

PNY SABHA FINANCE LIMITED

CIN: U65910KL1995PLC009493

Reg. Office: 7/276A, PeringottukaraNamboothiriYogakshema Sabha Building, Anthikad, Thrissur – 680 641

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“DIRECTORS’ REPORT” FOR THE FINANCIAL YEAR 2025-26

**To
The Members,**

Your Directors have pleasure in presenting the **31st Annual Report** of our company together with the Audited Financial Statements for the financial year ended **31st March, 2026**.

The Board is pleased to report that the Company continued its journey of operational improvement, financial discipline and sustainable growth during the year under review. Despite a dynamic business environment and increasing competition in the financial services sector, the Company has demonstrated resilience, strengthened its business fundamentals and achieved encouraging financial and operational performance.

The Directors are happy to inform the members that the Company has returned to profitability after a prolonged period, reflecting the success of the strategic initiatives undertaken by the management. During the year, the Company also strengthened its capital base through the issue of Compulsorily Convertible Preference Shares (CCPS), laying a solid foundation for future expansion and long-term value creation.

The Board remains committed to maintaining the highest standards of corporate governance, transparency, regulatory compliance and ethical business practices. With the continued confidence of shareholders, customers, bankers, regulators and employees, the Company is well positioned to achieve sustained growth and create enduring value for all stakeholders.

FINANCIAL HIGHLIGHTS

The financial performance of the Company for the year ended **31st March, 2026** is summarised below:

Particulars	FY 2025-26 (Amount in lakhs)	FY 2024-25 (Amount in lakhs)
Total Income	2950.97	2876.67
Profit / Loss Before Tax	191.76	(51.44)
Profit /Loss After Tax	62.92	(77.93)
Assets Under Management (AUM)	15241.00	14526.00
Net Worth	1985.73	1692.18
Paid-Up Share Capital	5720.22	5489.59

The Board is pleased to note that the Company's operational efficiency has improved significantly during the year, resulting in better profitability and stronger financial performance.

STATE OF THE COMPANY'S AFFAIRS

The financial year 2025-26 has been a significant milestone in the Company's journey towards sustainable growth and financial stability.

During the year under review, the Company focused on strengthening its core lending operations, improving portfolio quality, enhancing customer service standards and maintaining strict financial discipline. These strategic initiatives resulted in steady growth in the loan portfolio and a marked improvement in profitability.

The Company's Assets under Management (AUM) increased from 14526.00 lakhs to 15241.00lakhs, reflecting the confidence reposed by customers and the continued efforts of the management team. The Company also reported a profit before tax ₹191.76 from (₹51.44) lakhs, markingits return to profitability after several years.

The Board is encouraged by these positive developments and believes that the Company has entered a new phase of sustainable and profitable growth.

OPERATIONAL PERFORMANCE

During the year, the Company continued to strengthen its operational framework with emphasis on:

- Responsible and prudent lending practices.
- Improvement in credit appraisal systems.
- Effective recovery and monitoring mechanisms.
- Better asset quality management.
- Strengthening customer relationship management.
- Adoption of technology-driven operational processes.
- Improvement in internal controls and compliance systems.
- Cost optimisation and operational efficiency.

The management continues to focus on balanced business growth while maintaining high standards of risk management and regulatory compliance.

SHARE CAPITAL

During the year, the Company has /has not made any alteration in its equity share capital except as disclosed in the financial statements.

ISSUE OF COMPULSORILY CONVERTIBLE PREFERENCE SHARES (CCPS)

With a view to strengthening the Company's capital base and supporting future business expansion, the Board approved the issue of **Compulsorily Convertible Preference Shares (CCPS)** in accordance with the provisions of the Companies Act, 2013 and other applicable laws. And have taken consent at the extra ordinary general meeting of the company held on March 20, 2026 to the board of Directors of the company to approve ,offer ,issue and allot ,in one or more tranches up to 1,00,00,000 (One Crore) 9% compulsory convertible preference shares (CCPS) of 10 each aggregating to RS 10 Crore on private placement basis during the financial years 2025-26 and 2026- 27

The capital raising programme has received encouraging response from investors and the process of mobilisation of funds is progressing satisfactorily. The additional capital will improve the Company's capital adequacy, support business expansion, enhance lending capacity and create long-term value for shareholders.

DIVIDEND

Considering the need to conserve financial resources for future business expansion and capital strengthening, your Directors have not recommended any dividend for the financial year ended 31st March, 2026.

The Board believes that retaining profits at this stage will support the Company's long-term growth strategy and enhance shareholder value.

TRANSFER TO RESERVES

The company has transferred a sum of RS 62.92 lakh to amount to its reserve during the year of report.

MATERIAL CHANGES AND COMMITMENTS

There have been no material changes or commitments affecting the financial position of the Company between the end of the financial year and the date of this Report, except those specifically disclosed elsewhere in the Annual Report.

FUTURE OUTLOOK

The Directors remain optimistic about the Company's future prospects.

The strategic priorities for the coming years include:

- Expansion of the loan portfolio with emphasis on quality assets.
- Strengthening profitability through disciplined growth.

- Further improvement in operational efficiency.
- Expansions of customer reach through technology-enabled services.
- Continued strengthening of the Company's capital base.
- Enhancement of shareholder value through sustainable business growth.
- Preparation for the proposed SME Listing during the financial year 2028-29, subject to statutory and regulatory approvals and favourable market conditions.

The Board is confident that these initiatives will position the Company for accelerated growth and enable it to emerge as a stronger and more competitive financial institution.

MANAGEMENT DISCUSSION – OVERVIEW

The Indian economy continues to demonstrate resilience, supported by stable macroeconomic fundamentals, increased digitalisation and expanding financial inclusion. The NBFC sector continues to play a critical role in providing credit to underserved segments of the economy.

Your Company remains committed to leveraging these opportunities through prudent lending practices, customer-centric products, sound risk management and robust governance standards.

The Directors are confident that the Company's strategic direction, experienced leadership and committed workforce will enable it to deliver sustainable value to all stakeholders in the years ahead.

Furthermore, we have been able to recover a sum of Rs 225.33 lakhs during the year 2025-26 out of the total NPA of Rs 2801.77 lakhs. As on date the NPA stands reduced to 2576.44.lakhs. We are anticipating a further collection of Rs 400.00 lakhs during the remaining period of this year, and we expect a minimum collection of Rs 600.00lakhs from NPA during the next financial year. We are highly confident of achieving the RBI Guidelines of achieving the target of Rs10.00 CroresNOF by 31/03/2027

All these NPA amount collected together with the amount of proposed preferential shares issue will be directly inducted in to the working capital which will further increase the company's net owned fund and meet the working capital requirement, and will strengthen the company's financials and improve profitability

The Board of Directors has initiated adequate measures to curb the expenses and enhance profitability of the company. The Board expects better prospects in the coming years and is confident in achieving better targets and attain good profitability. Backed by a robust standing and resistant spirit we face the future with determination sensitivity and responsiveness to the market and customers need for high quality services. We establish long term relationship with our customers. Our intellectual honesty with all we deal, makes us confident and will achieve very high volume of business in both quality and quantity and will achieve profitability and will service our shareholders and all other stake holders in the years to come

Change in nature of business:

During the year of report there was no change in the nature of business of the company.

Changes in Share Capital:

The total authorized share capital of the company has remained unchanged during the year. The issued, subscribed and paid up share capital of the company has increased from ₹ 50,13,85,910/- as on FY ended 31.03.2024 to ₹ 54,89,59,410/- as on FY ended 31.03.2025. Company has been able to induct fresh equity capital to the tune of 47573500.00 as a part of our strategic approach to make our company fundamentally strong and achieve higher efficiency and profitability.

Company has bifurcated the Authorised capital of 75000000. Equity shares of 10 .00 each to 65000000 equity shares of 10.00 each totalling 650000000 and 10000000 convertible preference shares of 10 each amounting to 100000000. This will help the company to issue convertible preference shares to the tune of Rs 10 Crore which will induct fresh capital to the business and further strengthen the financial stability of the company a golden path to a better tomorrow.

CAPITAL REDUCTION

Company is seriously thinking of capital reduction of the company by writing off the existing NPA Amount. Capital reduction offers benefits like eliminating accumulated losses which strengthen the company's financial position and improves financial ratios. It can provide funds for restructuring and create a more efficient and balanced capital structure and can lead to increased investor confidence, better ability to pay future dividends and a more effective investment profile.

Issue of Equity Shares with Differential Rights/Employee Stock Options/Sweat Equity Shares:

The company has not issued any shares with differential rights or shares under an employee stock option scheme or sweat equity shares during the year.

Particulars of Loan, Guarantees and Investments under Section 186:

The company has not given any loan or guarantee or provided any security or made investments pursuant to section 186 of the Companies Act, 2013 during the year of report.

Composition of the Board:

The Board of directors of the company comprises of Nine (9) directors as on 31.03.2026. Their names, designation, date of appointment and the number of board meetings attended by each of them are given below:

SL NO	NAME OF DIRECTOR	DESIGNATION	DATE OF APPOINTMENT	NO.OF BOARD MEETINGS ATTENDED
1	Divakaran Pazhangaparambu Unnikrishnan	Chairman	28.06.2007	11 out of 11
2	Predeep Mankore Sankaran	Managing Director	28.06.2007	11 out of 11
3	Sandeep Paikkattu Neelakandan	Director	13.08.2011	10 out of 11
4	Raman Namboothiri. P.R	Director	13.08.2011	11 out of 11
5	Kesavan Mankore Subramanian	Director	22.10.2016	11 out of 11
6	N.D. Unnikrishnan	Director	22.09.2017	6 out of 11
7	P.K.N. Namboothiri	Director	22.09.2017	10 out of 11
8	Sajith V Namboothiripad (Appointed as on 21.03.2026)	Additional director (Independent)	21.03.2026	0 out of 1
9	M.Vasudevan (retired on 21.03.2026 and appointed as additional Director)	Additional director (Independent)	14.07.2020	11 out of 11
10	Brahmadathan. K.B (Retired on 21.03.2026)	Independent Director	20.09.2015	10 out of 11

Board Meetings:

During the Financial Year 2025-2026 Eleven (11) meetings of the Board of directors of the company were held. Board meeting dates and the attendance of directors are given below:

SL NO	Date Of Meeting	Board Strength	No. Of Directors Present
1	10.05.2025	10	7
2	02.06.2025	10	9
3	28.06.2025	10	8
4	31.07.2025	10	8
5	03.09.2025	10	9
6	19.11.2025	9	9
7	26.12.2025	9	8
8	31.12.2025	9	9
9	19.02.2026	9	9
10	21.03.2026	9	8
11	30.03.2026	9	7

Particulars of Contract or Arrangements with Related Parties:

The company has provided remuneration to its directors during the year for carrying out day to day functions related to the management of the company. The company has been using the land owned by Peringottukara Namboothiri Yogakshema Sabha for its business activities and for which the company has been paying rent over a period of time. PNY Sabha Finance Ltd. has been acting as collection agents for private companies under the same management, PNYS Chit Funds Kerala Pvt. Ltd. and PNYS Securities India Pvt. Ltd. and for the above service rendered; the company has received commission during the year. Particulars of related party transactions pursuant to section 188 of the Companies Act, 2013, are included in Form AOC – 2 enclosed with this report.

Explanation to Auditor's Remarks:

In respect of the comments mentioned under the head 'Qualified Opinion' of Annexure B to the independent auditors' report regarding carrying value of immovable properties acquired in satisfaction of debts .we state that :-

- a. Regarding the observation of the financial statement, this describes that the company has acquired two properties in satisfaction of debts. The company has recorded the acquired land at 136.62 lakhs and 58.00 lakhs as per the approved values report. The recorded value will be revised in the books as and when the execution petition is finalised. The execution petition filed by us still pending we are confident that the value when realised will be much higher than what we have recorded already.
- b. With respect to the opinion 1, NPA the company has successfully developed and implemented and installed the new ERP software and success fully started working. However incorporation of very old data's related to the NPA to the new data is still pending. As such we shall have to resort to the manual calculations for that period .Efforts are still going on to merge the old data to the new ERP System which we hope will be completed very soon. However the accuracy of NPA related calculations are not effected with this manual calculations
- c. The valuation of the primary and collateral securities such as property and vehicles offered against the loans. we have valued it in a conservative way and has always given more stress on realisable value of the assets .As such we expect no much deviation when the value is finally realised.
- d. The leverage ratio was 45.69 times on 31/03/2025. Despite various financial constraints we were able to reduce it to 22.40 as on 31/03/2026. We are still striving to improve it further and with the expected profit generation during the current financial year, CCPS collection and anticipated NPA receipts, we will improve it further.

Conservation of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo:

Considering the nature of business of the company no comment is required on conservation of energy and technology absorption.

There has not been any foreign exchange earnings or outgo during the financial year.

Material Changes Affecting the Financial Position of the Company:

No material changes and commitments affecting the financial position of the company have occurred between the end of the financial year and the date of the report.

Details of Subsidiary, Joint Venture or Associates:

No other company had become a Subsidiary, Joint Venture or Associate of the company or ceased to be so during the year.

Risk Management Policy:

The company has taken measures to formulate a policy for the effective management of risks faced by the company.

Details of significant & material orders passed by the regulators or courts or tribunal:

The regulators or courts or tribunals had not passed any significant and material orders during the year which impacted the going concern status of the company or the companies of future operations.

Adequacy of Internal Financial Control with Reference to the Financial Statements:

The company has an effective and adequate financial control system commensurate with its size and operations. The Board has adopted policies and procedures to ensure the orderly and efficient conduct of its business, safeguarding of its assets, the prevention and detection of frauds and errors and the accuracy and completeness of accounting records.

Company has an effective internal audit system which helps the company better asset protection enhanced efficiency and regulatory compliance. It is worth to note that company has a permanent internal auditor who regularly conducts the internal audit very effectively and report to the management and further such audit reports are reviewed by the audit committee and board and if required remedial/improvement measures are being taken instantly. We are further enhancing the scope of internal audit and will execute further measures in this area.

Deposits:

The company has not accepted any deposits covered under the provisions of the Companies Act, 2013, and also there are no outstanding deposits as at the end of the financial year.

Commission:

The company has not provided any commission to its MD/WTM and hence the provisions relating to disclosure as required under section 197(14) of the Companies Act, 2013 are not applicable.

Corporate Governance:

Details of remuneration provided to directors during the year as required under Schedule V of the Companies Act, 2013 are as follows:

Sl No	Directors	Remuneration (₹)
1	M S Predeep	4,09,000
2	P N Sandeep	5,82,602
3	M S Kesavan	3,62,000

Independent Director:

The independent directors have provided to the Board the declaration as required under section 149(7) of the Companies Act, 2013 regarding the criteria of independence laid down in section 149(6) of the Companies Act, 2013.

During the year Mr. K.B. Brahmadathan (Din No: 06701347) and Mr. M. Vasudevan (DIN: 08812262) retired on 21/03 /2026 as their five year term have expired and Mr. Sajith V Nambooripad (DIN: 02506401) and Mr. Vasudevan (DIN: 08812262) were appointed as additional directors (independent) with effect from 21st March, 2026, to hold office up to the date of the ensuing Annual General Meeting."

Rejuvenation and Strengthening of Board Committees

As part of the Company's continuing commitment to sound corporate governance, transparency and effective oversight, the Company has undertaken a comprehensive rejuvenation of its various Board-level Committees.

The Committees have been strengthened with appropriate composition, clearly defined responsibilities and greater focus on active participation, review and monitoring. The rejuvenated Committee structure is expected to facilitate more focused deliberations, faster decision-making, enhanced accountability and better supervision of key areas of the Company's operations.

The strengthened Committees will provide greater emphasis on risk management, regulatory compliance, financial oversight, internal controls, stakeholder interests and operational effectiveness. Regular meetings, structured agendas and closer follow-up of Committee recommendations will further improve the quality of governance and ensure that important matters receive adequate attention at the appropriate level.

The Company believes that an effective Committee mechanism will complement the functioning of the Board and contribute significantly towards sustainable growth, prudent decision-making and long-term value creation for all stakeholders.

Audit Committee:

The audit committee consists of Sri. M Vasudevan (Chairman), Sri. K B Brahmadathan and Sri. P U Divakaran as its members. On 21-03-2026 Sri. Brahmadathan retired and the committee was reconstituted and the members now are Sri. Vasudevan (chairman) Sri. Sajith V Nambooiripad and Sri. P. U Divakaran as members.

During the FY 2025-26, five (05) meetings of the audit committee were held on 20/05/2025, 27/05/2025, 01/09/2025, 05/12/2025 and 30/03/2026 respectively. The meetings were attended by all the members of the committee.

During the year there were no cases of non-acceptance of recommendations of the audit committee by the Board of directors Pursuant to the provisions of Section 178 of the Companies Act, 2013, and the rules made thereunder,

The Company has constituted a Nomination and Remuneration Committee

Nomination and Remuneration Committee

The nomination and remuneration committee consists of Sri. K B Brahmadathan (Chairman), Sri. M Vasudevan and Sri. P U Divakaran as its members. The committee was reconstituted on 21/03/2026 and the members are Mr Sajith V Nambooiripad (chairman), Mr M Vasudevan and Mr P. U Divakaran

During the FY 2025-26, One (01) meeting of the nomination and remuneration committee were held on 27/08/2025. The meetings were attended by all the members of the committee.

The committee mainly deals with matters relating to the size and composition of the Board, succession plans, evaluation of performance, Board diversity and remuneration framework and policies thereon. The committee is in the process of formulating detailed criteria relating to the determination of qualifications, positive attributes and independence of directors and recommendation of candidates to the Board as well as a policy relating to remuneration of directors, key managerial personnel and other employees.

Asset liability Management committee:

The Asset Liability Management committee consists of Sri. K B Brahmadathan (Chairman), Sri. M.S Predeep, Sri. P N Sandeep and Mrs Ambika N Nair as its members. The committee was reconstituted on 21/03/2026 and the members are Sri. Sajith V Nambooiripad (Chairman), Sri. M.S Predeep, Sri. P N Sandeep and Mrs Ambika N Nair

During the FY 2025-26, One (01) meeting of the Asset Liability Management committee was held on 20/08/2025. The meetings were attended by all the members of the committee

IT Strategy and Information Security Committee

The IT Strategy and Information Security Committee consists of Sri. P. N SANDEEP (Chairman), Sri. M.S Predeep, Sri. Ananad and Mrs Shiji vidyalal as its members. A meeting was held on 20/08/2025

Stakeholder's relationship committee

The stake holder's relationship committee consists of Sri. M.S Predeep (Chairman), Sri. M S Kesavan, Sri. P N Sandeep, Mr P. U Divakaran and Mrs Ambika N Nair as its members. A meeting was held on 27/08/2025

Woman grievance Redressal cell

This committee consists of Mrs Beena Ram Kumar, Mrs Ushakumari, and Mrs Ambika N Nair. A Meeting of This Committee Was Held On 30/12/2025

Explanation to secretarial Audit Report

1. Company has taken due care to comply the provisions of section 62 of the companies Act regarding the right issues.
2. A whole time company secretary as required under section 203 of the companies Act 2013 has already been appointed
3. The independent Directors are well qualified and will be getting exemption from the proficiency self-assessment test. However the process will be completed very soon.
4. We have published the notice of AGM in both vernacular and English newspapers.
5. We shall file the unclaimed and unpaid amounts in form IEPF-2 in respect of unclaimed matured debentures.
6. Company re-appointed Mr Predeep Mankore Sankaran (DIN NO 00323900) as Managing Director for a further period of two years.
7. Regarding the leverage ratio it was 45.69 times on 31/03/2025. Despite various difficulties we were able to reduce it to 22.40 as on 31/03/2026. We are still striving to improve it further and with the expected profit during the current financial year, CCPS collection ,and anticipated NPA receipts we are confident reduce it further.

The provisions of the Companies Act, 2013 and the rules framed there under relating secretarial audit report are applicable to the company.

Corporate Social Responsibility (CSR) Policy:

The provisions of the Companies Act, 2013 and the rules made there under relating to Corporate Social Responsibility are not applicable to the company.

Annual Evaluation:

The Board evaluated the effectiveness of its functioning and that of the Committees and of individual directors by seeking their inputs on various aspects of governance. The main aspects of evaluation included the contribution to governance, participation in planning and fulfilment of obligations and responsibilities.

Vigil Mechanism:

The company has established a vigil mechanism for the directors and employees of the company to report their genuine concerns or grievances as per section 177 of the Companies Act, 2013. The audit committee of the Board shall deal with the grievances raised under the vigil mechanism. The company had not received any complaints/grievances during the year under report.

Internal Complaints Committee:

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 [14 of 2013].

Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013:

The company has not received any complaints during the financial year.

Disclosure u/s 143(12):

The auditors of the company have not reported any fraud pursuant to section 143(12) of the Companies Act, 2013.

Statutory Auditors:

Company has appointed with the AGM approval, statutory auditor's M/S NSSRAND ASSOCIATES Chartered Accountants (Reg no 028594) who will hold the office for a term of five years i.e. from the conclusion of the 30TH

Annual General meeting of the company till 35th Annual General meeting at such remuneration as may be approved by the audit committee/board of directors of the company

Cost Auditors:

The company is not required to appoint a Cost Auditor pursuant to the provisions of the Companies Act, 2013.

Cost Records:

The company is not required to maintain cost records pursuant to Section 148(1) of the Companies Act, 2013.

Directors Responsibility Statement:

In accordance with the provisions of Section 134(5) of the Companies Act 2013, your directors confirm that:

- a. In the preparation of the annual accounts for the financial year ended 31st March 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 31st March, 2025 and of the loss 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 Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. The directors had prepared the annual accounts on a going concern basis;
- e. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Annual Return:

Pursuant to section 92(3) read with Section 134(3)(a) the Annual Return is available on the company's website www.pnysabha.com

Compliance with the secretarial standards:

The Company has complied with the Secretarial Standards specified by the Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs under Section 118(10) of the Companies Act, 2013.

Our five year vision

To grow From a Trusted Lending Institution to a Diversified Financial Services Group

With a legacy spanning more than decades, the Company has established a strong foundation in **Gold Loans and Trade Finance**, built on customer trust, disciplined lending practices, prudent risk management and a deep understanding of the financial requirements of individuals, traders and small businesses.

The next phase of our journey is to build upon this heritage and progressively transform the Company into a **diversified, technology-driven and customer-centric financial services institution**.

Our five-year vision is to expand selectively into complementary businesses, strengthen our existing lending franchise and create multiple engines of sustainable growth, while maintaining the highest standards of governance, regulatory compliance and asset quality.

1. Strengthening the Core – Gold Loan and Secured Lending

Gold Loans will continue to remain one of the Company's principal areas of strength.

We intend to strengthen this business through:

- Wider geographical presence;
- Technology-enabled loan processing and servicing;
- Faster and more convenient customer service;
- Improved collection and recovery systems;
- Stronger risk-management practices; and
- Greater use of data and analytics for responsible lending.

The objective is to make the Company's Gold Loan franchise **stronger, more efficient and more scalable**.

2. Expanding the MSME and Business Finance Franchise

The Company proposes to progressively increase its presence in **MSME, Trade Finance, Working Capital and Business Loans**.

Our extensive experience with traders and small businesses provides a natural platform for this expansion.

We aim to become a dependable financial partner for entrepreneurs by providing appropriately structured and secured credit solutions based on genuine business requirements and repayment capacity.

3. Building a Wider Secured Finance Platform

Subject to applicable regulatory requirements, the Company may explore additional secured lending opportunities, including:

- Loan Against Property;
- Commercial Vehicle and Equipment Finance;
- Small Business and Entrepreneurial Finance;
- Supply Chain and Trade-related Finance; and
- Other secured credit products compatible with the Company's risk appetite.

The guiding principle will remain “**responsible growth with controlled risk**.”

4. Digital Transformation

Technology will be a major pillar of the Company's next phase of growth.

The Company intends to progressively develop digital capabilities covering:

Customer acquisition → Credit assessment → Documentation → Disbursement → Servicing → Collections → Customer engagement

The objective is to combine the Company's traditional strength of personal customer relationships with the **speed, convenience and scalability of digital financial services**.

5. Financial Advisory and Financial Services

As the Company expands its financial-services ecosystem, it may also explore opportunities in **financial advisory and related services**, subject to the applicable RBI, SEBI and other regulatory requirements.

Potential areas may include financial planning, business-finance advisory, capital-raising assistance, corporate financial advisory and other permitted advisory activities.

Where any activity requires specific registration, licence or regulatory approval, the Company will undertake such activity only after obtaining the necessary approvals and establishing appropriate compliance and governance mechanisms.

The intention is to evolve from being only a provider of credit to becoming a **trusted financial partner** for customers and businesses.

6. Financial Inclusion and Rural Outreach

With a strong presence and experience in secured lending, the Company is well positioned to participate in the continuing growth of India's semi-urban and rural financial ecosystem.

The Company intends to expand responsibly into underserved markets by providing simple, transparent and accessible financial solutions to individuals, traders, small entrepreneurs and MSMEs.

7. A Technology-Enabled MSME Ecosystem

Over the medium term, the Company aims to create an integrated ecosystem for small businesses covering:

Credit + Working Capital + Trade Finance + Financial Guidance + Digital Services

This will enable the Company to develop deeper and longer-term relationships with customers rather than limiting its relationship to a single loan product.

8. Strong Governance and Risk Management

Growth will never be pursued at the cost of prudence.

The Company will continue to strengthen:

- Corporate governance;
- Regulatory compliance;
- Credit appraisal systems;
- Internal controls;
- Asset-quality monitoring;
- NPA prevention and recovery mechanisms;
- Cybersecurity and data protection; and
- Professional risk management.

Every new business activity will be evaluated with reference to **regulatory permissibility, capital requirements, profitability, customer need, operational capability and risk-adjusted returns**.

OUR FIVE-YEAR ASPIRATION

Over the next five years, the Company aspires to evolve through the following journey:

FROM

Gold Loans and Trade Finance

TO

Gold Loans + MSME Finance + Business Finance + Secured Lending + Digital Financial Services + Permitted Financial Advisory Services

WITH

Strong Governance + Technology + Risk Management + Customer Trust

Our Guiding Philosophy

The Company does not intend to grow merely in size. We intend to grow in **quality, capability, reach and relevance**.

Our four-decade legacy gives us the foundation. Technology gives us scalability. Professional management gives us capability. Strong governance gives us confidence. And customer trust gives us the opportunity to build for the future.

“Decades of trust. The next five years of transformation.

”Our ultimate objective is to emerge as a **trusted, diversified and technology-enabled financial services institution**, creating sustainable value for customers, employees, shareholders and all stakeholders while preserving the principles on which the Company was built.

Acknowledgment:

We are grateful for the steadfast support of both state and central Government of India and the Ministry of corporate affairs, RBI, NSDL CDSL, DHANLAKSHMI BANK, SOUTH INDIAN BANK for their timely help and advises. We also extend our sincere gratitude to our employees, customers and stake holders, regulatory bodies and the valued shareholders. We also thank our auditor’s M/s NSSR AND ASSOCIATES & CO AND M VASUDEVAN PRACTICING CO SECRETARY for the innumerable and timely services. Together, let us continue to build an enterprise that paves the way for a brighter tomorrow

For and on behalf of the Board of Directors

Place: Anthikad
Date : 04.09.2026

Sd/-	Sd/-
M S Predeep	P U Divakaran
(DIN:00323900)	(DIN:01608147)

From 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 by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

Sl. No.	Particulars	Details
a.	Name(s) of the related party and nature of relationship	Nil
b.	Nature of contracts/ arrangements/ transactions	Nil
c.	Duration of the contracts / arrangements/ transactions	Nil
d.	Salient terms of the contracts or arrangements or transactions including the value, if any	Nil
e.	Justification for entering into such contracts or arrangements or transactions	Nil
f.	Date(s) of approval by the Board	Nil
g.	Amount paid as advances, if any:	Nil
h.	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Nil

2. Details of material contracts or arrangements or transactions on an arm's length basis

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangement s/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval, if any:	Amount paid as advance s, if any:
M S Predeep	Remuneration to managing director	Ongoing	409000.00	29.12.2021	Nil
P N Sandeep	Remuneration to directors appointed in office or place of profit		5,82602.00	01.03.2008	Nil
M S Kesavan			3,62,000.00	01.03.2008	Nil
Peringottukara Namboothiri Yogakshema Sabha	Rent		1339539.00	01.01.2018	Nil
PNYS Chit Funds (Kerala) Pvt. Ltd.	Commission received for services rendered to private companies under the same management		5506717.00	17.10.2014	Nil
PNYS Securities (India) Pvt.Ltd.			1829945.00	10.08.2015	Nil

For and on behalf of the Board of Directors

Place: Anthikad
Date : 04.09.2026

Sd/-
M S Predeep
(DIN:00323900)

Sd/-
P U Divakaran
(DIN:01608147)