.66 |
| Long-term employee benefit | 4.37 | 4.45 |
| Total | 68.06 | 133.11 |
| Directors | | |
| Sitting Fees | 5.70 | 5.75 |
| Total | 5.70 | 5.75 |

*No transaction during the year

h) Transactions with related parties

(₹ in million)

| Particulars | Transactions | Year ended March 31, 2025 | Year ended March 31, 2024 |
|--|---------------------------------|------------------------------|------------------------------|
| Bandhan Financial Services Limited | Purchase of Domain | 0.22 | - |
| Bandhan Mutual Fund Trustee Limited (formerly known as IDFC AMC Trustee Company Limited) | Reimbursement of expenses | 0.50 | 0.10 |
| | Recovery of expenses | 1.17 | 1.02 |
| Bandhan Konnagar | Corporate Social Responsibility | 4.00 | 3.02 |
| Bandhan AMC Limited Employees Group Gratuity Scheme | Post employment benefits plan | Refer Note 26 | Refer Note 26 |

i) Outstanding balances

(₹ in million)

| Particulars | Balances | Year ended March 31, 2025 | Year ended March 31, 2024 |
|---|-------------------------------|------------------------------|------------------------------|
| Bandhan AMC Limited Employees Group Gratuity Scheme | Post employment benefits plan | Refer Note 26 | Refer Note 26 |

- j) The Ultimate Holding company, Bandhan Financial Services Limited, is a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India ("RBI"), which is required to obtain Certificate of Registration from the RBI. It has obtained such registration and it continues to fulfil the criteria of a CIC.

38 Investment in unconsolidated structured entities

The Group acts as the fund manager for Bandhan Mutual Fund (formerly known as IDFC Mutual Fund), and through its capacity as a manager, has a active involvement in decision-making over the fund's operations and activities. However, fund managers are subject to substantial restrictions under local laws and regulations including regulator's and trustees' oversight. The Group considers its decision making powers as a fund manager to be held in an 'agent' capacity. The accounting framework provides guidance to apply the agency concept only while assessing whether the fund is a subsidiary of the fund manager. Ind AS 28 does not provide guidance on how to apply the agency concept, while assessing significant influence. Accordingly, the Group assesses significant influence over managed funds by considering rights, restrictions etc., as required by IND AS 28, but excluding decision-making powers held in its capacity as an 'agent' from such assessment, depending on facts and circumstances of each case.

The Group invested in the below mentioned fund to comply with the then applicable SEBI Mutual Fund Regulations [Reg 28(4)], where in the sponsor or asset management company was required to invest not less than one percent of the amount raised in the new fund offer or fifty lakh rupees, whichever is less. Further, para 6.9.4 of SEBI Master Circular for Mutual Funds dated May 19, 2023, mandated that the investment made under the erstwhile Regulation 28(4) shall not be withdrawn.

Accordingly, it is assessed that there is no significant influence exercised by the Group as per IND AS 28 over the below mentioned fund that it manages.

The following table shows the income and carrying amount of the Group's recorded interest in the structured entities as well as the maximum exposure to risk due to these exposures in the unconsolidated structured entities and asset management activities.

(₹ in million)

| Particulars | Asset Under Management of the scheme | |
|--|--------------------------------------|----------------------|
| | As at March 31, 2025 | As at March 31, 2024 |
| Financial instruments classified as FVTPL | | |
| Bandhan S&P BSE Sensex ETF | 11.70 | 11.05 |

BANDHAN AMC LIMITED (formerly known as IDFC Asset Management Company Limited)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

The following table sets out an analysis of the carrying amount of interests held by the Group in unconsolidated structured entities. The maximum exposure to loss is the carrying amount of the assets held.

| (₹ in million) | | |
|--|----------------------|----------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Investment in Bandhan S&P BSE Sensex ETF | 3.11 | 2.94 |
| Management fees receivable | 0.01 | # |
| Total | 3.12 | 2.94 |

#The amount is below rounding off norms adopted by the Group.

The investment held by the Group is in an Exchange Traded Fund (ETF) scheme which replicates the S&P BSE Sensex index which does not involve active portfolio management.

39 Interest in other entities
a) Subsidiaries

The Group's subsidiaries at March 31, 2025 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group.

| Name of entity | Principal activities | Place of incorporation and principle business | Ownership interest held by Group (%) | | Ownership interest held by non-controlling interests (%) | |
|--|---------------------------|---|--------------------------------------|---------------------------|--|---------------------------|
| | | | Year ended March 31, 2025 | Year ended March 31, 2024 | Year ended March 31, 2025 | Year ended March 31, 2024 |
| Bandhan Investment Managers (Mauritius) Limited (formerly known as IDFC Investment Managers (Mauritius) Limited) | Asset management services | Mauritius | 100% | 100% | - | - |

40 Disclosure of additional information pertaining to the parent, subsidiary and joint venture companies as per Schedule III of the Companies Act, 2013 as on March 31, 2025

| Name of the entity in the group | Net Assets, i.e., total assets minus total liabilities | | Share in profit and loss | | Share in other comprehensive income | | Share in total comprehensive income | |
|--|--|-----------------|-------------------------------------|-----------------|---|----------------|---|-----------------|
| | As % of consolidated net assets | (₹ in million) | As % of consolidated profit or Loss | (₹ in million) | As % of consolidated other comprehensive Income | (₹ in million) | As % of consolidated total comprehensive income | (₹ in million) |
| | | | | | | | | |
| Parent company | | | | | | | | |
| Bandhan AMC Limited | 100.00 | 4,677.99 | 100.02 | 1,083.17 | 100.00 | (17.99) | 100.02 | 1,065.18 |
| Foreign subsidiary companies | | | | | | | | |
| Bandhan Investment Managers (Mauritius) Limited (formerly known as IDFC Investment Managers (Mauritius) Limited) | 0.15 | 7.30 | (0.56) | (6.03) | - | - | (0.57) | (6.03) |
| Total (A) | 100.15 | 4,685.29 | 99.46 | 1,077.14 | 100.00 | (17.99) | 99.45 | 1,059.15 |
| Adjustment arising out of consolidation | | | | | | | | |
| Intercompany Eliminations | (0.15) | (7.17) | 0.54 | 5.82 | - | - | 0.55 | 5.82 |
| Total (B) | (0.15) | (7.17) | 0.54 | 5.82 | - | - | 0.55 | 5.82 |
| Total (A) + (B) | 100.00 | 4,678.12 | 100.00 | 1,082.96 | 100.00 | (17.99) | 100.00 | 1,064.97 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**41 Additional regulatory information required by Schedule III****i) Details of benami property held**

No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

ii) Borrowing secured against current assets

The Group does not have any borrowings from banks and financial institutions on the basis of security of current assets.

iii) Wilful defaulter

The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

iv) Relationship with struck off companies

The Group has not entered into any transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956 other than those stated below:

| Name of the struck off Company | Nature of transactions with struck-off Company | Relationship with the struck off company | Balance outstanding as at March 31, 2025 | Balance outstanding as at March 31, 2024 |
|--------------------------------|--|--|--|--|
| Nil | | | | |

v) Compliance with number of layers of companies

The Group has complied with the number of layers prescribed under the Companies Act, 2013.

vi) Compliance with approved scheme(s) of arrangements

The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

vii) Utilisation of borrowed funds and share premium

a) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
- ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

b) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall:

- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- ii) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that is required to be recorded in the books of account.

ix) Details of crypto currency or virtual currency

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

x) Valuation of PP&E, intangible asset and investment property

The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

xi) The Group does not hold any immovable properties (other than properties where the group is the lessee and the lease agreements are duly executed in favour of the lessee).

xii) There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

xiii) There are no borrowings obtained by the Group from banks and financial institutions

BANDHAN AMC LIMITED *(formerly known as IDFC Asset Management Company Limited)*
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

42 The Holding Company uses an accounting software for maintaining its books of account that has a feature of recording audit trail as required under rule 3(1) of the Companies (Accounts) Rules 2014. The Holding Company has established and maintained an adequate internal control framework on the consolidated financial statements as on March 31, 2025.

| | | | |
|--|--|---|---|
| For Price Waterhouse & Co Chartered Accountants LLP Firm Registration No. 304026E/E-300009 | | For and on behalf of the Board of Directors of Bandhan AMC Limited (formerly known as IDFC Asset Management Company Limited) CIN No.U65993MH1999PLC123191 | |
| Ketan Asher Partner Membership Number: 113522 | | Bhaskar Sen Director DIN: Place: Mumbai Date: May 13, 2025 | Karni Singh Arha Director DIN: Place: Mumbai Date: May 13, 2025 |
| | | Nirav Sanghavi Company Secretary Place: Mumbai Date: May 13, 2025 | Ankur Maheshwari Chief Financial Officer Place: Mumbai Date: May 13, 2025 |
| Place: Mumbai Date: May 13, 2025 | | | Vishal Kapoor Chief Executive Officer Place: Mumbai Date: May 13, 2025 |

Mutual Funds

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Alternative Investment Funds

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