Ref No.: NACL/08/JUL/2025-26 July 25, 2026

To, BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 **Scrip Code: 544260**	To, National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051 **Scrip Symbol: NORTHARC**

Sub: Business Responsibility Sustainability Report of Northern Arc Capital Limited ("Company") for the Financial Year 2025-26.

Ref: Intimation under Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

With reference to the above, please find enclosed the Business Responsibility Sustainability Report for the FY 2025-26. The said report forms part of the Annual Report for FY 2025-26.

The Annual Report for the financial year 2025-26 is also available at the website of the Company at https://www.northernarc.com/annual-report

For Northern Arc Capital Limited

PRAKASH CHANDRA PANDA

Digitally signed by PRAKASH CHANDRA PANDA
Date: 2026.07.25 18:44:43 +05'30'

Prakash Chandra Panda
Company Secretary & Compliance Officer

CC:
Catalyst Trusteeship Limited,
GDA House, Plot No.85,
Bhusari Colony (Right),
Paud Road,
Pune 411 038.

Encl a/a

Annexure A

Business Responsibility & Sustainability Reporting

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L65910TN1989PLC017021
2.	Name of the Listed Entity	Northern Arc Captial Limited ("Northern Arc")
3.	Year of incorporation	1989
4.	Registered office address	No. 1, Kanagam Village, 10th Floor IITM Research Park, Taramani, Chennai, Tamil Nadu, India, 600113
5.	Corporate address	No. 1, Kanagam Village, 10th Floor IITM Research Park, Taramani, Chennai, Tamil Nadu, India, 600113
6.	E-mail	secretarial@northernarc.com
7.	Telephone	+91 44 6668 7000
8.	Website	www.northernarc.com
9.	Financial year for which reporting is being done	01 April 2025- 31March 2026
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited
11.	Paid-up Capital	161,57,18,750
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Shakeel Ahamed Head - Sustainability +91 87545 08977 sustainability@northernarc.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	The disclosures are provided on standalone basis
14.	Name of assurance provider	Not Applicable
15.	Type of assurance obtained	Not Applicable

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Financial services	Non-Banking Financial services	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Financial Services	64990	100%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	NA	91	91
International	NA	NA	NA

19. Markets served by the entity:

a. **Number of locations**

Locations	Number
National (No. of States)	8
International (No. of Countries)	NA

b. **What is the contribution of exports as a percentage of the total turnover of the entity?**

Not Applicable – The entity is a Non-Banking Finance Company (NBFC) and does not engage in export activities

c. **A brief on types of customers.**

Northern Arc Capital serves a diverse range of customers, primarily focused on underserved and emerging segments. Their key customer types include:

1. **Rural and Retail Customers** – Individuals and small businesses in rural and semi-urban areas, served through it's rural financing platforms – Pragati Finserv Private Limited
2. **MSMEs** – Micro, Small, and Medium Enterprises needing flexible credit products such as Loan Against Property (LAP) and working capital solutions.
3. **Originator Partners** –Network of financial institution partners, technology platforms (such as Fintechs), and other entities that act as business correspondents to originate financial exposure.
4. **Emerging Corporates** – Businesses in sectors like healthcare, logistics, agriculture, clean energy, education, and B2B services that require tailored financing solutions.
5. **Institutional Investors** – Domestic and international investors from whom Northern Arc enable credit for Originator Partners through various financing products.

IV. Employees

20. Details as at the end of Financial Year, i.e. 31 March, 2026:

a. **Employees and workers (including differently abled):**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
		EMPLOYEES				
1.	Permanent (D)	1126	963	85.52%	163	14.48%
2.	Other than Permanent (E)	398	307	77.14%	91	22.86%
3.	**Total employees (D + E)**	**1524**	**1270**	**83.33%**	**254**	**16.67%**
		WORKERS				
4.	Permanent (F)	Nil	Nil	Nil	Nil	Nil
5.	Other than Permanent (G)	Nil	Nil	Nil	Nil	Nil
6.	**Total workers (F + G)**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**

b Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	EMPLOYEES					
1.	Permanent (D)	1	1	100%	0	0%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	**Total differently abled employees (D + E)**	**1**	**1**	**100%**	**0**	**0%**
	WORKERS					
4.	Permanent (F)	NA	NA	NA	NA	NA
5.	Other than Permanent (G)	NA	NA	NA	NA	NA
6.	**Total workers (F + G)**	**NA**	**NA**	**NA**	**NA**	**NA**

21. Participation/Inclusion/Representation of women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	9	3	33.33%
Key Management Personnel	3	0	0.00%

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	31 March 2026 (Turnover rate in current FY)			31 March 2025 (Turnover rate in previous FY)			31 March 2024 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	46.5%	5.30%	51.80%	40.15%	27.22%	67.38%	43.46%	28.77%	72.22%
Permanent Workers	NA			NA					

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding/ subsidiary/ associate companies/ joint ventures

S. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Northern Arc Investment Managers Private Limited	Subsidiary	100.00%	Yes
2	Northern Arc Creditech Solutions Private Limited (formerly known as Northern Arc Investment Advisors Private Limited)	Subsidiary	100.00%	Yes
3	Northern Arc Securities Private Limited	Subsidiary	100.00%	Yes
4	Northern Arc Foundation	Subsidiary	100.00%	Yes
5	Pragati Finserv Private Limited	Subsidiary	90.10%	Yes

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No): Yes

(ii) Turnover (in INR): 26,43,83,23,000/-

(iii) Net worth (in INR): 38,93,48,27,000/-

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	31 March 2026 Current Financial Year			31 March 2025 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	YES	0	0	Nil	0	0	Nil
Investors (other than shareholders)	YES	0	0	Nil	0	0	Nil
Shareholders	YES https://www.northernarc.com/disclosures-investor-contact	1	0	Nil	53	0	Nil
Employees and workers	YES	0	0	Nil	0	0	Nil
Customers	YES	29768	156	Nil	938	0	Nil
Value Chain Partners	YES	0	0	Nil	0	0	Nil
Other (please specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Responsible Lending & Client Engagement	Opportunity and Risk	Responsible assessment of borrower repayment capacity or alignment of financial products with customer needs prevents over-indebtedness, decreases default risk, and improves customer outcomes.	Northern Arc adopts a cash-flow-based underwriting approach, supplemented by the use of alternative data, to assess borrower capacity accurately. The company designs borrower-centric products with appropriate and flexible repayment structures, ensuring affordability and suitability. The Committee on Client Experience reviews new products and services to ensure they meet the standards of Client Protection. Robust underwriting guidelines and Fair Practices Code aligned with RBI regulations and Client Protection Principles promote responsible pricing and prevent over-indebtedness, while maintaining a fair, transparent, and non-discriminatory customer experience. Customers are supported with adequate information to enable informed decision-making.	**Positive:** (i) Improved portfolio quality and lower default rates through prudent underwriting (ii) Enhanced customer outcomes and financial well-being (iii) Strengthened trust, reputation, and stakeholder confidence (iv) Better regulatory alignment and reduced compliance risks (v) Sustainable business growth driven by responsible and customer-centric lending practices

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
				Closely monitored by Client Experience Committee, customer feedback is actively collected and used to enhance service quality. A formal grievance redressal mechanism established as per RBI guidelines, led by a designated officer, promptly responds and addresses customer concerns. The contact details and escalation matrix of the grievance redressal officers are clearly shared in loan documentation and on the Company's website.	
2.	Transparent & Ethical Governance	Opportunity and Risk	As a publicly listed company and RBI-regulated NBFC, Northern Arc operates within a robust regulatory environment and serves a wide network of institutional investors and financially vulnerable borrower segments through its Originator Partners. This enables Northern Arc to differentiate itself through high standards of governance, transparency, and ethical conduct. By embedding strong governance practices, the Company can enhance investor confidence, regulatory credibility, and customer trust, while enabling sustainable growth, smoother access to capital, and responsible expansion into underserved markets. A breach can result in regulatory penalties but, more importantly, affect Northern Arc's credibility and result in reputational loss with market, investors and clients.	Northern Arc reinforces its commitment to ethical conduct through a comprehensive governance framework, including policies such as: • Anti-Bribery and Anti-Corruption Policy • Whistleblower Policy • Anti-Money Laundering (AML) Policy • Employee Code of Conduct • Code of Conduct for Directors and Senior Management • Collections Code of Conduct These are supported by centralized compliance monitoring, periodic internal and external audits, and continuous employee training on AML, POSH, and insider trading regulations. A strong whistleblower mechanism and governance oversight structures further promote transparency, accountability, and adherence to regulatory requirements, ensuring consistent ethical practices across the organization and its partner ecosystem.	**Positive:** (i) Enhanced market and investor confidence (ii) Increased trust among customers, partners, and stakeholders (iii) Reinforced brand reputation as a responsible and ethical financial institution (iv) Reduced likelihood of regulatory disruptions through proactive compliance (v) Improved organizational integrity and long-term business sustainability **Negative:** i. Reputational damage and loss of credibility ii. Declining investor and stakeholder confidence iii. Customer and market trust erosion iv. Regulatory and compliance consequences
3.	Responsible Collections & Recovery Practices	Opportunity and Risk	Responsible and customer-centric collections practices present an opportunity to differentiate through ethical conduct and borrower-centricity, particularly during periods of financial stress. By ensuring respectful and fair engagement, Northern Arc can strengthen customer trust, improve repayment behavior, and enhance its reputation as a responsible financial institution, while maintaining strong alignment with regulatory expectations. Coercive recovery practices erode customer trust due to borrower distress leading to reputational damage, and regulatory penalties (especially under RBI norms).	Northern Arc embeds Client Protection Principles at the core of its policies and processes. Its Code of Conduct and Fair Practices Code emphasize respectful treatment of borrowers, transparency, and fairness across all recovery interactions, ensuring a consistent and responsible approach to collections. A responsive grievance redressal mechanism, established as per RBI guidelines, enables resolution of grievances of customers in the event of unprofessional or unethical practices by its collection personnels.	**Positive:** (i) Enhanced market and investor confidence (ii) Improved repayment behavior and collection efficiency. (iii) Stronger alignment with regulatory expectations and industry best practices (iv) Reduced likelihood of disputes. (v) Enabling positive borrower experience across the loan lifecycle. **Negative:** i. Borrower distress and loss of customer trust and confidence ii. Reputational and brand damage iii. Regulatory and legal consequences
4.	Financial Inclusion	Opportunity	Expanding access to finance for underserved segments presents a significant opportunity to drive inclusive growth while unlocking new markets. By leveraging appropriate underwriting safeguards and customer-centric product design. Northern Arc enables responsible credit access, supporting economic and women empowerment while maintaining portfolio quality and risk discipline.	Northern Arc adopts a balanced and risk-aware approach to financial inclusion by combining cash-flow-based underwriting with the use of data to accurately assess borrower's repayment capacity. The Company follows prudent credit policies to ensure affordability and prevent over-indebtedness, while designing tailored financial products suited to the specific needs of underserved segments under the guidance of its Client Experience Committee. This approach is further strengthened through ongoing portfolio monitoring and robust partner oversight to maintain credit quality.	**Positive:** (i) Expanded access to credit for underserved communities, supporting economic participation (ii) Enhanced market reach and diversification of customer base (iii) Contribution to inclusive economic development.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5.	Prudent Enterprise Risk Management (ERM)	Opportunity and Risk	In a complex and evolving business environment, Northern Arc is exposed to a range of interconnected risks and opportunities that require systematic identification, assessment, and ongoing monitoring. The nature of its structured credit activities and partnerships necessitates a disciplined risk approach to ensure alignment with defined risk boundaries and to safeguard business continuity, particularly during periods of uncertainty or disruption. Northern Arc's exposure to a wide breadth of risk including credit, liquidity, operational, fraud, information security, compliance, strategic, reputational and other key risk categories, increases the need for rigorous risk discipline to manage evolving credit dynamics. Without strong oversight, these structures can amplify concentration risks and operational vulnerabilities.	Northern Arc has established a centralized and comprehensive ERM framework that incorporates regular stress testing, enhanced partner due diligence, and the integration of risk indicators. The Board-approved risk appetite statement establishes clear risk boundaries and guiding metrics to manage cumulative risk exposure. This enables proactive risk identification and timely decision-making. The ERM framework is subject to periodic review and oversight by the Operational Risk Committee, ensuring continuous strengthening of risk practices in line with evolving business and regulatory requirements.	**Positive:** (i) Enhanced organizational resilience and business continuity readiness (ii) Improved risk visibility and proactive decision-making through structured monitoring (iii) Preventing potential credit rating downgrades affecting cost of capital and market reputation (iv) Preventing potential deterioration in portfolio quality and financial stability (v) Improving investor confidence and market credibility **Negatives:** i. Absence of prudent enterprise risk management ii. Elevated credit and operational risks iii. Increased concentration and portfolio vulnerabilities iv. Potential financial losses and business disruptions v. Regulatory and compliance challenges v. Reputational damage and reduced stakeholder confidence

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6.	Easing access to Credit through Technology and Digital Innovation	Opportunity and Risk	By leveraging data and digital capabilities, Northern Arc simplifies access to credit for customers, optimizes credit decisions and operational workflows thereby unlocking opportunities for innovation, improved performance, and sustainable growth. Ineffective use of technology or poorly designed models can lead to inaccurate or biased credit decisions, affecting customers through inappropriate loan offerings or exclusion from credit, and impacting the company through poor portfolio quality, regulatory scrutiny, and loss of credibility.	Northern Arc adopts a responsible and controlled approach to technology deployment by embedding robust through a well-defined governance framework that clearly delineates the roles of the Risk and Technology functions. The Risk function is responsible for the design, validation, and approval of credit decision models and governance frameworks around its digital systems and decision models guided by its, under the oversight of the Risk Committee, ensuring that all model development and policy decisions are anchored in prudent risk management principles. The Technology function, under the governance of the IT Strategy Committee. , is responsible for the secure operationalization and implementation of these approved models and governance frameworks within the Company's digital platforms. This includes ensuring robust system controls, scalability, security, and the reliable execution of risk-approved decision logic.	**Positive:** i. Enhanced operational efficiency and scalability across lending and investment processes, resulting in improved productivity, optimized operating costs, and the ability to support sustainable business growth. ii. Expanded market reach through digital channels, enabling greater penetration into underserved customer segments and creating opportunities for sustainable revenue growth. iii. Strengthened customer trust and engagement through secure, seamless, and transparent digital experiences, contributing to higher customer acquisition, improved retention, and stronger long-term franchise value. iv. Improved portfolio quality and financial resilience through risk-based digital underwriting, automated controls, continuous monitoring, and early risk detection, helping reduce credit losses, fraud risk, and operational errors while supporting prudent and consistent credit decision-making.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
				The Company ensures undertakes periodic validation and monitoring of credit algorithms models to maintain predictive accuracy, performance, and minimize bias fairness, while integrating risk checks within technology platforms embed the approved risk rules and control mechanisms to support informed and enable consistent and auditable credit decision-making. Continuous system enhancements, model performance reviews, and alignment with evolving regulatory expectations enable the organization to balance innovation with accountability, ensuring that technology-driven-enabled credit processes remain secure, reliable, fair transparent, and effective accountable, supporting innovation without compromising sound risk management.	**Negative:** i. Biased or inaccurate credit outcomes ii. Customer exclusion and unfair treatment iii. Deterioration in portfolio quality iv. Regulatory and compliance risks v. Loss of credibility and stakeholder trust
7	ESG Integration	Opportunity and Risk	Embedding ESG into business strategy provides an opportunity to align with evolving capital flows and stakeholder expectations, enabling Northern Arc to build stronger investor relationships, expand into future-ready sectors, and position itself as a responsible and forward-looking financial institution. Limited integration of ESG considerations into core business and credit decisions can weaken the company's ability to identify emerging credit risks, meet evolving investor expectations, and maintain long-term portfolio quality.	Northern Arc incorporates ESG considerations into its decision-making by systematically evaluating ESG factors within credit assessments and strengthening oversight across its partner ecosystem. The Company also advances transparency through enhanced disclosures and monitoring mechanisms, while continuously refining its approach to identify, assess, and respond to ESG-related risks and opportunities in a structured manner.	**Positive:** (i) Improved quality of the credit portfolio (ii) Better risk anticipation through integration of non-financial factors (iii) Stronger alignment with evolving investor and market expectations (iv) Increased ability to capture emerging opportunities in sustainable sectors **Negative:** i. Inadequate identification of emerging ESG risks that affect credit assessment. ii. Deterioration in portfolio quality and resilience iii. Reputational risk and reduced investor confidence and stakeholder trust
8	Human Capital Development and Maintenance of Ethical Workplace	Opportunity	Investing in talent with strong domain expertise and building employee capabilities presents a significant opportunity to drive innovation, enhance client service, and support sustainable business growth. By fostering a fair, inclusive, and safe workplace that emphasizes equal opportunity, employee well-being, and respect for rights, Northern Arc promotes a professional organizational culture, improve employee engagement, and enhance its ability to attract and retain high-quality talent in the financial services sector.	Northern Arc promotes an employee-centric workplace enabling innovation, growth and a collaborative work culture. We invest in capability building through learning opportunities, leadership development, certifications, and cross-functional mentorship programs, enabling employees to grow and contribute meaningfully to the organization's long-term success. Through comprehensive policies that uphold human rights and labour standards, including compliance with applicable laws and prevention of sexual harassment. The Company actively advances diversity, equity, and inclusion (DEI) through structured employee engagement initiatives and accessible grievance redressal mechanisms. Regular training programs reinforce awareness of HR policies and expected standards of conduct.	**Positive:** (i) Improved employee satisfaction, engagement, and retention (ii) Stronger innovation and service delivery driven by skilled and motivated talent (iii) Strengthened organizational culture built on fairness, inclusion, and respect (iv) Enhanced employer brand and ability to attract diverse talent. (v) Reduced potential legal liabilities and regulatory non-compliance (e.g., labour laws, POSH violations).
9	Data Privacy & Cybersecurity	Risk	As a technology driven platform operating in the fin-tech space, Northern Arc's operations are increasingly driven by data-centric processes and digital platforms processing customer personal data. This reliance heightens exposure to evolving cyber threats, where any compromise of data integrity or system security could breach customer privacy, undermine customer trust, disrupt operations, and lead to regulatory and reputational consequences.	Northern Arc strictly follows all compliance and regulatory requirements with strong information security framework and governance. Norther Arc's Chief Information Security Officer led the enterprise-wide implementation of information security and data protection policies and controls with proactive system monitoring round the clock. The Company deploys rigorous cybersecurity controls, priorities and mitigates risk and vulnerabilities, maintains strict compliance with data privacy regulations. By continuously upgrading its security protocols, tools and techniques as per industry standards. Northern Arc actively shields their customer sensitive data and fortifies operational resilience.	**Positive:** (i) Loss of customer, partner, and investor trust due to data breaches or misuse (ii) Regulatory penalties and legal liabilities arising from non-compliance with data protection requirements (iii) Reputational damage impacting brand credibility and stakeholder confidence.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURE

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	Human Right Policy: https://www.northernarc.com/assets/uploads/pdf/Human_Rights_Policy_20240511.pdf Suppliers Code of Conduct: https://www.northernarc.com/assets/uploads/pdf/Final_Draft_Suppliers_Code_of_Conduct_20250214.pdf Employee Code of Conduct: https://www.northernarc.com/assets/uploads/pdf/Final_Northern_Arc_Employee_Code_of_Conduct.pdf Equal Opportunity Policy: https://www.northernarc.com/assets/uploads/pdf/EQUAL-OPPORTUNITY-POLICY-1628511796.pdf Anti-Bribery and Anti-Corruption Policy: https://www.northernarc.com/assets/uploads/pdf/Anti-Bribery-and-Anti-Corruption-Policy-1620722848.pdf Fair Practices Code: https://www.northernarc.com/assets/uploads/pdf/Fair-Practices-Code.pdf Other Governance related policies at: https://www.northernarc.com/disclosures-under-regulations https://www.northernarc.com/disclosures								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/ certifications/ labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	-	-	-	-	-	-	-	-	-

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	**Green Buildings:** All corporate offices will be located in certified green buildings. **ESG Capability Building:** Deliver annual, role-specific ESG training to the credit and risk functions of the corporate & emerging business to strengthen the integration of ESG considerations into credit decisioning. **Data Privacy and Cybersecurity:** Ensure completion of annual mandatory data privacy and cybersecurity awareness training for all employees. **Ethics and Responsible Conduct:** Company's Code of Conduct role-specific annual training to all employees. **Sustainable Mobility:** Launch a sustainable mobility programme for employees during FY26-27 to encourage and incentivise the adoption of electric and hybrid vehicles. **Diversity, Equity and Inclusion:** Increase women's representation in the workforce from 17% to 22% and in leadership positions from 11% to 15% by 2030. **Climate Finance:** Achieve climate finance of INR 1,000 crore by year 2030. **Financial Inclusion:** Expand financial inclusion by delivering a minimum 15% year-on-year growth in outreach from FY26-27 through FY28-29, driven by the Company's lending operations and by financing its Originator Partners. **ESG-Linked Performance Management:** During FY26-27, functional heads will assign relevant aspirational ESG objectives to their respective teams. From the upcoming fiscal year, measurable and verifiable KRAs with relevant ESG objectives will be applied. **Women Entrepreneurship:** Achieve financing of INR 4000 crore by FY28-29 to women-owned/women-led businesses. **Rural Outreach:** Expand branch operations to 15 additional underserved districts by FY28-29.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	For a detailed account of the Company's performance against the United Nations Sustainable Development Goals, kindly refer to the section titled ESG Focus: Sustainable Pathways to Financial Access.								

Governance, leadership, and oversight	
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	Please refer Environmental, Social and Governance section under Management Discussion and Analysis Report.
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Board of Directors
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, ESG Committee

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee									Frequency (Annually/Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Committee of Board									Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Committee of Board									Quarterly								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency?	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
(Yes/No). If yes, provide name of the agency.	No								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	NA								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally, and ethically responsible.

PRINCIPLE 1

BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	3	• SEBI (Prohibition of Insider Trading) Regulations) • SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (LODR) • Related Party Transactions (RPTs) • Internal Financial Controls (IFC) • Product Familiarization • Risk Mitigation • Awareness program on framework for Those Charged With Governance (TCWG) and the Audit Committee	100%
Key Managerial Personnel	3		100%
Employees other than BoD, KMPs	19	(i) Mandatory Training • POSH Trainings for IC Members • Insider Trading Regulation Awareness • Information Security Training • Compliance and Regulatory Framework • POSH Training	100%

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
		(ii) Internal Training · Environmental and Social Management System Training · Knowledge Sharing Series – AI for Professionals · Anti-Bribery & Anti-Corruption · Code of Conduct · Work Ethics · Values & Behavior Program · Retail LAP Product & Process Refresher · Information Security Training (Instructor-led) · Value & Valuation Masterclass · Contract Management: Basics & Illustrations -Navigating Through Legistify (iii) External Training · Wealth Management Certification · Certification Programme on Risk Based Internal Audit by NIBM · Programme on Regulations and Compliance for FinTech's/start-ups	
Workers	NA	NA	NA

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website)** Nil

	Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	-	-	-	-	-
Settlement	-	-	-	-	-
Compounding fee	-	-	-	-	-

	Non-Monetary			
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred?(Yes/No)
Imprisonment	-	-	-	-
Punishment	-	-	-	-

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, the Company has an Anti-Bribery and Anti-Corruption Policy. This policy is publicly available on its official website. The policy outlines Northern Arc's commitment to conducting business with integrity and in compliance with all applicable antibribery and anti-corruption laws. It prohibits all forms of bribery and corruption, whether direct or indirect, and applies to all employees, directors, and associated persons. The policy also provides guidance on recognizing and handling potential bribery and corruption issues, including procedures for reporting concerns and the consequences of policy violations.

The policy document can be accessed at https://www.northernarc.com/assets/uploads/pdf/Anti-Bribery-and-Anti-Corruption-Policy-1620722848.pdf

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	31 March 2026 Current Financial Year	31 March 2025 Previous Financial Year
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	NA	NA

6. **Details of complaints with regard to conflict of interest:**

	31 March 2026 Current Financial Year		31 March 2025 Previous Financial Year	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	NIL	NIL
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	NIL	NIL

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

Not applicable

8. **Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:**

	31 March 2026 Current Financial Year	31 March 2025 Previous Financial Year
Number of days of accounts payables	44	54

9. **Open-ness of business**

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	31 March 2026 Current Financial Year	31 March 2025 Previous Financial Year
Concentration of Purchases	a) Purchases from trading houses as % of total purchases	Nil	Nil
	b) Number of trading houses where purchases are made from	Nil	Nil
	c) Purchases from top 10 trading houses as % of total purchases from trading houses	Nil	Nil
Concentration of Sales	a) Sales to dealers / distributors as % of total sales	Nil	Nil
	b) Number of dealers / distributors to whom sales are made	Nil	Nil
	c) Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	Nil	Nil
Share of RPTs in	a) Purchases (Purchases with related parties / Total Purchases)	Nil	Nil
	b) Sales (Sales to related parties / Total Sales)	0.19%	0.45%
	c) Loans & advances (Loans & advances given to related parties / Total loans & advances)	0	0
	d) Investments (Investments in related parties / Total Investments made)	7.27%	15.62%

Leadership Indicators

1. **Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
Nil	Nil	Nil

2. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.**

Yes, the Company has established processes to manage and avoid conflicts of interest involving its Board members. The Code of Conduct for Board of Directors and Senior Management outlines the ethical standards and responsibilities expected from directors and senior management, including provisions to identify, disclose, and manage conflicts of interest.

PRINCIPLE 2

BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	31 March 2026 Current Financial Year	31 March 2025 Previous Financial Year	Details of improvements in environmental and social impacts
R&D	0.00%	0.00%	Nil
Capex	5.75%%	19%	

Note: Northern Arc's investments in technology contributes significantly to its environmental and social impact by enabling digital operations and customer interactions, thereby reducing paper usage and costs associated with physical processes.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No):- Yes

   b. If yes, what percentage of inputs were sourced sustainably?

Operational inputs:

Procurement of computers & accessories constitutes about 42.75% of the Company's total procurement of goods for the year.

Information Technology hardware (computers, peripherals, servers, networking equipment) constitutes major procurement of goods. Sustainability considerations are applied in the procurement of Information Technology hardware by selecting enterprise-grade laptops and devices from established manufacturers where such products are aligned with energy efficiency, durability, serviceability, repairability, responsible materials, and lifecycle support. Procurement decisions consider device configuration, expected useful life, warranty coverage, availability of spares, vendor service support, and suitability for reuse or redeployment within the Company. Preference is given to reliable devices that can remain productive for a longer period, thereby reducing premature replacement and limiting electronic waste generation.

Vendor sustainability programmes and disclosures are also considered where relevant, including initiatives around recycled or renewable materials, repair and recovery programmes, responsible packaging, product carbon footprint reporting, and circular-economy practices. This ensures that IT procurement is not limited to price and performance alone, but also factors in asset longevity, environmental impact, end-of-life responsibility, and alignment with the Company's broader sustainability objectives.

Core business inputs:

Financial capital, human capital, technology infrastructure, data and third-party services are the core business inputs for the Company. Capital allocation; talent management; optimum outsourcing; technology efficiency & resilience; and harnessing data for insight, analytics, and decision-making are managed sustainably.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

Not applicable, owing to the nature of the Company's business and sector that the Company operates in.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same

Not Applicable.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No) If yes, provide the web-link.
NA	NA	NA	NA	NA	NA

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product/Service	Description of the risk/concern	Action Taken
NA	NA	NA

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	31 March 2026 Current Financial Year	31 March 2025 Previous Financial Year
-	-	-

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	31 March 2026 Current Financial Year			31 March 2025 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	NA	NA	NA	NA	NA	NA
E-waste	NA	NA	NA	NA	NA	NA
Hazardous waste	NA	NA	NA	NA	NA	NA
Other waste	NA	NA	NA	NA	NA	NA

Note: Not applicable as Northern Arc provides financial products and services wherein the products themselves do not generate or become any waste.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
NA	

PRINCIPLE 3

BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
	Total (A)	Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F /A)
Permanent employees											
Male	963	963	100%	963	100%	NA	NA	963	100%	0	0
Female	163	163	100%	163	100%	163	100%	NA	NA	0	0
Total	**1126**	**1126**	**100%**	**1126**	**100%**	**163**	**14.48%**	**963**	**85.52%**	**0**	**0**
Other than Permanent employees											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
	Total (A)	Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F /A)
Permanent workers											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**
Other than Permanent workers											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	31 March 2026 Current Financial Year	31 March 2025 Previous Financial Year
Cost incurred on well- being measures as a % of total revenue of the company	0.08%	0.12%

2. Details of retirement benefits, for current financial year and previous financial year.

Benefits	31 March 2026 Current Financial Year			31 March 2025 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	99.64%	0%	Yes	99.00%	0%	Yes
Gratuity	100.00%	0%	Yes	100.00%	0%	Yes
ESI	1.69%	0%	Yes	7.70%	0%	Yes
Others - National Pension Scheme	3.29%	0%	Yes	4.5%	0%	Yes

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

The Company is committed to creating an inclusive and accessible workplace in line with the Rights of Persons with Disabilities Act, 2016. The company ensures that its corporate offices are designed to be accessible to differently abled employees and visitors, including features such as ramps, accessible entrances, elevators, and restrooms. Select branch offices are equipped with ramps and/or elevators, as made available by the respective building owners, wherever applicable.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, Northern Arc has implemented an Equal Opportunity Policy in accordance with the Rights of Persons with Disabilities Act, 2016. This policy underscores the company's commitment to providing equal employment opportunities to all individuals, including persons with disabilities, across various aspects such as hiring, training, promotions, and workplace accessibility.

The link to the policy is https://www.northernarc.com/assets/uploads/pdf/EQUAL-OPPORTUNITY-POLICY-1628511796.pdf

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	NA	NA
Female	100%	100%	NA	NA
Total	**100%**	**100%**	**NA**	**NA**

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No	(If Yes, then give details of the mechanism in brief)
Permanent Workers	Not Applicable	Not Applicable
Other than Permanent Workers	Not Applicable	Not Applicable
Permanent Employees	Yes	Northern Arc has a structured Grievance Redressal Mechanism in place for its permanent employees. Employees can raise workplace concerns, including grievances related to discrimination or accessibility, directly with the designated Liaison Officer.
Other than Permanent Employees	Yes	Northern Arc has a structured Grievance Redressal Mechanism in place for its other than permanent employees such as contract staff, interns, trainees, persons acting as consultants, and third-party workers deployed at Northern Arc. They can raise workplace concerns, including grievances related to discrimination or accessibility, directly with the designated Liaison Officer

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	31 March 2026 Current Financial Year			31 March 2025 Previous Financial Year		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees/ workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	**1126**	**-**	**-**	**1080**	**-**	**-**
- Male	963	-	-	904	-	-
- Female	163	-	-	176	-	-
Total Permanent Workers	NA					
- Male						
- Female						

8. Details of training given to employees and workers:

Category	31 March 2026 Current Financial Year					31 March 2025 Previous Financial Year				
		On Health and safety measures		On Skill upgradation			On Health and safety measures		On Skill upgradation	
	Total (A)	No. (B)	% (B/A)	No. (C)	% (C/A)	Total (D)	No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	963	27	2.80%	395	41.02%	904	332	36.73%	554	61.28%
Female	163	9	5.52%	57	34.97%	176	63	35.80%	136	77.27%
Total	**1126**	**36**	**3.20%**	**452**	**40.14%**	**1080**	**395**	**36.57%**	**690**	**63.89%**
Workers										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**

9. Details of performance and career development reviews of employees and worker:

Category	31 March 2026 Current Financial Year			31 March 2025 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	963	723	75.08%	904	639	70.69%
Female	163	141	86.50%	176	157	89.20%
Total	**1126**	**864**	**76.73%**	**1080**	**796**	**73.70%**
Workers						
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA
Total	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**

10. Health and safety management system:

(a) Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes, Northern Arc has implemented an Occupational Health and Safety Management System through the adoption of its Environment, Health and Safety (EHS) Policy. The policy affirms the company's commitment to complying with all applicable health and safety regulations. It provides for the identification and assessment of workplace risks through regular risk assessments and ensures workplace safety through periodic inspections. The policy further outlines procedures for the mitigation and management of workplace accidents and incidents, with a focus on minimizing recurrence. The offices are equipped with first aid kits and fire extinguishers. The Company has also adopted a Travel Policy emphasizing safe travel and promoting road safety during travel by employees.

(b) What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Northern Arc has a structured process to identify and assess work-related hazards as part of its Environment, Health and Safety (EHS) Policy. Identified risks are documented in a centralized risk register, which is regularly updated through workplace inspections, task-specific assessments, and incident investigations. All workplace incidents and near-misses are reported, analysed for root causes, and used to inform risk mitigation measures. Employee feedback is actively encouraged and integrated into the risk assessment process. These measures are supported by regular training and awareness programs.

(c) Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Yes/No)

Yes, all offices of the Northern Arc have designated administration officers, and all branches have the branch managers to record such incidents and report to the head of the administration department. All incidents are tracked in a safety register and are reviewed biannually.

(d) Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, the company covers all its permanent employees under health insurance and personal accident insurance policies.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category*	31 March 2026 Current Financial Year	31 March 2025 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.24	-
	Workers	NA	NA
Total recordable work-related injuries	Employees	1	-
	Workers	NA	NA
No. of fatalities	Employees	-	-
	Workers	NA	NA
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	NA	NA

*Including in the contract workforce

12. Describe the measures taken by the entity to ensure a safe and healthy workplace:

The Company implements a comprehensive EHS program to ensure workplace safety and health. Hazards are recorded in a centralized risk register, updated through regular inspections, task-specific assessments, and incident investigations. All incidents and near-misses are reported and analysed to improve preventive measures. Employee feedback is encouraged and integrated into safety practices.

13. Number of Complaints on the following made by employees and workers:

	31 March 2026 Current Financial Year			31 March 2025 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	No complaints have been received			No complaints have been received		
Health Safety						

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	20% of offices and 5% of the branches were covered in the assessments.
Working Conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Not Applicable

Leadership Indicators

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

   (A) Employees – Yes

   (B) Workers – NA

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

   As part of the onboarding process for both service providers and contract vendors, a comprehensive compliance check is conducted, including verification of statutory registrations such as GST, PAN, PF, and ESI. Additionally, the agreements with these partners clearly outline the requirement for timely deduction and deposition of all applicable statutory dues, along with defined consequences for non-compliance.

   For contract vendors (e.g., housekeeping), statutory payment compliance is reviewed on a monthly basis prior to invoice processing. In the case of service providers (e.g., technology vendors), such compliance is addressed through contractual obligations.

   Further assurance is provided through periodic sample audits conducted by internal teams or third-party auditors, covering filings such as GST returns and PF/ESI challans. TDS is deducted at applicable rates from vendor payments, ensuring compliance with relevant regulatory requirements on the Company's part.

3. **Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	31 March 2026 Current Financial Year	31 March 2025 Previous Financial Year	31 March 2026 Current Financial Year	31 March 2025 Previous Financial Year
Employees	Nil	Nil	Nil	Nil
Workers	NA	NA	NA	NA

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

   No.

5. **Details on assessment of value chain partners:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	-
Working Conditions	-

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

   Not Applicable

PRINCIPLE 4

BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity.**

   Each stakeholder group represents a distinct pillar supporting Northern Arc's business. At the centre are customers, underscoring the Company's focus on expanding access to finance for MSMEs and retail borrowers. Complementing this core are key external pillars, including shareholders, who shape strategic direction; lenders and investors, who enable capital flows; and value chain partners, such as originators and service providers, who facilitate execution and delivery.

   Within the organization, employees and the Board form integral pillars that drive performance, governance, and decision-making. Regulatory authorities, including RBI and SEBI, represent a critical pillar that guides compliance and reinforces responsible business conduct. The Company also recognizes society at large as an essential pillar, reflecting its broader commitment to social impact and transparency.

   These pillars continue to evolve and are periodically reassessed through ongoing engagement, including investor interactions, regulatory consultations, employee feedback mechanisms, customer engagement channels, and community outreach initiatives. This approach ensures Northern Arc remains responsive to changing expectations while strengthening alignment across all stakeholder pillars.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers (Borrowers)	Yes	Website, Emails, Telephone Communications, SMS, Customer Feedback, Customer Helpline, Social Media Channels, Customer Grievance Cell.	Periodic, Continuous, and Need-based.	To build and sustain customer trust and satisfaction by providing accessible, transparent, and responsible financial solutions. Engagement focuses on key aspects of the customer experience, including clarity of loan terms, efficient turnaround times, effective grievance redressal mechanisms, and flexibility in product offerings to meet diverse customer needs.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	Emails, SMS, Newspaper, Notices, Website Disclosures.	Quarterly, Half-yearly, Annually and Need-based.	To promote transparency, strengthen trust, and ensure alignment with shareholder expectations, Northern Arc engages through regular disclosures, Annual General Meetings (AGMs), and periodic reporting. Engagement covers key areas such as financial performance, returns on investment, risk management practices, corporate governance, ESG initiatives, and long-term strategic priorities.
Employees	No	Email, Website, Intranet Portal, SMS, Internal Meetings, Trainings, Surveys.	Bi-monthly, Quarterly, Continuous, and Need-based.	To cultivate skilled, engaged, and motivated talent, Northern Arc fosters continuous communication, capability building, and structured feedback mechanisms. Engagement focuses on key areas such as career progression, learning and development opportunities, adherence to ethical practices, and ensuring a safe and supportive workplace environment.
Lenders (Offshore & Domestic)	No	Website, Emails, Telephone Communications, Personal Visits, Conventions	Quarterly, Half yearly, Annually and Need-based.	To strengthen financial credibility and sustain long-term funding relationships, Northern Arc engages through regular and transparent updates on performance and risk. Engagement focuses on key areas such as credit performance, asset quality, covenant adherence, ESG alignment, and overall business resilience.
Regulators	No	· Emails, Letters, Regulatory filings, Meetings, Audits.	Quarterly, Annually and Need-based	To ensure adherence to regulatory requirements and uphold strong governance standards, Northern Arc engages through structured reporting, audits, and ongoing regulatory interactions. Engagement focuses on key areas such as regulatory compliance, data privacy, anti-money laundering measures, corporate governance, and responsible lending practices.
Value Chain Partners	No	Emails, Website, Telephone Communications, Personal Visits, Conventions	Continuous, and Need-based.	To strengthen effective and dependable partnerships with intermediaries and service providers, Northern Arc engages through consistent communication, collaboration, and operational support. Engagement focuses on key areas such as covenant monitoring, timely payments, transparency in terms, and alignment on sustainable and mutually beneficial business growth.
Society	Yes	Website, Annual Report, Quarterly Reports, CSR Initiatives, Media & Press release, Social Media Channels, Personal Visits.	Quarterly, Annually and Need-based.	To create meaningful social impact, Northern Arc engages with communities through inclusive finance, sustainability initiatives, and active community participation. Engagement focuses on key areas such as expanding financial inclusion, promoting environmental and social responsibility, supporting community development, and contributing to broader economic progress.

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   Northern Arc anchors its stakeholder engagement within a clearly defined governance structure, where oversight responsibilities are distributed across various Board committees. The Company maintains continuous communication with its stakeholder ecosystem—including customers, investors, regulators, partners, service providers and shareholders.

   These engagements are not only aimed at communication but also at capturing evolving expectations, concerns, and market signals, which are then synthesized and escalated to the Board through structured reporting channels. For more critical or strategic matters, the Company enables direct interaction forums, where select stakeholders and, at times, Board members engage in focused discussions.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Stakeholder interactions across Northern Arc spanning employees, investors, borrowers, regulators, and communities—serve as a key source of insight for identifying and prioritizing environmental and social considerations.

   Engagement with investors and lenders has contributed to sharpening the Company's emphasis on climate-aligned financing and responsible lending, while feedback from borrowers and partner institutions, particularly in rural and semi-urban markets, has guided the design of more inclusive financial solutions and outreach approaches. Internally, perspectives from employees, along with inputs from the broader community, have reinforced the importance of ethical conduct and responsible practices, influencing policies and day-to-day operations across the organization.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   Northern Arc Capital Limited strives to serve the underbanked population to foster financial inclusion and engages in continuous communication throughout the lifecycle of the loan including grievance redressal of the customers complaints. Additionally, it undertakes a range of CSR initiatives focused on supporting vulnerable and underserved communities, guided by a Board-approved Corporate Social Responsibility (CSR) policy. The Company's efforts are directed toward improving outcomes for underprivileged, economically disadvantaged, and differently abled individuals. Key initiatives include providing educational support to underserved students, promoting natural resource conservation, and enabling access to healthcare services in underserved areas. These programs are designed to address critical community needs while contributing to long-term social and economic development.

PRINCIPLE 5

BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	31 March 2026 Current Financial Year			31 March 2025 Previous Financial Year		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	1126	848	75.31%	1080	395	37.57%
Other than permanent	398	0	0%	402	69	17.16%
Total Employees	**1524**	**848**	**55.64%**	**1482**	**464**	**31.31%**
Workers						
Permanent	NA	NA	NA	NA	NA	NA
Other than permanent	NA	NA	NA	NA	NA	NA
Total Employees	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**

2. **Details of minimum wages paid to employees and workers, in the following format**

Category	31 March 2026 Current Financial Year					31 March 2025 Previous Financial Year				
		Equal to Minimum Wage		More than Minimum Wage			Equal to Minimum Wage		More than Minimum Wage	
	Total (A)	No. (B)	% (B/A)	No. (C)	% (C/A)	Total (D)	No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	1126	0	0	1126	100%	1080	0	0	1080	100%
Male	963	0	0	963	100%	904	0	0	904	100%
Female	163	0	0	163	100%	176	0	0	176	100%
Other than Permanent	398	0	0	398	100%	30	0	0	30	100%
Male	307	0	0	307	100%	25	0	0	25	100%
Female	91	0	0	91	100%	5	0	0	5	100%
Workers										
Permanent	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Other than Permanent	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

3. Details of remuneration/salary/wages

a. **Median remuneration / wages:**

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	6	18,75,000	3	16,50,000
Key Managerial Personnel	3	2,74,28,863	0	0
Employees other than BoD and KMP	960	6,87,504	163	8,91,075
Workers	NA	NA	NA	NA

b. **Gross wages paid to females as % of total wages paid by the entity, in the following format:**

	31 March 2026 Current Financial Year	31 March 2025 Previous Financial Year
Gross wages paid to females as % of total	16.00%	19.00%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

At Northern Arc, robust internal mechanisms are in place to redress grievances related to human rights issues, ensuring fair, transparent, and accountable work environment. These mechanisms include:

1. **Grievance Redressal Mechanism:** Northern Arc has a structured grievance redressal system that allows employees and stakeholders to raise concerns related to human rights, workplace behavior, or unfair treatment. All grievances are reviewed in a time-bound manner and addressed by designated internal committees or officers.
2. **Equal Opportunity Policy:** The company's Equal Opportunity Policy reinforces its commitment to non-discrimination and inclusivity, particularly for women, persons with disabilities, and marginalized communities. It ensures that all individuals have access to equal treatment in hiring, training, promotions, and work conditions.
3. **Code of Conduct:** The Code of Conduct outlines expected standards of behavior for all employees and serves as a guiding document to uphold human rights, ethical practices, and respectful workplace interactions. Any violations of the Code, especially those concerning dignity, fairness, or human rights, are subject to investigation and corrective action.
4. **Whistleblower Policy:** Northern Arc's Whistleblower Policy provides a secure and confidential channel for employees and stakeholders to report concerns related to unethical behavior, human rights violations, or policy breaches without fear of retaliation. Whistleblower complaints are reviewed independently, with appropriate follow-up actions taken by the Ethics Committee or relevant authority.
5. **Safe Working Environment and Sexual Harassment Policy:** Northern Arc enforces a zero-tolerance approach to sexual harassment through its PoSH Policy. An Internal Committee (IC) is constituted in line with legal requirements to handle complaints, conduct fair investigations, and ensure appropriate redressal and support for affected individuals.

These mechanisms collectively ensures that human rights concerns are taken seriously, reported safely, and addressed effectively within the organization.

6. Number of Complaints on the following made by employees and workers:

	31 March 2026 Current Financial Year			31 March 2025 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	1	0	-	NIL	NIL	-
Discrimination at workplace	NIL	NIL	-	NIL	NIL	-
Child Labour	NIL	NIL	-	NIL	NIL	-
Forced Labour/ Involuntary Labour	NIL	NIL	-	NIL	NIL	-
Wages	NIL	NIL	-	NIL	NIL	-
Other human rights related issues	NIL	NIL	-	NIL	NIL	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	31 March 2026 Current Financial Year	31 March 2025 Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	1	Nil
Complaints on POSH as a % of female employees / workers	0.3937%	Nil
Complaints on POSH upheld	1	Nil

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has robust safeguards to protect complainants from any adverse consequences arising from the reporting of discrimination or harassment through its Equal Opportunity Policy. The policy strictly prohibits retaliation or reprisal against individuals who raise genuine concerns or complaints. It provides for confidential reporting channels with direct submission to the designated Liaison Officer. The Liaison Officer is entrusted with the responsibility to ensure that complaints are addressed promptly, fairly, and with due sensitivity, while also taking necessary steps to prevent any form of victimization or inconvenience to the complainant. The policy further affirms that raising a bona fide concern will not affect the complainant's legal rights or employment status in any manner, reinforcing the Company's commitment to a safe, inclusive, and equitable workplace.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)*
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	-

*During the reporting period, the Company did not record any incidents of workplace discrimination. The Company maintains a strict zero-tolerance policy towards discrimination against employees including on grounds of age, sex, disability, religion, nationality, colour, sexual orientation, and such other characteristics protected by law. All employees are covered under the Equal Opportunity Policy and the Prevention of Sexual Harassment (POSH) framework. Age verification and eligibility checks are carried out as part of the centralised recruitment process at the Company's registered office prior to employee onboarding. This mechanism ensures that no individual below the legally permissible working age is engaged, thereby preventing child labour and ensuring strict adherence to applicable labour laws and regulatory requirements. Payment of wages is administered centrally from the Company's registered office, ensuring accuracy, timeliness, and full compliance with applicable labour laws and regulatory requirements. These processes are subject to periodic review and verification under the Company's internal audit framework, thereby reinforcing accountability and compliance.

11. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

    No significant risks or material concerns were identied during the reporting year that required corrective action.

Leadership Indicators

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

   None

2. **Details of the scope and coverage of any Human rights due-diligence conducted.**

   Not Applicable

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

   Northern Arc is fully committed to meet the requirements of the Rights of Persons with Disabilities Act, 2016. All buildings where Northern Arc Capital's offices are located are equipped with facilities to ensure accessibility for differently abled visitors, in line with the requirements of the Rights of Persons with Disabilities Act, 2016. The premises include features such as ramps, elevators, and accessible restrooms to support ease of movement. Northern Arc is committed to fostering an inclusive environment by ensuring its physical infrastructure does not pose a barrier and welcoming for all individuals.

4. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	-
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

Note: Commitment to comply with Company's Suppliers Code of Conduct is incorporated into agreements with relevant vendors, while adherence to workers' rights requirements is stipulated in agreements with applicable service providers.

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

   Not Applicable

PRINCIPLE 6

BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	31 March 2026 Current Financial Year	31 March 2025 Previous Financial Year
From renewable sources		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	-	-
From non-renewable sources		
Total electricity consumption (D)	2063.84	1801.75
Total fuel consumption (E)	35.5	-
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	2099.34	1801.75
Total energy consumed (A+B+C+D+E+F)	**2099.34**	**1801.75**
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	0.007969	0.007878
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total energy consumed / Revenue from operations adjusted for PPP)	0.1600	0.1611
Energy intensity in terms of physical output		
Energy intensity (optional) – the relevant metric may be selected by the entity		-

*The PPP conversion factor for India has been taken as 20.09, based on the latest available 2025 data from the World Bank's International Comparison Program for the FY2025-26. For FY24-25, the PPP conversion factor for India has been taken as 20.45, based on 2024 data from the World Bank's International Comparison Program.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N). If yes, name of the external agency. No.

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

   No. The Company does not fall under the PAT scheme of the Government of India.

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	31 March 2026 Current Financial Year	31 March 2025 Previous Financial Year
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others		-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	-	-
Total volume of water consumption (in kilolitres)*	**12782.26**	**12430**

Parameter	31 March 2026 Current Financial Year	31 March 2025 Previous Financial Year
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	0.048522	0.054419
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)** (Total water consumption / Revenue from operations adjusted for PPP)	0.9748	1.1128
Water intensity in terms of physical output	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

*The estimated water consumption is taken as 45 litres per head for each working day.

**The PPP conversion factor for India has been taken as 20.09, based on the latest available 2025 data from the World Bank's International Comparison Program for the FY2025-26. For FY24-25, the PPP conversion factor for India has been taken as 20.45, based on 2024 data from the World Bank's International Comparison Program.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) . If yes, name of the external agency. No.

4. **Provide the following details related to water discharged:**

Parameter	31 March 2026 Current Financial Year	31 March 2025 Previous Financial Year
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) No.

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Not Applicable

6. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	31 March 2026 Current Financial Year	31 March 2025 Previous Financial Year
NOx	µ/m3	-	-
SOx	µ/m3	-	-
Particulate matter (PM)	µ/m3	-	-
Persistent organic pollutants (POP)	NA	-	-
Volatile organic compounds (VOC)	NA	-	-
Hazardous air pollutants (HAP)	NA	-	-
Others – please specify	NA	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No.

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	31 March 2026 Current Financial Year	31 March 2025 Previous Financial Year
Total Scope 1 emissions* (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	9.3569	7.473^
Total Scope 2 emissions** (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	926.55	753
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Per lakh of revenue from operations	0.0035	0.0033
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)*** (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Per lakh of revenue from operations adjusted for PPP	0.0716	0.07
Total Scope 1 and Scope 2 emission intensity in terms of physical output	-	-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

*Scope 1 GHG emissions have been calculated considering fugitive emissions from refrigerant leakages in air conditioning units and annual leakages from fire extinguishers.

**Scope 2 GHG emissions account for indirect GHG emissions from purchased electricity, including consumption associated with the company's HVAC systems across its operation, as applicable.

***The PPP conversion factor for India has been taken as 20.09, based on the latest available 2025 data from the World Bank's International Comparison Program for the FY2025-26. For FY24-25, the PPP conversion factor for India has been taken as 20.45, based on 2024 data from the World Bank's International Comparison Program.

^ Scope 1 emissions for FY 2024–25 stands restated from 11.68 following refinement of calculation methodology to improve accuracy, consistent with FY 2025–26 reporting, with no material impact on overall emission intensity as Scope 2 remains the primary contributor.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No.

8. **Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

NA

9. **Provide details related to waste management by the entity, in the following format:**

Parameter	31 March 2026 Current Financial Year	31 March 2025 Previous Financial Year
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	-	-
E-waste **(B)**	0.313	0.084
Bio-medical waste **(C)**	-	-
Construction and demolition waste (D)	-	-
Battery waste **(E)**	-	-
Radioactive waste **(F)**	-	-

Parameter	31 March 2026 Current Financial Year	31 March 2025 Previous Financial Year
Other Hazardous waste. Please specify, if any. **(G)**	-	-
Other Non-hazardous waste generated **(H)**. Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	-	-
Total (A+B + C + D + E + F + G + H)	**0.313**	**0.084**
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.000001	0.0000003
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.000023	0.000007
Waste intensity in terms of physical output	-	-
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	-	-
(ii) Re-used	0.566	0.001
(iii) Other recovery operations	-	-
Total	**0.566**	**0.001**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		-
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	0.795*	-
Total	**0.795**	**-**

*Safely disposed via Pollution Control Board–approved recyclers.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

10. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

Northern Arc Capital Limited, as a Non-Banking Finance Company (NBFC), has a limited direct environmental footprint, with electronic waste (e-waste) being the primary form of waste generated through its operations. The Company does not engage in activities involving plastic or hazardous chemical waste. To ensure responsible handling, Northern Arc has established a structured e-waste management process, whereby all discarded electronic assets are systematically collected and disposed of through authorized recyclers approved by the Pollution Control Board. Additionally, its corporate offices are located in buildings with recognised green building certifications.

11. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

No

12. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

13. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable				

Leadership Indicators

1. **Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres):**

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area – Not Applicable

(ii) Nature of operations - Not Applicable

(iii) Water withdrawal, consumption, and discharge in the following format:

Parameter	31 March 2026 Current Financial Year	31 March 2025 Previous Financial Year
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	-	-
Total volume of water consumption (in kilolitres)	-	-
Water intensity per rupee of turnover (Water consumed / turnover)	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Parameter	31 March 2026 Current Financial Year	31 March 2025 Previous Financial Year
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	-	
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into Groundwater	-	
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater	-	
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	**-**	**-**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

2. **Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	31 March 2026 Current Financial Year	31 March 2025 Previous Financial Year
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	1855.11	790.54
Total Scope 3 emissions per rupee of turnover	-	0.007042	0.003461
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

*In FY 2025 -26, the Company enhanced its Scope 3 emissions reporting across Category 1 (Purchased goods and services), Category 2 (Capital goods), Category 3 (Fuel- and energy-related activities), Category 5 (Waste generated in operations), Category 6 (Business travel), and Category 7 (Employee commuting).

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

3. **With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

   Not Applicable

4. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
		Not Applicable	

5. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

   Northern Arc has a comprehensive Business Continuity and Disaster Recovery (BCDR) Plan designed to ensure the uninterrupted functioning of critical systems and swift recovery from disruptions. The plan supports the organization's ability to sustain performance and restore or replace any failed systems under adverse conditions. It is structured around defined Recovery Time Objectives (RTOs), prioritizing applications and infrastructure based on their criticality. The BCDR plan is routinely reviewed, updated, and validated through regular drills and independent third-party audits. Oversight is provided by a dedicated senior leadership team responsible for incident management and communication with both internal and external stakeholders.

6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard**

   Not Applicable

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

   Not Applicable

8. **How many Green Credits have been generated or procured:** Nil

   a. By the listed entity

   b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners]

PRINCIPLE 7

BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

   Seven

   b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	FIDC	National
2	MFIN	National
3	UFF (previously DLAI)	National
4	FACE	National
5	IAMAI	National
6	ASSOCHAM	National
7	FICCI	National

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
	-	

Leadership Indicators

1. Details of public policy positions advocated by the entity:

The Company, is a key member of the BIS technical committee, where it works on specifications, standards, upgrades, and interfaces with BEE/ ISO standards.

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
			Nil		

PRINCIPLE 8

BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
			Not Applicable		

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
			Not Applicable			

3. Describe the mechanisms to receive and redress grievances of the community.

Northern Arc has established a well-defined grievance redressal mechanism to ensure timely and effective resolution of customer complaints. Customers can initially reach out to the Grievance Redressal Officer (GRO) via toll-free number (1800 419 8766) or email (gro@northernarc.com), with a resolution timeline of 15 days. If unsatisfied, complaints can be escalated to the Nodal Officer through toll-free number (1800 258 7010) or email (nodal.officer@northernarc.com). In cases where the issue remains unresolved beyond 30 days, customers have the option to approach the Reserve Bank of India under the Integrated Ombudsman Scheme, 2021, through the portal https://cms.rbi.org.in. This multi-level process reflects Northern Arc's commitment to transparency, customer-centricity, and regulatory compliance.

For shareholders and debenture holders, the Company has appointed Kfin Technologies Limited as its Registrar and Share Transfer Agent (RTA) to facilitate the resolution of queries and grievances. Complaints may be sent to cs@northernarc.com, and the Company Secretary and Compliance Officer, in coordination with the RTA, ensures timely and appropriate redressal of all concerns raised by shareholders and debenture holders.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	31 March 2026 Current Financial Year	31 March 2025 Previous Financial Year
Directly sourced from MSMEs/ small producers	51.77%	35.28%
Directly from within India	99.77%	99.86%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Job Creation

Location	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Rural	1.51%	0.04%
Semi-urban	5.99%	0.79%
Urban	9.13%	5.05%
Metropolitan	83.37%	94.11%

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Nil	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In INR)
Nil			

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/ vulnerable groups? (Yes/No)

   No

   (b) From which marginalized /vulnerable groups do you procure?

   Not Applicable

   (c) What percentage of total procurement (by value) does it constitute? Not Applicable

   Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)
Not applicable			

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Not applicable		

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Support differently abled children with residential education program, good nutrition, and medical aid	50 differently abled children	100%
2	Providing palliative care services to people with serious health-related suffering	40	100% As all patients are terminally ill and they come for hospice care during their most vulnerable time in life.
3	Providing quality medical and healthcare education opportunities to students from economically and socially disadvantaged backgrounds.	Presently, a total of 624 students is benefiting from the CSR project, including: • 200 MBBS students • 384 Nursing students • 40 Physiotherapy students	Approximately 55% of the beneficiaries belong to vulnerable and marginalized groups.
4	FoodHeals Program	3619 month on month cumulative and indirect beneficiaries through ration program.	100%

PRINCIPLE 9

BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

   The Company has established a well-defined grievance redressal mechanism to ensure timely and effective resolution of customer complaints. Customers can initially reach out to the Grievance Redressal Officer (GRO) via toll-free number (1800 419 8766) or email (gro@northernarc.com), with a resolution timeline of 15 days. If unsatisfied, complaints can be escalated to the Nodal Officer through toll-free number (1800 258 7010) or email (nodal.officer@northernarc.com). In cases where the issue remains unresolved beyond 30 days, customers have the option to approach the Reserve Bank of India under the Integrated Ombudsman Scheme, 2021, through the portal https://cms.rbi.org.in. This multi-level process reflects Northern Arc's commitment to transparency, customer-centricity, and regulatory compliance.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	31 March 2026 Current Financial Year		Remarks	31 March 2025 Previous Financial Year		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	NIL	NIL		NIL	NIL	
Advertising	NIL	NIL		NIL	NIL	
Cyber-security	NIL	NIL		NIL	NIL	
Delivery of essential services	NIL	NIL	NIL	NIL	NIL	NIL
Restrictive Trade Practices	NIL	NIL		NIL	NIL	
Unfair Trade Practices	NIL	NIL		NIL	NIL	
Other	NIL	NIL		NIL	NIL	

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	-	-
Forced recalls	-	-

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/ No) If available, provide a web-link of the policy.

   Yes, an Information Security Policy is in place which outlines the organization's approach to cybersecurity operations and data privacy risks. This policy includes key controls related to data protection, access management, threat monitoring, incident handling, and compliance with applicable regulations. The privacy policy can be accessed at: https://www.northernarc.com/assets/uploads/pdf/Privacy-Policy.pdf

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services –** Nil
7. **Provide the following information relating to data breaches.**
   a. Number of data breaches involving personally identifiable information of customers:) Nil.

   c. Impact, if any, of the data breaches: Nil

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

   The information on the products and services offered by Northern Arc Capital Limited can be accessed at www.northernarc.com

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   Northern Arc is committed to promoting safe and responsible usage of its products and services through a range of consumer education initiatives. The Company ensures transparent communication of product features, terms, interest rates, and associated fees across all customer bases. During the onboarding process, customers are guided through comprehensive Know Your Customer (KYC) procedures and informed of their rights and obligations. Northern Arc also ensures timely communication of policy changes and regulatory updates. A robust grievance redressal mechanism is in place, supported by a toll-free helpline, dedicated email assistance, and a defined escalation matrix. Additionally, regular training and capacity-building programs are conducted for relevant teams and frontline personnel who directly engage with customers, ensuring they are well-equipped to educate and assist consumers effectively. These measures underscore Northern Arc's focus on transparency, financial literacy, and customer protection.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

   Northern Arc has a business continuity plan that will be enforced during an event of a natural hazard or system downtime, to ensure that the company's services are not interrupted. In the event of any unforeseen disruption of services, the consumers of the company are informed about the disruption of essential services through email or SMS that will provide details on the nature of disruption, expected resolution time, etc. In the event of discontinuation of branch operation, the company will provide ninetydays advance notice in the leading national newspaper before closure or relocation of branches/office, as mandated by RBI.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.**

   No, the company discloses information about its products as mandated by the RBI.

5. **Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

   No, the company has not undertaken a consumer satisfaction survey during the reporting period.

Annexure B

Annual Report on CSR Activities

1. **Brief outline on CSR Policy of the Company:**

   The Company is committed to maintaining the highest standards of governance, ethical business conduct, and inclusive management practices. As part of its Corporate Social Responsibility (CSR) commitment, the Company aims to contribute meaningfully to society by promoting equality, inclusion, and sustainable development.

   To implement its CSR initiatives, Northern Arc Capital has established the Northern Arc Foundation, a Section 8 company focused on livelihood creation, skill and vocational development, education, healthcare, and community well-being, particularly for communities traditionally marginalized by formal systems. The CSR Policy is framed in accordance with Section 135 and Schedule VII of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, including any amendments or modifications thereto.

   The complete CSR policy of the Company can be accessed on the company's website at https://www.northernarc.com//assets/uploads/policies/CSR_Policy.pdf.

2. **Composition of CSR Committee:**

S. 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	Mr. Ashutosh Pednekar	(Chairperson) Non-Executive, Independent Director	3	3
2	Mr. Ashish Mehrotra	Managing Director & CEO	3	3
3	Dr. Kshama Fernandes*	Non-Executive, Non-Independent Director	3	3
4	Mr. Michael Fernandes	Non-Executive, Nominee Director	3	3

*Ms. Kshama Fernandes (DIN: 02539429) completed her tenure as a Non-Executive, Non-Independent Director of the Company with effect from the close of business hours on 31 March, 2026. Consequently, she ceased to be a member of the CSR Committee.

3. **Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company:**

Particulars	Weblink
CSR Committee	https://www.northernarc.com/assets/uploads/pdf/Composition_of_Board_Committees.pdf
CSR Policy	https://www.northernarc.com//assets/uploads/policies/CSR_Policy.pdf
CSR Projects	https://www.northernarc.com/csr-projects

4. **Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.** – Not applicable

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

Financial Year	Net Profit (Amount in INR)
FY 2022 – 23	3,16,40,91,964
FY 2023 – 24	3,74,40,94,072
FY 2024 – 25	4,38,18,37,735

(b) Two percent of average net profit of the company as per sub-section (5) of Section 135 – INR 7,52,66,825/-

(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)]- INR 7,52,66,825/-

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) – INR 7,52,66,825/-

(b) Amount spent in Administrative Overheads. - Nil

(c) Amount spent on Impact Assessment, if applicable. - NA

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]. INR 7,52,66,825/-

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in INR)	Amount Unspent (in INR)				
	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 proviso to sub-section (5) of section 135.		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
7,52,66,825/-	-	-	-	-	-

(f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in INR)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	INR 7,52,66,825/-
(ii)	Total amount spent for the Financial Year	INR 7,52,66,825/-
(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	-
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	-

7. **Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:**

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub- section (6) of section 135 (in INR)	Balance Amount in Unspent CSR Account under sub- section (6) of section 135 (in INR)	Amount Spent in the Financial Year (in INR)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub- section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in INR)	Deficiency, if any
					Amount (in INR)	Date of Transfer		
1	FY 2022 – 23	-	-	-	-	-	-	-
2	FY 2023 – 24	-	-	-	-	-	-	-
3	FY 2024 – 25	-	-	-	-	-	-	-

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

Yes ☐ 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 the property or asset(s) [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		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
	-	-	-	-		-	

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of Section 135 - Not Applicable.

For Northern Arc Capital Limited

Ashish Mehrotra
Managing Director & CEO
DIN: 07277318

Ashutosh Pednekar
Chairperson of CSR Committee
DIN: 00026049

Date: July 10, 2026
Place: Chennai