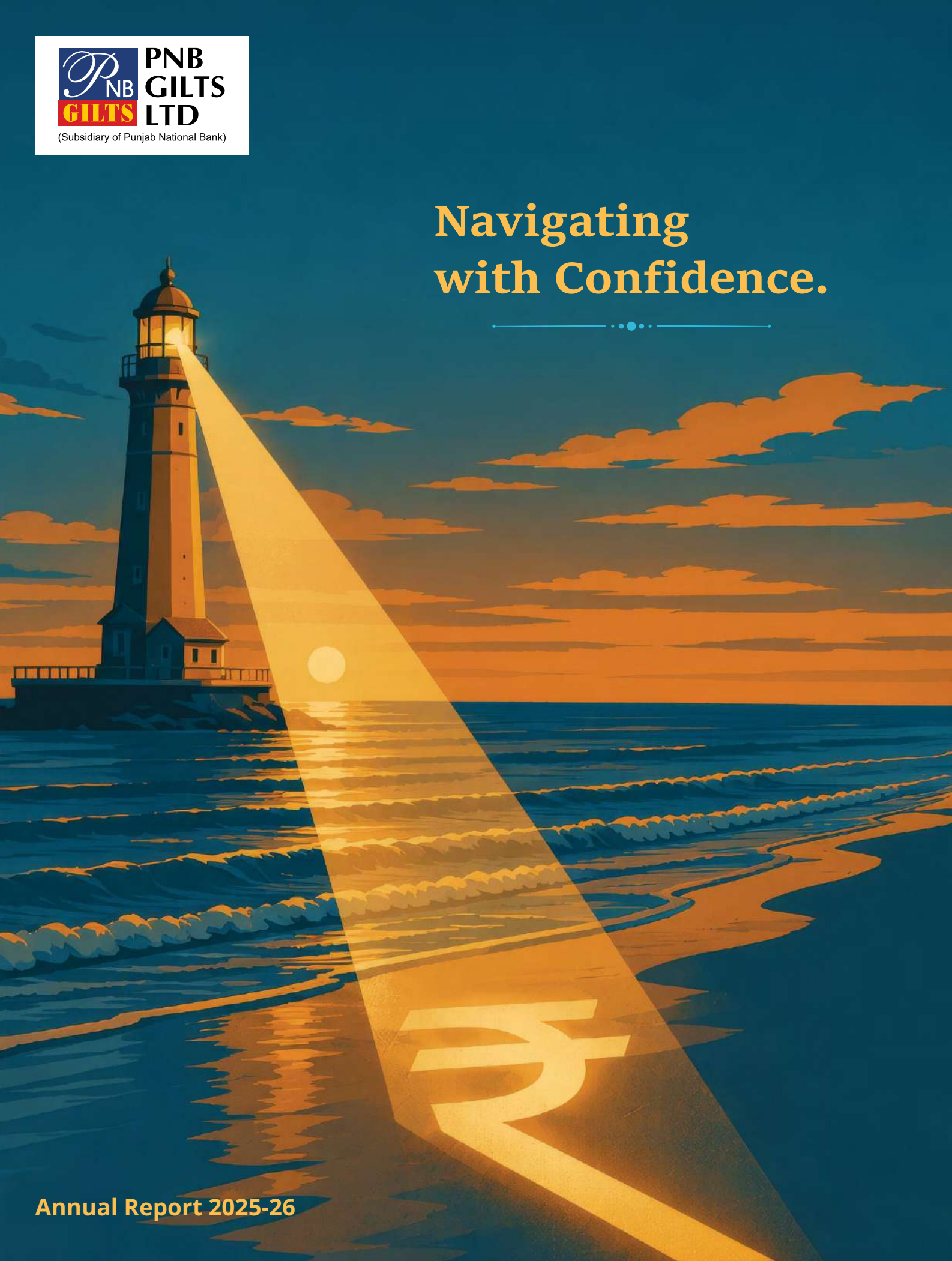
PNB GILTS LTD
(Subsidiary of Punjab National Bank)

Navigating with Confidence.



Annual Report 2025-26

PNB GILTS LTD

(Subsidiary of Punjab National Bank)

PNB GILTS LTD.

The lighthouse on the cover symbolizes PNB Gilts' enduring role as a trusted guide in India's fixed-income market. Just as a lighthouse provides stability, direction and confidence through changing tides, PNB Gilts has consistently navigated evolving interest-rate environments with resilience, expertise and market leadership.

As one of the first Primary Dealers authorized by the Reserve Bank of India and backed by the strength of Punjab National Bank, the Company has played a pivotal role in deepening the country's fixed-income ecosystem, fostering market confidence and maintaining a dominant presence in India's debt market. The imagery reflects PNB Gilts' unwavering commitment to guiding the market with trust, stability and vision, while illuminating the path towards sustained growth and long-term value creation.

OUR STRENGTHS

Competitive Strengths

- Globally benchmarked services
- Strong and efficient Risk management
- High standards of Governance
- Skilled professionals and market trust

COMPANY INFORMATION

COMPANY SECRETARY

Ms. Monika Kochar

CHIEF FINANCIAL OFFICER

Ms. Kishkanda Garg

JOINT STATUTORY AUDITORS

1. K Venkatachalam Aiyer & Co.
   C-6/50, Block - C6
   Safdarjung Development Area
   Hauz Khas, New Delhi-110016

2. Raj Har Gopal & Co.
   412 - Ansal Bhawan
   16 - Kasturba Gandhi Marg
   New Delhi - 110001

CONCURRENT AUDITOR

Grant Thornton Bharat LLP
6th Floor, Worldmark 2,
Aerocity, New Delhi - 110037

BANKERS

Reserve Bank of India
Punjab National Bank
ICICI Bank Ltd.

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VISION & MISSION

To be at the forefront of innovation in India's financial markets and setting new standards of excellence in market development, client engagement, and institutional leadership.

To leverage digital transformation, strong risk management, and innovative ethical practices to provide efficient, transparent, and innovative access to India's financial markets across all asset classes.

CORPORATE PHILOSOPHY

"An institution defined by the standards it upholds"

Integrity, transparency, prudence, and accountability are the constants that guide us today and will continue to guide us as the market evolves. These principles find expression in the following commitments:

1. INTEGRITY

Ethical conduct forms the foundation of our decisions and actions.

2. TRANSPARENCY

We engage openly, communicate clearly, and disclose accurately.

3. PRUDENCE

We manage risk and opportunity with equal discipline, sustaining resilience through changing conditions.

4. ACCOUNTABILITY

We remain answerable for our decisions and committed to the trust placed in us.

CHAIRMAN'S MESSAGE

DR. TEJENDRA MOHAN BHASIN

(CHAIRMAN)

Dear Shareholders,

FY2025-26 presented the Indian bond market with a paradox. The economy delivered its finest combination of growth and price stability in the inflation-targeting era. **Real GDP grew by 7.7%, the fastest among major economies, and consumer inflation averaged 2.1%, the lowest full-year reading in the current series.** The Reserve Bank of India cut the policy rate by 100 basis points to 5.25% and infused close to ₹13.8 lakh crore of durable liquidity into the system. The Government held the fiscal deficit to 4.4% of GDP, continuing a consolidation it has pursued every year since the pandemic. Anyone reading these numbers would have expected bond yields to fall. They rose instead, and the benchmark 10-year yield closed the year at 7.06%, above 7% for the first time since July 2024. The reasons for this paradox shaped your Company's year, and I want to set them out plainly before turning to our results.

The answer lay in the yield curve. Policy and abundant liquidity pulled short-term rates down, and the 91-day Treasury Bill cut-off eased by about 100 basis points to around 5.3%. The long end of the curve took its cue from elsewhere. Heavy sovereign supply, hardening yields in the advanced economies and, in the closing weeks of the year, the outbreak of conflict in West Asia pushed long-term yields higher. The spread of the 10-year yield over the 91-day bill widened from under 50 basis points in April, 2025 to about 173 basis points by March, 2026. A Primary Dealer makes its living on that curve. Our inventory is the Government's own paper, our obligations extend to every auction on the calendar, and the auction calendar does not pause for difficult markets. The

steepening of the curve was therefore the central fact of our year, and our results have to be read against it.

The cost of the year is visible in those results. **Profit before tax stood at ₹241.60 crore and profit after tax at ₹181.62 crore, against ₹233.03 crore PAT in FY2024-25.** Most of the pressure came in the final quarter, when the West Asia conflict took crude oil towards US$ 138 a barrel, pressed the rupee to ₹94.7 to the dollar, close to 10% weaker over the year, and drove the long end of the curve above 7%, leaving valuation losses on trading books across the industry, ours among them. A dealing business that carries sovereign duration earns less when long yields rise. I would, however, ask you to look at the composition of what we earned. **Interest income, the steadiest part of our earnings, grew by close to 12%, and every rupee of this year's profit was earned with the curve moving against us.** I attach more weight to such a profit than to the larger figure of the previous year, because earnings secured in a rising market say more about the durability of a franchise than earnings lifted by a falling one. Seen in that light, and against the difficult business environment that persisted through FY2025-26, the final results of your Company are very satisfactory.

Difficult as it was, the year did not change the way this Company conducts itself. Every obligation of primary dealership was comfortably met. **Success ratios in the primary market were 61.43% in the first half and 47.66% in the second, against a stipulated minimum of 40%, and outright secondary market turnover of ₹7,66,635 crore gave us a market share of 2.86% against the prescribed 2.5%.** These commitments are the conditions of our licence, and they were honoured in full in a year when honouring them was expensive. Our discipline held as well. Average leverage was contained at 14.48 times net owned funds against the permitted 20 times, and the average cost of funds came down to 5.48%. Net owned funds rose to ₹1,696.44 crore and the capital adequacy ratio strengthened to 52.68% from 42.68%, which means your Company ended a difficult year better capitalised than it began it. **It is on this strength that the Board has recommended a dividend of ₹2 per share, double the previous year's Re 1.** A higher dividend in a year of lower profit is a considered decision. We took it because the balance sheet can well afford it, and because shareholders who stayed with the Company through a testing year should share in its underlying strength.

It is worth stepping back from a single year, because the case for this Company rests on something larger. The central government borrowed ₹14.61 lakh crore gross during the year and has budgeted ₹16.09 lakh crore, net of switches, for FY27. State issuance approached ₹12.8 lakh crore. Foreign investors still hold under 2% of the outstanding stock of government securities, a measure of how much room their participation has to grow, and retail investors are arriving through the Retail Direct platform. **Over the coming decade a growing share of India's investment will be financed through its debt markets, and every stage of that deepening** will need intermediaries able to price, hold and distribute sovereign risk. PNB Gilts is India's only listed standalone Primary Dealer, and to hold its shares is to participate directly in that deepening. A hard year for bond prices has not weakened this case, and it has reminded the market why it needs institutions built to function through such years.

The strategy of your Company rests on depth at its core. That core is primary dealership in government securities, and we strengthen it continuously in bidding, in underwriting, in market making and in client relationships. Depth of that kind is built by people. A lean company of 57 professionals conducting business of this scale runs on expertise and on trust, and we invested in both during the year through structured training and a culture that prizes judgement. **Beyond the market, the Company kept its commitments to the wider community. Our corporate social responsibility outlay funded a dialysis centre at Kalawati Saran Children's Hospital, the Zero Waste to Landfill initiative at the National Institute of Tuberculosis and Respiratory Diseases and a contribution to the PM National Relief Fund.** We also aligned our climate risk framework with the emerging ISSB disclosure standards.

The new financial year has already tested the assumption of calm. A truce in West Asia in June brought crude oil down sharply from its conflict-period peak and allowed bond yields to ease from their highs. That truce has proved fragile, and the months since have alternated between escalation and negotiation. **We take no view on how the conflict will evolve. We simply note that the forces that tested us in the final quarter of FY26 remain live, and we have positioned the book accordingly.** Domestic considerations point the same way. Inflation will run higher than last year's unusual lows, and the borrowing programme is the largest

on record. Our working assumption is that supply will remain the principal weight on the benchmark, that policy will stay on hold, and that volatility will be a feature of the year rather than an interruption to it. Against this stands a decisive opening to foreign capital. The Fully Accessible Route has been extended to all new 15, 30 and 40-year issuances, investment limits under the General Route have been removed and foreign holdings of government securities have been granted a tax exemption. These measures should steadily broaden demand for the very segment of the curve that struggled most last year. We have planned FY27 on the basis that markets will remain choppy and volatile, and the opening months have reinforced that view. **Your Company enters the year with capital adequacy above 52%, leverage well below permitted limits, and the capacity to add risk at scale when the compensation for risk improves. Should conditions prove kinder than we assume, you will see the difference in our results.**

I thank the Reserve Bank of India for the steadiness of its stewardship through a year of adjustment and for market operations that kept conditions orderly. I thank the Government of India for a fiscal discipline that anchors the market we serve. I am grateful to Punjab National Bank for its steadfast support as promoter and partner, and to my colleagues on the Board for their counsel. To every member of the PNB Gilts team, whose professionalism carried the Company through a demanding year, I offer my particular thanks. Above all, I thank you, our shareholders, for your continued trust. The years that test a franchise are also the years that prove it. I believe FY2025-26 has proven yours.

Date: August 7, 2026
Place: New Delhi

(Tejendra Mohan Bhasin)*
Chairman

* Sh. Tejendra Mohan Bhasin was unanimously elected as Chairman.

MANAGING DIRECTOR & CEO'S MESSAGE

PAREED SUNIL

(MANAGING DIRECTOR & CEO)

Dear Shareholders,

***Navigating with Confidence*, the theme of this Annual Report, describes an institution more than it describes a year. Your Company marked its thirtieth Foundation Day on 2 July 2026, and in 2025 it completed twenty-five years as a listed company.** It was one of the six institutions to which the Reserve Bank of India granted the first Primary Dealer licences in 1996. Its net owned funds stand at more than thirty times the ₹50 crore of capital with which it was founded, built through the rate cycles of the late 1990s, the global financial crisis, the taper tantrum of 2013, the pandemic and the tightening that followed it. FY2025-26 added a cycle of its own, and the Company continued to fulfil its role through it.

A significant part of the pressure on the Indian bond market in FY2025-26 came from developments beyond our borders. **The world economy grew 3.5% in 2025, the same pace as in 2024, and global headline inflation eased to 4.1% from 5.8%.** The strain was in sovereign bond markets. Even with financial conditions accommodative, sovereign yields rose as term premiums climbed amid heavy government issuance and a shift in investor appetite away from long-duration assets. India, with a heavy borrowing calendar of its own, felt the same forces. On top of this, India absorbed two direct shocks: first in August, when the United States raised tariffs on Indian goods to 50%, and then at the end of February, when the conflict in West Asia lifted crude oil prices and disrupted supply chains. Foreign portfolio investors withdrew a net US$16.6 billion over the year, US$13.6 billion of it in March after the war began, and the rupee weakened from ₹85.6 to ₹94.7 to the

dollar, with about half of that move coming in the final quarter.

Against that, the domestic economy stood firm. **Growth of 7.7% with inflation averaging 2.1% gave the RBI room to ease, and it cut the repo rate by 100 bps to 5.25% over FY2025-26.** The easing was front-loaded, with 75 bps delivered between April and June, and the stance was moved to neutral at the June meeting. For the bond market that signal mattered more than the cuts. With little further easing left to price, the market's attention turned to the size of the borrowing programme, to yields abroad and, from March, to West Asia conflict.

The 10-year G-sec yield ended the fiscal year at 7.06%, 43 bps above where it began, even as the policy rate fell. The path mattered as much as the destination. The yield fell to 6.23% by end-May on front-loaded easing and open market purchases, rose to 6.68% by September once the stance turned neutral and the tariff shock landed, held a range of 6.50% to 6.76% through the December quarter, and then rose 34 bps in March alone as the war in West Asia closed the Strait of Hormuz and lifted crude oil prices above US$100. Short rates moved the other way, and the spread of the 10-year over the 91-day Treasury Bill widened from 47 bps in April to about 173 bps by the year end. The Reserve Bank of India's outright purchases of close to ₹8.8 lakh crore, ₹4.6 lakh crore of them in the final quarter, capped the rise. A curve that steepens this way cheapens a Primary Dealer's funding and raises the yield on the paper it holds, while lowering the market value of the bonds already on its books.

Against that backdrop, your Company earned a profit after tax of ₹181.62 crore on total income of ₹1,699 crore, against ₹233.03 crore on ₹1,676 crore in the previous year. What stands out in the year's result is its composition. Interest income rose 11.7% to

₹1,689 crore while finance costs were held flat at ₹1,312 crore, so the core of the Company's earnings widened even as yields moved against it. That is why the final quarter, the most disorderly of the year, still closed in profit. Set against these gains was depreciation on securities as long-term yields rose, a cost shared across the industry in FY2025-26 and one that a Primary Dealer carrying sovereign duration cannot avoid.

The balance sheet ended the year stronger than it began. Net owned funds rose 11.8% to ₹1,696 crore and the capital adequacy ratio to 52.68% from 42.68%, against a regulatory minimum of 15%, while average leverage of 14.48 times net owned funds stayed well inside the permitted limits. Every auction obligation was met, no auction devolved on the Company, and not one customer complaint was received. Underwriting commission income rose more than fourfold to ₹4.51 crore from ₹1.11 crore, the greater compensation the market offered for the uncertainty absorbed at auction. On that footing the Board has recommended a dividend of ₹2 per share, double the previous year's, a payout of ₹36 crore.

Confidence, in a Primary Dealer, is built over years and tested in years like the one just ended. FY2025-26 drew on that confidence and, as the balance sheet shows, strengthened it. Much of what made this possible lies beyond the Company. The Reserve Bank of India's market operations provided support to the long end of the curve when it was needed, while its engagement with Primary Dealers remained open and constructive through the year. Punjab National Bank, as promoter, has been a constant source of strength, while the Chairman and the Board provided clear direction and rigorous oversight. The continued confidence of constituents and counterparties remained central to the franchise, particularly through periods of difficult market conditions. **The judgement, discipline and accountability of the Company's people were equally important in navigating the year and delivering these results.** For shareholders, the year demanded patience, and the dividend recommended by the Board reflects the Company's commitment to returning value while preserving its financial strength. Thirty years on, your Company continues to navigate with the confidence built through experience, resilience and institutional strength.

Date: August 7, 2026
Place: New Delhi

(Pareed Sunil)
Managing Director & CEO

BRIEF PROFILES OF THE DIRECTORS

Dr. Tejendra Mohan Bhasin

Independent Director

Dr. T. M. Bhasin has been a career Banker for 37 years with notable roles such as Chairman and Managing Director of Indian Bank from 2010 to 2015. Dr. Bhasin was appointed as Vigilance Commissioner of India by Hon'ble President of India in CVC from June 2015 to June 2019 and has also chaired the Advisory Board for Banking and Financial Frauds (constituted by CVC and RBI) from August 2019 to August 2023.

Dr. Bhasin holds an MBA in Finance from FMS, Delhi, LL.B. from Delhi University, CAIIB, and M.Sc. Gold Medallist. A Delhi University topper in its one year flagship programme in 'Criminology and Forensic Science', he is a fellow of the Indian Institute of Banking and Finance. He also completed the Advanced Financial Enterprises Management Programme at Harvard Kennedy School (US).

Sh. Gopal Singh Gusain

Independent Director

Sh. Gopal Singh Gusain, a graduate in science, an associate member of Institute of Cost and Management Accountants of India, a Certified Associate Member of Indian Institute of Bankers (CAIIB) from IIBF, holds various certifications in treasury, Investment and Risk Management. Sh. Gusain started his professional journey with Bharat Heavy Electricals Limited as accounts officer in 1990 to 1994.

Thereafter, he joined Punjab National Bank (PNB) as Manager in 1994 and served PNB for 28 years in Credit, Recovery, Risk, Compliance, Information Technology and International Banking. Further in September 2018, he was elevated as Executive Director (ED) of Union Bank of India and superannuated in January, 2022

BRIEF PROFILES OF THE DIRECTORS

Sh. Raj Kamal Verma

Independent Director

Sh. Raj Kamal Verma, a graduate in Arts (Honours), and a Certified Associate Member of Indian Institute of Bankers (CAIIB) from IIBF, started his professional journey with Bank of India as Probationary Officer in year 1982. In August 2016, he was elevated as Executive Director (ED) of Union Bank of India and superannuated in February, 2019. During his 37 years of experience in the banking sector, he handled key banking areas like Human Resources, IT and Digital Banking, MSME, Corporate Credit, Foreign Business, Financial Inclusion, Inspection & Audit, Credit Monitoring & Recovery etc.

Dr. Rekha Jain

Independent Director

Dr. Rekha Jain, post-graduate in Physics from University of Delhi, Ph.D. from the Indian Institute of Technology, Delhi is Senior Visiting Professor, Indian Council for Research on International Economic Relations (ICRIER). Earlier She has served as Professor in the Indian Institute of Management, Ahmedabad from June 1985 to December 2019 (i.e. till superannuation). She has also worked as Probationary Officer in State Bank of India for a year at the start of her career.

BRIEF PROFILES OF THE DIRECTORS

Smt. Anju Mittal

Non-Executive & Non-Independent Director

Smt. Anju Mittal, an MBA, M.A., M.Com, FRM, and CAIIB, began her professional journey with PNB in year 1993 and is serving the bank from last 32 years in core banking, risk management, and compliance etc. At present, she is General Manager of PNB.

She is Nominee Director on the Board of Sarva Haryana Gramin Bank ("SHGB") and holds the position of Chairman of the Audit Committee, and Member of the Risk Management Committee, Customer Service Committee of the Board, and Special Committee of the Board on Fraud Management at SHGB.

Sh. Pareed Sunil

Managing Director & CEO

Sh. Pareed Sunil, serves as the Managing Director & Chief Executive Officer at PNB Gilts Ltd., a premier primary dealer in India's government securities market. He has earlier worked as Deputy CEO of PNB Gilts for approx. 2 years and elevated to perform present role in the company.

He has been engaged with PNB group for more than 3 decades and played an important role in the field of Treasury, International Banking, Credit Management, Risk Management, Compliance and HR. His extensive experience spans both domestic and international markets, including significant assignments in India and abroad.

BOARD'S REPORT

Dear Members,

Your Directors are pleased to present the 30th Annual Report together with the Company's audited financial statements for the financial year ended March 31, 2026.

1. RESULTS OF OUR OPERATIONS AND STATE OF AFFAIRS

The Company's financial performance, for the year ended March 31, 2026, is summarized below:

(₹ in lakhs)

	For the year ended 31.03.2026	For the year ended 31.03.2025
Total Income	1,69,905.98	1,67,627.90
Less: Total Expenditure	1,45,922.08	1,36,752.38
Exceptional Items – Expense / (Income)	(175.84)	(219.95)
Profit/(loss) Before Tax	24,159.74	31,095.46
Less: Tax Expense	5,998.19	7,792.40
Profit for the period	18,161.55	23,303.06
Other Comprehensive Income	76.12	41.24
Total Comprehensive Income	18,237.67	23,344.31
Opening Balance of Retained Earnings	64,293.81	47,410.22
Closing Balance of Retained Earnings	77,099.07	64,293.81
Earnings per share (₹)	10.09	12.95

The fiscal year 2025-26 unfolded against an unusually demanding external backdrop, yet the domestic economy proved markedly resilient. The principal headwinds were a sharp escalation in US tariffs, recurring bouts of financial-market volatility and, towards the close of the year, the conflict in West Asia that pushed crude oil prices sharply higher. These pressures bore most directly on the rupee and on the longer end of the domestic yield curve, while their impact on real activity remained limited.

Real GDP grew by 7.7 per cent, up from 7.1 per cent a year earlier, anchored by domestic demand, while headline inflation fell to its lowest in the current price series. That rare combination of firm growth and low inflation allowed RBI to lower the policy repo rate by a cumulative 100 bps over the fiscal year, taking the easing since February 2025 to 125 basis point, and to inject close to ₹ 13.8 lakhs crore of durable liquidity.

On the fiscal side, the Centre held to its consolidation path, containing the gross fiscal deficit at 4.4 per cent of GDP, from 4.8 per cent a year earlier. Even with the deficit narrowing, the gross borrowing programme remained sizeable through the year.

In the government securities (G-Sec) market, the support from monetary easing and falling inflation was outweighed by the weight of government supply. The defining development of the year was a marked steepening of the yield curve. The front end eased with the repo cuts, while the longer

end hardened under heavy issuance and the external pressures of the closing months. The benchmark 10-year sovereign yield moved from around 6.48 per cent at the end of March 2025 to approximately 7.03 per cent by March 2026, a modest hardening of 55 basis points over the fiscal year.

Against this backdrop, the Company diligently fulfilled all the regulatory mandates for Primary Dealers, both in primary as well as secondary markets. Despite the market turbulences, the Company's achieved Profit Before Tax of ₹ 24,159.74 lakhs compared to ₹ 31,095.46 lakhs in the previous year. The Company's balance sheet grew stronger with Net Owned Funds rising to ₹ 1,69,644.24 lakhs from ₹ 1,51,741.19 lakhs Y-o-Y, and Capital Adequacy Ratio improving to a healthy 52.68 per cent against the regulatory minimum of 15 per cent.

Fulfilling its primary market commitment, the Company achieved a success ratio of 61.43 per cent and 47.66 per cent in first and second halves of FY 2025-26, respectively, and exceeded the stipulated success ratio of 40 per cent-maintained half yearly. In the government securities category, the Company fulfilled all underwriting commitments, thereby supporting the government's borrowing program. Furthermore, the Company's achieved secondary market outright turnover of 2.86 per cent for FY 2025-26, surpassing the mandate of 2.5 per cent prescribed by RBI.

Material Changes and Commitments

Save as otherwise provided in this report and as mentioned in the Note No. 38 of the financial statements, no material changes and commitments affecting the Company's financial position have occurred after the close of the financial year till the date of this report.

Capital Adequacy

Capital adequacy ratio as on March 31, 2026 stood at 52.68 per cent as against the RBI stipulation of 15 per cent.

Dividend

Your Directors are pleased to recommend a final dividend of ₹ 2/- (i.e. 20 per cent) per equity share of face value of ₹ 10/- per share for the year ended 31st March, 2026, subject to approval in the ensuing Annual General Meeting.

The Dividend Distribution Policy, in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations" or "Listing Regulations") is available on the Company's website on https://www.pnbgilts.com/uploads/corporate_governance/Dividend_Distribution_Policy.pdf. During the financial year 2025-26, the policy remained unchanged, except for a routine update to reflect the current nomenclature of the relevant RBI Master Directions.

Transfer to Reserves

Your Directors propose to transfer a sum of ₹ 3,632.31 lakhs to the Statutory Reserve as required under the provisions of Section 45-IC of the Reserve Bank of India Act, 1934. Further, in terms of the first proviso to Section 123(1) of the Companies Act, 2013, the Company proposes not to transfer any sum in General Reserve.

2. CORPORATE GOVERNANCE

Corporate Governance for your Company means achieving a high level of accountability, efficiency, responsibility, and fairness in all areas of operations. Our workforce is committed to protecting the interests of stakeholders, including shareholders, creditors, investors, customers, employees, etc. Our policies consistently undergo improvements, keeping in mind our goal, i.e., maximization of the value of all stakeholders.

We comply with the SEBI and RBI guidelines on Corporate Governance. We have documented our internal code on Corporate Governance in compliance of SEBI and RBI guidelines. The Corporate Governance practices followed by the Company are given in the Corporate Governance section of this Annual Report. A certificate from M/s Pranav Kumar & Associates, Company Secretaries, regarding compliance with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations is enclosed with the 'Report on Corporate Governance' forming part of this Board's Report.

Number of meetings of the Board

The Board met seven (7) times during the financial year 2025-26 to review strategic, operational, technological, and financial matters and lay down policies and procedures for the Company's operational management. The details of such meetings are given in the 'Report on Corporate Governance' forming part of this Board's Report.

Directors and Key Managerial Personnel (KMP)

During the financial year 2025-26, following changes happened in the composition of Directors and KMP:

a. Based on the recommendation of the Nomination & Remuneration Committee, the Board appointed Sh. Pareed Sunil, Deputy CEO as an Additional Director with the designation 'Managing Director & CEO' (Key Managerial Personnel) for a three-year term, effective from the date of receiving approval from the Reserve Bank of India ("RBI") or allotment of a Director Identification Number ("DIN") by the Ministry of Corporate Affairs ("MCA"), whichever occurred later, subject to shareholder approval. Following the allotment of DIN by the MCA on 13.03.2025, and regulatory approval from the RBI via its letter dated 19.06.2025, Sh. Pareed Sunil (DIN: 11001150) joined the Board as an Additional Director designated as Managing Director & CEO (KMP) with effect from 19.06.2025. Subsequently, the members also vide resolution passed at the Annual General Meeting held on 17.09.2025, approved the appointment of Sh. Pareed Sunil as Managing Director & CEO of the Company for a period of three (3) years w.e.f. 19.06.2025.

b. Sh. Kalyan Kumar (DIN: 09631251), promoter nominated Director resigned as a Non-Executive Non-Independent Director and Chairman of the Company w.e.f. closure of business hours of 30.09.2025, due to his elevation as Managing Director & CEO of Central Bank of India.

c. Sh. Amit Kumar Srivastava (DIN: 08099846), promoter nominated Director tendered his resignation as Non- Executive Non-Independent Director of the Company, due to his elevation as Executive Director of Punjab National Bank (PNB or promoter). His resignation is effective from 26.11.2025.

d. The Board of Directors had, on the recommendation of the Nomination & Remuneration Committee, appointed Sh. Bibhu Prasad Mahapatra (DIN : 08756848), Executive Director at PNB, as an Additional Director (Non-Executive & Non-Independent) with effect from the date of receipt of the approval from RBI. The RBI conveyed its regulatory approval vide its communication dated 29.01.2026, establishing this as the official effective date of his appointment. Subsequently, the members had, vide resolution passed through postal ballot on 24.04.2026, approved the appointment of Sh. Bibhu Prasad Mahapatra as Non-Executive & Non-Independent Director of the Company with effect from 29.01.2026, for a term of upto 5 consecutive years. Sh. Bibhu Prasad Mahapatra has resigned from the office of Chairperson and Director (Non-Executive & Non-Independent) of the Company with effect from close of business hours of 07.08.2026 on account of receipt of permission by PNB from the Govt. of India for nomination of Sh. Amit Kumar Srivastava, Executive Director-PNB as Non-Executive Non-Independent Director on the Board of Directors of the Company.

e. The Board of Directors had, on the recommendation of the Nomination &

Remuneration Committee, appointed Smt. Anju Mittal, General Manager - PNB, as an Additional Director (Non-Executive & Non-Independent) of the Company with effect from the date of receipt of approval from the RBI or date of allotment of DIN by MCA, whichever is later. The MCA allotted DIN i.e. 11410994 to her on 05.12.2025 and the RBI conveyed its approval vide its letter dated 13.03.2026 (received on 16.03.2026), establishing 16.03.2026 as official effective date of appointment of Smt. Anju Mittal on the Board of Directors of the Company. Subsequently, the members had, vide resolution passed through postal ballot on April 24, 2026, approved the appointment of Smt. Anju Mittal as Non-Executive & Non-Independent Director of the Company with effect from 16.03.2026, for a term of upto 5 consecutive years.

f. Sh. Chandra Prakash resigned from the position of Chief Financial Officer (Key Managerial Personnel) & Chief Information Security Officer of the Company effective from closure of business hours of November 28, 2025, on account of his transfer back to the parent bank (i.e. PNB) for another assignment in the Bank. In his place, the Board of Directors had, on the recommendation of the Nomination & Remuneration Committee, appointed Ms. Kishkanda Garg, Chief Manager - PNB, parent bank as the 'Chief Financial Officer' designated as Key Managerial Personnel (KMP) and Senior Management Personnel of the Company for a tenure of three years, effective from January 17, 2026.

Your Directors wish to place on record their appreciation for the contributions made by Sh. Kalyan Kumar, Sh. Amit Kumar Srivastava, Sh. Bibhu Prasad Mahapatra and Sh. Chandra Prakash during their respective associations with the Company.

Further, in accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Sh. Pareed Sunil (DIN: 11001150) shall retire by rotation in the ensuing Annual General Meeting and being eligible, offers himself for reappointment. The Board recommends his reappointment.

During the year 2025-26, No Independent Director has been appointed/reappointed.

None of the Directors are debarred from holding the office of Director pursuant to order of SEBI or any other authority.

Performance Evaluation

In terms of the requirement of the Companies Act, 2013 and the SEBI Listing Regulations, an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance with the aim to improve the effectiveness of the Board and the Committees. The Board along with the Nomination and Remuneration Committee ("NRC") has laid down the criteria of performance evaluation of Board, its Committees and Individual Directors which is available on the website of the Company at https://www.pnbgilts.com/uploads/corporate_governance/DIRECTORS%E2%80%99_EVALUATION_POLICY.pdf. These criteria are broadly based on the Guidance note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

The Board evaluated its performance after seeking inputs from all the Directors based on criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Directors based on criteria such as

the composition of committees, effectiveness of committee meetings, etc.

The NRC reviewed the performance of individual Directors on the basis of criteria such as the contribution of the individual Director like commitment, contribution, initiative for growth of Company etc. preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a separate meeting of Independent Directors, performance of (a) Non-Independent Directors; (b) the Board as a whole; and (iii) the Chairman of the Company was evaluated, taking into account the views of Executive Directors and Non-Executive Directors.

In the Board meeting and meeting of Nomination and Remuneration Committee, the performance of the Board, its committees, and individual Directors including Independent Directors and the Chairperson of the Board was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

The evaluation process endorsed the Board's confidence in the ethics standards of the Company, cohesiveness amongst the Board members, flexibility of the Board and management in navigating the various challenges faced from time to time and openness of the management in sharing strategic information, if any, with the Board. The Committees are also functioning well.

In general, the outcome of such evaluation process was found satisfactory.

Policy on Directors' Appointment and Remuneration etc.

The policies of the Company on Directors' Appointment and Remuneration formulates the criteria for determining qualifications, competencies, positive attributes and independence of a Director and other matters like remuneration of Directors, key managerial personnel, senior management and other employees. The policy relating to the remuneration of Directors, Key Managerial Personnel and other employees is framed with the object of attracting, retaining and motivating talent which is required to run the Company successfully.

During the year 2025-26, the remuneration policy of the Company was revised to align it with the Company's Performance Linked Incentive (PLI) Policy and strengthen governance in remuneration practices. The key changes include updation of sitting fees structure and refinement in the framework for assessment of performance-linked incentives, inclusion of Group Accidental Insurance under variable remuneration, and enhanced clarity on malus and clawback provisions and their applicability, while continuing to align remuneration with performance, risk outcomes and regulatory expectations. These policies are available on the website of the Company at the link: https://www.pnbgilts.com/uploads/corporate_governance/ELIGIBILITY_CRITERIA_OF_DIRECTORS_Policies_on_Board_Diversity.pdf. and https://www.pnbgilts.com/uploads/corporate_governance/REMUNERATION_POLICY.pdf.

Declaration by Independent Directors

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of Companies Act, 2013 and SEBI Listing Regulations, along with a declaration of compliance of sub-rule (1) and sub-rule (2) of Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties. The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, skills, experience (including proficiency) and expertise and they hold highest standards of integrity and are Independent of the management.

Business Responsibility and Sustainability Report

Business Responsibility and Sustainability Report for the year under review, as stipulated under Regulation 34(2)(f) of SEBI Listing Regulations, forms part of the Board's Report.

3. OTHER DISCLOSURES –

Details of Committees

The details in relation to the composition of Audit Committee, Corporate Social Responsibility Committee and other board level committees have been given in Report on Corporate Governance forming part of the Board's Report.

All the recommendations made by the Audit Committee during the year were accepted by the Board.

CSR

There were no major changes to the CSR Policy during FY 2025-26. However, one provision about surplus funds was moved from the CSR Manual into the CSR Policy to make it clearer. The CSR policy of the Company is available at Company's website at the link https://www.pnbgilts.com/uploads/corporate_governance/CSR.pdf. The CSR activity of the Company is carried out as per the instructions of the Committee and Board. The annual report on the CSR for the year 2025-26 in the prescribed format, inter-alia, containing the brief of CSR Policy, CSR Committee composition along with objects and expenditure details etc., is presented at Annexure A to the Board's Report.

Other details of above said and other Committees of the Board are given in the 'Report on Corporate Governance' forming part of the Board's Report.

Whistle Blower Policy (including Vigil Mechanism)

Your Company believes in conducting its affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. Your Company is committed to develop a culture where it is safe for Directors and employees to raise concerns about any wrongful conduct.

The Board of Directors have approved a Whistle Blower Policy (including Vigil Mechanism), which provides a framework to promote a responsible and secure whistle blowing. It protects employees wishing to raise a concern about serious irregularities within the Company. The Audit Committee reviews the functioning of this mechanism. The mechanism also provides for direct access to the Audit Committee/Chairman of Audit Committee. During the year under review, no such matter has been reported to the Audit Committee. The said policy may be accessed on the Company's website at the link https://www.pnbgilts.com/uploads/corporate_governance/Whistle_Blower_Policy.pdf

Contracts and Arrangements with Related Parties

The transactions between the Company and its related parties, during FY 2025-26, were in the ordinary course of business and based on the principles of arm's length. Details of contracts/arrangements/ transactions with related parties which are required to be reported in Form No. AOC-2 in terms of Section 134(3)(h) read with Section 188 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 are provided in Annexure B.

The SEBI vide notification dtd. 19.11.2025 amended the provisions of Regulation 23 of the Listing Regulations, effective from 18.12.2025, related to threshold limits and approval requirements of material Related Party Transactions. Accordingly changes in the Company's Policy/SOP on Related party Transactions have been made and same can be accessed at the Company's website at the link https://www.pnbgilts.com/uploads/corporate_governance/Policy_on_Related_Party_Transactions_17_01_2026.pdf.

Subsidiaries

The Company is not having any subsidiary or associate or joint venture. It is not required to consolidate the financial statements in terms of Section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014. However, the financial statements of the Company for FY 2025-26 had already been considered by its parent bank i.e. Punjab National Bank for the purpose of consolidation.

Directors' Responsibility Statement

Pursuant to the requirements of Section 134(3)(c) of the Companies Act, 2013, your Directors confirm that:

(a) in the preparation of the annual accounts for the year ended March 31, 2026, the applicable accounting standards read with the requirements set out under the Schedule III to Companies Act, 2013, have been followed and there are no material departures from the same;

(b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2026 and of the profit and loss of the Company for the year ended on that date;

(c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the Directors had prepared the annual accounts on a going concern basis;

(e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

(f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Human Resource Management

Your Company treats its human resources as one of its most important assets. To ensure good human resource management in the Company, the Company focuses on all the aspects of employee lifecycle. During their tenure in the Company, employees are motivated through various skill development and volunteering programmes. Recreational programmes are also conducted on regular basis so as to create stress-free environment. All the while, the Company also creates effective dialogues through various communication channels like face to face interactions so as to ensure that feedback reach the relevant teams. In house meetings and training sessions are also arranged to engage and develop the employees and to gather ideas around innovation.

The information required to be disclosed under Section 197(12) and Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided at Annexure C.

The information required pursuant to Section 134 read with rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Board report and shall be provided to the members upon specific request. In terms of Section 136 of the Act, the report and accounts are being sent to members, excluding the information on employees' particulars, which is available for inspection by the members at the registered office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. Interested members may write to the Company. No employee is related to any Director of the Company.

Sexual Harassment at Workplace

Your Company has complied with provisions relating to the Sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has constituted Internal Complaints Committee and has put in place a formal policy for prevention of sexual harassment of its employees at workplace. The details pertaining to number of sexual harassment complaints during the year has been provided below:

a. Number of pending complaints at the beginning of FY 2025-26 : Nil

b. Number of complaints received during the FY 2025-26 : Nil

c. Number of complaints disposed of during the year : Nil

d. Number of cases pending for more than 90 days – Nil

e. Number of complaints pending as on end of the FY 2025-26 - Nil

Particulars of Loans given, investment made, guarantees given and securities provided

The Company, being a non-banking financial company registered with RBI and engaged in the business of acquisition of securities, is exempt from complying with the provisions of Section 186(4) of the Companies Act, 2013 in respect of loans given, investments made, security provided and guarantees given. Accordingly, the disclosures required under the aforesaid section have not been made in this Report.

Annual Return

As per Section 134(3)(a) of the Companies Act, 2013, the Annual Return referred to in Section 92(3) of the Companies Act, 2013 has been placed on the website of the Company and can be accessed at https://www.pnbgilts.com/investors-relations#annual_report

Deposits

During the year ended March 31, 2026, the Company has not accepted any deposit from the public and as such, no amount on account of principal or interest on public deposits was outstanding/ remained unclaimed as on the date of the balance sheet.

Risk Management

In terms of RBI guidelines for NBFCs and Primary Dealers, and the Listing Regulations, Risk Management Committee of the Board has been entrusted with the responsibility by the Board in laying down procedures for risk assessment and minimization. The Committee also reviews these procedures periodically to ensure that executive management is implementing and controlling the risks through means of a properly defined risk framework. The composition of the said Committee and terms of reference are given in Report on Corporate Governance forming part of the Board's Report.

The Company also have an Asset–Liability Committee (ALCO) of executives of the Company comprising of the Managing Director & CEO, Executive Director/Deputy CEO, CFO, Senior Executive Vice President, Chief Dealer and Head Mid- office/ Heads of Risk / CRO of the Company.

The Risk Management Committee reviews the (a) Risk Management Policy, (b) Risk Governance Framework, (c) Fraud Risk Management Policy, (d) Operational Risk Management Policy, (e) Climate Risk Management Policy, and (f) ICAAP Policy, and on the basis of the recommendation of this Committee, the Board approves the same.

The Risk Management Department of the Company is an independent unit, headed by Chief Risk Officer who functionally reports to the Risk Management Committee (RMC), and is responsible for measurement and monitoring of risk limits within the risk management framework of the Company. The responsibilities of the Risk Management Department include establishment of policies and procedures, development of models for estimation of risk and management of risks in a holistic manner across the Company. The department performs critical functions related to identification of risk, conducting risk analysis (including assessment and measurement), and conducting data analytics, providing MIS and reporting observations, if any. The said department is also responsible for identification, measurement and monitoring of the adherence to prudential limits laid down in the Company's policies and the regulatory limits.

The Risk Management Committee, IT Strategy Committee and Audit Committee, on periodic basis, oversees all the risks that the Company faces such as strategic, financial, market, liquidity, security, geo-political, climate, IT, cyber security, legal, regulatory and other identified risks alongwith the implementation of risk management policy. There is an adequate risk management infrastructure in place capable of addressing the possible risks. Based on the robust risk management framework and regular monitoring of all major risk areas within the Company, the Board is satisfied that there are no factors that could adversely affect the existence of the Company. For further details, Business Responsibility and Sustainability Report may also be referred, which forms integral part of this Report.

Significant and material orders

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

Issue of Shares

There was no issue of shares during the year neither with differential rights as to dividend, voting or otherwise nor to employees of the Company.

Management Discussion and Analysis

Management Discussion and Analysis comprising an overview of the financial results, operations/performance and future aspects forms part of this Board's Report.

Secretarial Standards

The Company has complied with all mandatorily applicable Secretarial Standards.

Non-applicability of Section 148 of Companies Act, 2013

The Company is not required to maintain cost records in accordance with Section 148 of the Companies Act 2013.

Others

No application has been made under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) ("the IBC, 2016"), hence, the requirement to disclose the details of application made or any proceeding pending under the IBC, 2016 during the year along with their status as at the end of the financial year is not applicable.

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable, as there was no such instance of one-time settlement.

There was no change in nature of business.

The Company is in compliance with the applicable provisions relating to maternity benefits as prescribed under the Maternity Benefit Act, 1961/ the Code on Social Security, 2020.

Section 197(14) of the Act is not applicable as the Managing Director & CEO does not receive any commission from the Company.

4. AUDITORS, INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Statutory Auditor

The Comptroller and Auditor General of India had appointed M/s Raj Har Gopal &Co (Firm Reg. No. 002074N) and M/s K Venkatachalam Aiyer & Co (Firm Reg. No. 004610S), Chartered Accountants, as Joint Statutory Auditors of the Company for the Financial Year 2025-26. Pursuant to the provisions of Section 143(12) of the Companies Act, 2013, the Statutory Auditor of the Company has not reported any incident of fraud during the FY 2025-26. The Auditor Report is self-explanatory and does not contain any qualification, reservation or adverse remark or disclaimer etc.

Comments of Comptroller & Auditor General of India (C&AG)

The financial Statements for the Financial Year ended March 31, 2026, along with the auditors' report thereon, were submitted to the C&AG for supplementary audit. The Comments of Comptroller & Auditor General of India (C&AG) and the reply of the Management thereto form part of this Report, is annexed as Annexure D.

Secretarial Auditor

M/s Pranav Kumar & Associates, Practicing Company Secretaries (ICSI Unique Code.: P2005BI010400) has been appointed as the Secretarial Auditor of the Company for a

term of 5 (Five) consecutive years i.e. from Financial Year 2025-26 to Financial Year 2029-30, for the purpose of secretarial audit. The Secretarial Audit Report for the financial year ended March 31, 2026, is annexed as Annexure E to this Report. The Report is self-explanatory and does not contain any qualification, reservation, adverse remark or disclaimer etc. Pursuant to the provisions of Section 143(12) of the Companies Act, 2013, the Secretarial Auditor of the Company has not reported any incident of fraud during the FY 2025-26.

Internal financial control systems and their adequacy

The Company considers the internal control systems to be a very significant part of its Corporate Governance practices. Your Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, prevention and detection of frauds etc. The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance with corporate policies. The Company has a well-defined delegation of power with authority limits for approving transactions/contracts including expenditure. Processes for formulating and reviewing annual and long term business plans have been laid down. M/s Raj Har Gopal &Co and M/s K Venkatachalam Aiyer & Co, the Joint Statutory Auditors of the Company have audited the financial statements included in this annual report and have issued a report on our internal control over financial reporting (as defined in section 143 of Companies Act 2013).

As a part of this control system, your Board appoints Internal Auditor and other auditors as well. Accordingly, these internal controls are routinely tested and certified by the auditors.

Your Board appointed M/s Grant Thornton Bharat LLP as the Concurrent Auditor of the Company and also framed a separate Internal Audit Function, headed by Head of Internal Audit, of the Company in compliance with RBI circular no. DoS.CO.PPG./SEC.05/11.01.005/2020-21 dated February 3, 2021. Your Company also has in place a Risk Based Internal Audit (RBIA) Policy, in line with the RBI directions.

The scope of concurrent audit included audit of treasury transactions on a monthly basis and reporting to the Audit Committee of the Board that the Company has operated within the limits of various risk parameters laid down by the Board, RBI, and other statutory authorities. Besides, the said firm also audited and reviewed the related party transactions on monthly basis and the key business processes of the Company. The Internal Audit department as part of Risk Based Internal Audit does the testing of controls at regular intervals for their design and operating effectiveness to ascertain the reliability and authenticity of financial information.

All the reports of the Concurrent Auditor and Internal Auditor were submitted to the Audit Committee. Timeliness of submission of all the periodic statutory returns/forms etc. to regulatory bodies was also checked by the Concurrent Auditor. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems. The internal financial control systems in the Company are adequate.

5. DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company is a Primary Dealer, regulated by the Reserve Bank of India and thus its operations are not highly energy intensive. However, the Company has been focusing on sustainability and cultivating climate conscious culture wherein aspects like resource conservation, waste generation, energy efficiency, judicious consumption are

given prime importance. Rationalizing the Company's printing requirements remains a priority within the business. This can eventually enable reduction in energy consumption in day-to-day operations of the Company.

For procurement of equipment required to run our operations, such as computer hardware, air conditioners, energy efficiency standards (viz. 5-star ratings) are duly considered during purchase. Majority of the initiatives such as, LEDs, energy efficient architecture, etc. are present in select leased offices/ touchpoints and proper care is taken to ensure such initiatives remains a priority while onboarding a new office. Every endeavor is made to ensure optimal use of energy, avoid wastages and conserve energy as far as possible. These measures also include switching off lights and computer systems when not in use, creating awareness among employees about the necessity of energy conservation etc.

The capital investment on energy conservation equipment was Nil.

Your Company extensively uses the information technology in its operations and has installed the integrated treasury management software and RBI's Negotiated Dealing System with the help of The Institute for Development and Research in Banking Technology (IDRBT) and reputed IT companies. There are other software also being used in the Company for day-to-day operations. Your Company has leveraged the technology to minimize the risk, management of its cash flows, compliance and audit etc.

Your Company has neither imported any technology during the last three years reckoned from the beginning of the financial year not it has incurred any expenditure on research and development on technology.

Your Company has neither used nor earned any foreign exchange during the year under review.

Acknowledgements

Your Directors thank the Government of India, Reserve Bank of India, Securities and Exchange Board of India, National Stock Exchange of India Ltd., BSE Ltd., Parent Bank, Commercial Banks, Cooperative & Regional Rural Banks, Financial Institutions, PF Trusts, Public Sector Undertakings, Private Sector Corporate Bodies and other valued clients for their whole-hearted support. We acknowledge the sincere and dedicated efforts put in by the employees of the Company at all levels.

On behalf of Board of Directors

(Pareed Sunil)
Managing Director & CEO
DIN: 11001150

(Tejendra Mohan Bhasin)
Independent Director
DIN: 03091429

Date: August 7, 2026
Place: New Delhi

Annexure A

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ('CSR') ACTIVITIES/ INITIATIVES

[Pursuant to Section 135 of the Companies Act, 2013 & Companies (CSR Policy) Rules, 2014 made thereunder]

1. Brief outline on CSR Policy of the Company:

As a responsible corporate citizen, the Company strives to enhance its commitment across all levels to operate in an economically and socially sustainable manner. Recognizing the interests of all stakeholders, we undertake programs that directly or indirectly benefit society at large. Our CSR Policy complies with the provisions of Section 135 of the Companies Act, 2013, and the associated rules, inter alia, covering the following areas

- Guiding principles for selection and implementation of CSR activities
- Governance mechanism and formulation of the Annual Action Plan
- Mode of implementation of CSR activities of the Company
- Process for approval of CSR activities
- Monitoring mechanism
- Key focus areas for CSR activities

2. Composition of CSR Committee:

The composition of the CSR Committee during the financial year 2025-26 was as under:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Dr. Tejendra Mohan Bhasin	Chairperson, Independent & Non- Executive Director	3	3
2	Dr. Rekha Jain	Member, Independent & Non-Executive Director	3	3
3	Sh. Raj Kamal Verma	Member, Independent & Non-Executive Director	3	3
4	Sh. Amit Kumar Srivastava	Member, Non-Independent & Non-Executive Director (up to 25.11.2025)	1	0

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.**

The CSR Policy, Composition of the CSR Committee and CSR projects approved by the Board of the Company is available on the website of the Company (https://www.pnbgilts.com), at the following links:

- Composition of the CSR Committee:

  https://www.pnbgilts.com/uploads/annoucement/Committee_Composition_26.11.2025-1.pdf
- CSR Policy https://www.pnbgilts.com/uploads/corporate_governance/CSR_Policy.pdf
- Approved CSR Projects : https://www.pnbgilts.com/uploads/corporate_governance/Annexure_B_AAP_25-25.pdf

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.**

The same is not applicable to the Company in current financial year 2025-26.

5. (a) Average net profit of the Company as per sub-section (5) of section 135: ₹ 7,118.14 lakhs

   (b) Two percent of average net profit of the Company as per sub-section (5) of section 135: ₹ 142.36 lakhs

   (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)]: ₹ 142.36 lakhs

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 142.36 lakhs

   (b) Amount spent in Administrative Overheads: ₹ Nil

   (c) Amount spent on Impact Assessment, if applicable: Nil

   (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 142.36 lakhs

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

Total Amount Spent for the Financial Year. (in ₹ lakhs)	Amount Unspent (in ₹ lakhs)				
	Total Amount transferred to Unspent CSR Account as per subsection (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
₹ 142.36 lakhs	-	-	-	-	-

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

Sl. No.	Particular	Amount (in ₹ lakhs)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	₹ 142.36 lakhs
(ii)	Total amount spent for the Financial Year	₹ 142.36 lakhs
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	Not applicable
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil

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

1	2	3	4	5	6		7	8
S. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in ₹ lakhs)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹ lakhs)	Amount Spent in the Financial Year (in ₹ lakhs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹ lakhs)	Deficiency, if Any
					Amount (in ₹ lakhs)	Date of transfer		
1	2024-25	0	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2	2023-24	198.98*	0	N.A.	N.A.	N.A.	N.A.	N.A.
3	2022-23	125.15**	0	N.A.	N.A.	N.A.	N.A.	N.A.

*whole amount was spent during the Financial Year 2024-25.

** ₹ 116.35 lakhs was spent in FY 2023-24 and remaining unspent amount of ₹ 8.80 lakhs as on 31.03.2024, was fully spent during FY 2024-25

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

If yes, enter the number of Capital assets created/ acquired - 53

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]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent (in ₹ lakhs)	Details of entity/ Authority/ beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Registration Number, if applicable	Name	Registered Address
1	**Equipment support to Kalawati Sharan Children's Hospital** • One unit Fresenius 5008S machine amounting to ₹ 19.68 lakhs • One Unit of RO Plant amounting to ₹ 29.45 lakhs • One unit CRRT machine amounting to ₹ 28.17 lakhs • One unit Ambulatory Blood Pressure Monitor amounting to ₹ 2.9 lakhs • One unit Electronic Medical Record validated wheelchair scale with handrail amounting to ₹ 5.48 lakhs • Two units medical equipment storage amounting to ₹ 0.43 lakhs • One laptop amounting to ₹ 1.14 lakhs • One laptop amounting to ₹ 0.75 lakhs **Address:** C-604, Shaheed Bhagat Singh Marg, Connaught Place, New Delhi, Delhi, 110001	110001	19/02/2026 21/02/2026 20/03/2026 19/02/2026 23/03/2026 16/03/2026 20/03/2026 24/03/2026	₹ 88 lakhs	CSR00008054	Adharshila	S 519, Greater Kailash 2, New Delhi, DL07,DL,110048

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent (in ₹ lakhs)	Details of entity/ Authority/ beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Registration Number, if applicable	Name	Registered Address
2	**Equipment support to National Institute of Tuberculosis and Respiratory Diseases, Delhi.** • 40 WC Gaia 800 litres amounting to ₹ 24 lakhs • Platform Weighing Machine amounting to ₹ 0.09 lakhs • Leaf Shredder MG 3HP amounting to ₹ 0.36 lakhs • Bio Shredder Falcon FBS 520 amounting to ₹ 0.80 lakhs • Recycled Plastic Collection Box amounting to ₹ 0.18 lakhs **Address:** Sri Aurobindo Marg, Near Qutub Minar, Mehrauli, New Delhi, Delhi 110030	110029	30 March 2026	₹ 25.43 lakhs	CSR00016418	Why Waste Wednesdays Foundation	70, G/F, Navjeevan Vihar, Delhi, South Delhi, 110017

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.

In alignment with the CSR policy and objectives set by the Board for the current financial year, funds have been allocated to new projects. All projects were successfully completed by March 31, 2026, with the full utilization of the allocated CSR funds by the Company and its implementing partners.

10. Other CSR Details:

Details on policy development and implementation by company on corporate social responsibility initiatives taken during year 2024-25:

Turnover (in ₹) – 3,67,32,971.9 Lakhs (Sales)

Net worth (in ₹) – 1,51,741.20 Lakhs

Net profits for last three financial years:

Financial year ended	2024-25	2023-24	2022-23
Profit before tax (In ₹)	3,10,95,46,000.00	98,81,32,773.40	(85,06,61,502.20)
Net Profit computed u/s 198 adjusted as per rule 2(1)(f) of the Companies (CSR Policy) Rules, 2014 (in ₹)	2,31,50,99,533.00	49,70,949.61	(18,46,27,917.82)

Amount spent in local area (in Rupees) during FY 2025-26: ₹ 1,42,36,284/-

The manner in which the amount spent during the financial year 2025-26 is given below:

Number of CSR activities: 3, detailed below

Sr. No.	CSR project or activity identified	Sector in which the Project is Covered	Projects or programs - Specify the State /Union Territory where the Project/ Program was undertaken	Projects or programs – Specify the district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (in ₹)	Amount spent on the projects or programs (in ₹)	Expenditure on Administrative overheads (in ₹)	Mode of Amount spent
1	Adharshila Renal Care Project	Promoting health care including preventive health and sanitation	Delhi	Delhi	90,27,331	90,27,331	NIL	Indirect Implementing Agency– Adharshila
2	Project Swachh Sankalp National Institute of TB and Respiratory Diseases - Zero Waste To Landfill	Environment Sustainability	Delhi	Delhi	44,99,985	44,99,985	NIL	Indirect Implementing Agency – Why Waste Wednesday Foundation
3	PM National Relief Fund	PM National Relief Fund	PAN India	PAN India	7,08,968	7,08,968	NIL	Direct

Details (name, address and email address) of implementing agencies are under -

1. Name: Adharshila
   Address: S 519, Greater Kailash 2, New Delhi, DL07,DL,110048
   Email Address : adharshila@gmail.com

2. Name: Why Waste Wednesday Foundation
   Address: 70, G/F, Navjeevan Vihar, Delhi, South Delhi, 110017
   Email Address: whywastewednesdays@gmail.com

It is certified that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company.

On behalf of Board of Directors

(Pareed Sunil)
Managing Director & CEO
DIN: 11001150

(Tejendra Mohan Bhasin)
Chairman-CSR Committee
DIN: 03091429

Date: August 7, 2026
Place: New Delhi

Annexure B

Form AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under fourth proviso thereto:

1. Details of contracts / arrangements or transactions entered into during the financial year ended March 31, 2026, which were not at arm's length basis : NIL

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

   Number of material contracts or arrangements or transactions at arm's length basis: 10

(₹ in lakhs)

(a)	Name(s) of the related party and nature of relationship	Punjab National Bank, promoter of the Company holding majority stake	Bihar Gramin Bank, Associate of Punjab National Bank, promoter of the Company holding majority stake	Sarva Haryana Gramin Bank, Associate of Punjab National Bank, promoter of the Company holding majority stake	Punjab Gramin Bank, Associate of Punjab National Bank, promoter of the Company holding majority stake	Himachal Pradesh Gramin Bank, Associate of Punjab National Bank, promoter of the Company holding majority stake	Assam Gramin Vikash Bank, Associate of Punjab National Bank, promoter of the Company holding majority stake	Prathama UP Gramin Bank, Associate of Punjab National Bank, promoter of the Company holding majority stake	Tripura Gramin Bank, Associate of Punjab National Bank, promoter of the Company holding majority stake	West Bengal Gramin Bank, Associate of Punjab National Bank, promoter of the Company holding majority stake	PNB Housing Finance Ltd., Associate of Punjab National Bank, promoter of the Company holding majority stake
(b)	Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number	AAACP0165G	AAOAB5543L	AAKAS1464M	AAGAP7115C	AAALH0469C	AAIAA8534E	AAHAP0003E	AAALT1090R	AAAJW0227H	AAACP3682N

(c)	Nature of contracts/ arrangements/ transactions	Security Purchase, Security Sale, Rent Paid for office premise, Bank Charges Paid, Overdraft facility, Reverse Repo Lending and interest thereon, Bank Balance, Dividend Paid, Power, Fuel & Electricity, Sponsorship Fee, Royalty Fee, Fixed Deposit Receipts and interest thereon, Line of credit/OD facility & Interest paid/payable thereon, Processing Fees on LOC, management contracts	Security Purchase, Security Sale, Fee income	Fee income	Security Purchase, Security Sale, Fee income	Security Purchase, Security Sale, Fee income	Security Purchase, Fee income	Fee income	Security Sale, Fee income	Security Purchase, Security Sale, Borrowing of Call, Notice & Term Money, Interest paid thereon, Fee income	Fee income
(d)	Duration of the contracts/ arrangements/ transactions	2025-26									
(e)	Salient terms of the contracts or arrangements or transactions including the actual / expected contractual amount	8,93,193.42	64,380.19	2.48	28,266.14	7,018.98	5,064.25	0.50	1,041.94	2,26,948.91	0.43
		Generally, Transactions will be carried out as per the prevailing market price/fair value of securities or as may be approved by the Audit Committee / Board from time to time. Charges for services to constituents, whether related or nonrelated entity, will be per Business Policy of the Company. For, further details please refer notice of Annual General Meeting held on September 20, 2024, available on the website of the Company i.e. www.pnbgilts.com.									
(f)	Justification for entering into such contracts or arrangements or transactions	The said transactions are undertaken on regulated platforms at market place, since the related parties of the Company also undertaken similar transactions on the said platforms, therefore in the ordinary course of business, the Company executes such transactions with its related parties. The Company has great synergy with its related parties, as the nature of business is same and this business is expected to grow in future also at a healthy rate. The securities market is expected to become larger in the coming years and the financial sector is expected to participate in this growing pie at an accelerated pace. Punjab National Bank, Promoter cum majority shareholder of the Company, is one of the leading scheduled banks in India. This helps the Company in availing credit line(s) and other banking facilities on competitive terms along with ease of convenience, which helps the Company to execute business transactions much more efficiently. Further pan India presence of PNB also facilitates usage of its infrastructure for smooth business operations.									
(g)	Date(s) of approval by the Board, if any	July 24, 2024									
(h)	Amount paid as advances, if any	Nil									

On behalf of Board of Directors

(Pareed Sunil)
Managing Director & CEO
DIN: 11001150

(Tejendra Mohan Bhasin)
Independent Director
DIN: 03091429

Date: August 7, 2026
Place: New Delhi

Annexure C

Particulars of Employees

Pursuant to the Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the information is furnished below:

a. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2025-26

(₹ in lakhs)

Sl. No	Name of Director	Director's Remuneration	Employee Median Remuneration	Ratio
1	Dr. T. M. Bhasin	16.50	20.65	0.80
2	Sh. Gopal Singh Gusain	15.15		0.73
3	Sh. Raj Kamal Verma	12.30		0.60
4	Dr. Rekha Jain	16.20		0.78
5	Sh. Pareed Sunil*	31.84		1.54

*Appointed as a Managing Director & CEO for a tenure of 3 years w.e.f. 19.06.2025 and thus the above is remuneration paid to MD & CEO from 19.06.2025 to 31.03.2026. Neither variable pay was paid by the Company nor any annual increment was given to him during the period from 19.06.2025 to 31.03.2026.

Notes:

1. Sitting fee is payable to Independent Directors only. Directors at Sl. No. 1 to 4 above are Independent Directors.
2. No sitting fee is paid to Non-Independent Directors.
3. Out of pocket expenses, if any, incurred by Directors for attending the meetings and GST not taken into account.

b. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Sl. No	Name of Director and Key Managerial Personnel	% increase in remuneration
1	Dr. T. M. Bhasin*	(18.79)
2	Sh. Gopal Singh Gusain*	(28.71)
3	Sh. Raj Kamal Verma*	-
4	Dr. Rekha Jain*	-
5	Sh. Pareed Sunil	-
6	Smt. Monika Kochar	10.35**
7	Sh. Chandra Prakash	-
8	Smt. Kishkanda Garg	-

* received only sitting fee during the year.

**Apart from above remuneration, benefit on account of leave encashment and gratuity which are provided based on actuarial valuation for the Company as a whole is available. Additionally, a variable pay of ₹ 14.80 lakhs was paid to her during FY 2025-26. This amount represents payout of 50% of the performance linked incentive amount pertaining to FY 2024-25. In line with the Company's newly implemented Variable Pay Policy which is effective from 2024-25, the remaining 50% will be deferred equally over the next two years. Prior to FY 2024-25, incentives were not subject to deferral. No variable pay was given to her in FY 2024-25 pertaining to FY 2023-24.

Except above, there was no increase in remuneration of other Directors as either they were not Directors/KMP in FY 2024-25 or were appointed/ ceased to be Director/KMP during FY 2025-26. Further with respect to the Independent Director at Sl. No. 1 and 2, decrease in remuneration is due to decrease in number of meetings held during FY 2025-26 as compared FY 2024-25.

c. In the financial year 2025-26, there was an increase of 2.19 per cent in the median remuneration of employees.

d. Total number of employees of the Company as on March 31, 2026 were 57 (including 6 employees on deputation from parent bank). Out of these, 40 were male employees, 17 were female employees and there was no employee in the transgender category. The Company has maintained peaceful and harmonious relations with all its employees.

e. Average percentile increase already made in the salaries of employees other than the managerial personnel during FY 2025-26 was 36.54 per cent, whereas the increase in managerial remuneration was 5.09 per cent. The managerial remuneration increase is based on the remuneration of Mr. Pareed Sunil, who was appointed as Managing Director & CEO i.e. a managerial personnel with effect from 19.06.2025, compared with the remuneration drawn by him in his previous position as Deputy CEO. The higher increase in remuneration of non-managerial employees was mainly due to payment of 50% of the performance-linked incentive relating to FY 2024-25 during FY 2025-26, whereas no variable pay was paid during FY 2024-25 in respect of FY 2023-24 performance. No variable pay has been paid by the Company to Mr. Pareed Sunil in FY 2024-25 and 2025-26 in terms of terms and conditions of appointment.

f. It is hereby affirmed that the remuneration paid is as per the Remuneration policy of the Company.

On behalf of Board of Directors

(Pareed Sunil)
Managing Director & CEO
DIN: 11001150

(Tejendra Mohan Bhasin)
Independent Director
DIN: 03091429

Date: August 7, 2026
Place: New Delhi

Annexure D

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6)(B) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF PNB GILTS LIMITED FOR THE YEAR ENDED 31 MARCH 2026 AND MANAGEMENT REPLY THERETO:

COMMENTS	MANAGEMENT's REPLY
Comment on Profitability **Statement of Profit and Loss for the year ended 31st March 2026** **Other Expenses (Note 30): ₹ 2,393.35 lakh** **Royalty Expense: ₹ 985.09 lakh** **Employee Benefit Expenses (Note 29): ₹ 2,612.02 lakh** **Salaries and Allowances: ₹ 2,254.85 lakh** A) The company was booking the royalty fees payable to the Punjab National Bank for a financial year in the succeeding financial year in contravention to the provisions of Ind AS 37. After being pointed during the supplementary audit of the financial statements for the Financial year 2024-25, the Company has started recognizing (2025-26) the payable royalty fees in the financial year itself. The company has charged the royalty expenses amounting to ₹ 985.09 lakh in the current year which includes ₹ 549.95 lakh for the year 2024-25 and ₹ 435.14 lakh for the year 2025-26. Since the royalty fees of ₹ 549.95 lakhs pertained to the year 2024-25 and was erroneously not recognized in that year, the same being a material prior period error should have been corrected retrospectively, as per the provisions of Ind AS 8 as well as the Company's own accounting policy on prior period items.	As per the Agreement signed with Punjab National Bank (PNB), royalty is to be paid higher of : (i) 0.20% of revenue of the entity on the basis of last standalone audited financial statements; or (ii) 2.00% of Profit after Tax (PAT) of the entity on the basis of its last standalone audited financial statements subject to a cap on Royalty i.e. cap on Royalty fee shall be lower of the following: 3.00% of PAT or ₹ 30 crores. As approved by the Board and as per agreement with PNB, the calculation of royalty is on the basis of audited financial statements, therefore the accounting of royalty pertaining to FY 2024-25 is done in FY 2025-26. However, there was a CAG observation pertaining to financial statements for FY 2024-25 that since there was a legal obligation to pay the Royalty fees, the necessary provisions shall be made in the books of accounts as per provisions of IND-AS 37. Keeping in view the intent of CAG observation and directions of the Board, in order to reflect true and fair position, the company has provided for the Royalty Fee for Financial Year 2025-26 in FY 2025-26 itself. In order to ensure that the readers of financials get correct information it is specifically mentioned under Note 30: Other Expenses that Royalty expense includes ₹ 549.95 lakhs for FY 2024-25 and ₹ 435.14 Lakh for FY 2025-26. Further, as per Note IX (Prior Period Items) of the Accounting Policy-'Summary of Other Accounting policies information to Financial Statements' for the year ended 31st March, 2026, the prior period items are identified as those that result from errors or omissions in the financial statements of previous periods. It is pertinent to note that there is no error or omission in Financials of Previous year, therefore the said note is not applicable.

COMMENTS	MANAGEMENT's REPLY
B) Similarly, Performance Linked Incentive (PLI)of ₹ 593.48 lakh pertaining to the year 2024-25 has been booked in year 2025-26 alongwith the PLI of ₹ 350.67 lakh pertaining to the year 2025-26. The same should also have been corrected retrospectively, being a material prior period error. The above has resulted in understatement of Profit and overstatement of opening balance of Retained Earnings (under Other Equity)by ₹ 1,143.43 lakh each, besides non-compliance to the provisions of Ind AS 8 and the accounting policy of the company.	As per Board approved policy on Performance Linked Incentive Policy, the amount of PLI is calculated on the basis of Profit Before Tax (PBT) achieved by the company against the Budget allocated. Since, the calculation of PLI is on the basis of audited financial statements, therefore the accounting of PLI pertaining to FY 2024-25 is done in FY 2025-26. However, there was a CAG observation in respect of Royalty Fee that since there was a legal obligation to pay the Royalty fees, the necessary provisions shall be made in the books of accounts as per provisions of IND-AS 37. Considering the similar nature of expense, legal obligation and the Audit Committee directions, the same accounting has been followed for PLI to have true and fair presentation of financials. Accordingly, the company has provided for the Provision of PLI for Financial Year 2025-26 as well in the FY 2025-26 itself. In order to ensure that the readers of financials get correct information it is specifically mentioned under Note 29: Employee benefit expenses that the said expense includes PLI of ₹ 593.48 lakhs for FY 2024-25 and ₹ 350.67 Lakh for FY 2025-26. In view of the above there is no understatement of profit for FY 2025 26.

On behalf of Board of Directors

(Pareed Sunil)
Managing Director & CEO
DIN: 11001150

(Tejendra Mohan Bhasin)
Independent Director
DIN: 03091429

Date: August 7, 2026
Place: New Delhi

Annexure E

FORM NO. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

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

To,

The Members,

PNB Gilts Limited,

5, Sansad Marg, New Delhi-110001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PNB Gilts Limited** (hereinafter called "the Company") for the financial year ended on March 31, 2026 (hereinafter referred to as "the audit period"). The Secretarial Audit was conducted in a manner that provided us with a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representation made by the Management, we hereby report that in our opinion, the Company has, during the audit period under consideration complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2026, according to the provisions of:

(i) The Companies Act, 2013 ("the Act") and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;

(iii) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - Not applicable to the Company during the audit period;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-

(a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder;

(b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021– Not applicable to the Company during the audit period;

(f) The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021 – Not applicable to the Company during the audit period;

(g) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993

and Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025, to the extent applicable during the audit period regarding the Companies Act and dealing with client;

(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - Not applicable to the Company during the audit period;

(i) The Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018;

(j) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018 – Not applicable to the Company during audit period

(k) The Securities and Exchange Board of India (Intermediaries) Regulations, 2008; and

(l) The Securities and Exchange Board of India (Stock Brokers) Regulations, 1992 and Securities and Exchange Board of India (Stock Brokers) Regulations, 2026, to the extent applicable during the audit period;

and circulars/ guidelines issued thereunder.

(vi) Other laws applicable specifically to the Company are:

(a) Reserve Bank of India Act, 1934 and guidelines made there under; and

(b) Master Directions, circulars and guidelines issued for middle layer NBFCs and Primary Dealers by the Reserve Bank of India from time to time.

We have also examined compliance with the applicable clauses of the Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

During the Audit period the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above and other applicable Acts.

We further report that, based on the information provided and the representation made by the Company and also on the review of the internal compliance reports taken on record by the Board of Directors of the Company, in our opinion, adequate systems and processes exist in the Company to monitor and ensure compliance with provisions of applicable industry specific Acts, general laws like labour laws and environmental laws etc. The management has also represented and confirmed that all the laws, rules, regulations, orders, standards and guidelines that are specifically applicable to the Company have been complied with.

We further report that compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory auditor and other designated professionals.

During the audit period, there were no major events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc., except as disclosed in the Board's Report and the Financial Statements. During the Audit Period, the Company, in compliance with Sections 108 and 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and the applicable MCA Circulars, passed the following Special Resolution through Postal Ballot by remote e-voting:

- Approval under Section 180(1)(c) of the Companies Act, 2013 for enhancement of the borrowing powers of the Board of Directors, the voting results whereof were declared on June 23, 2025.

We further report that: -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-executive Directors, Independent Directors and Woman Director. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the applicable provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws.

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

All decisions at the Board Meetings and Committee Meetings were carried out with requisite majority as recorded in the minutes of the Meetings of the Board of Directors or Committee(s) of the Board as the case may be.

We further report that based on the review of the compliance mechanism established by the company and on the basis of Compliance certificate(s) issued by various departments and taken on record by the Board of Directors at their meetings, we are of the opinion that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For Pranav Kumar & Associates,
Company Secretaries

(Arpita Saxena)
Partner
ACS-23822: CP- 11962
UDIN: A023822H000779984
Firm Peer Review No.7493/2025
Firm Reg. No.- P2005BI010 400

Date: 08/07/2026
Place: Greater Noida

This report is to be read with our letter of even date which is annexed as Annexure 1 and forms an integral part of this report.

Annexure-1

To,

The Members,
PNB Gilts Limited,
5, Sansad Marg, New Delhi-110001

Our report of even date is to be read along with this letter.

1. It is the responsibility of management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.
2. We have conducted the Audit as per the applicable Auditing Standards issued by the Institute of Company Secretaries of India.
3. Wherever required, we have obtained reasonable assurance about whether the statements prepared, documents or Records, in relation to Secretarial Audit, maintained by the Auditee, are free from misstatement.
4. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
5. We have not verified the correctness and appropriateness of the financial records and Books of Accounts of the Company.
6. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
7. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on a test basis.
8. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Pranav Kumar & Associates,
Company Secretaries

(Arpita Saxena)
Partner
ACS-23822: CP- 11962
UDIN: A023822H000779984
Firm Peer Review No.7493/2025
Firm Reg. No.- P2005BI010 400

Date: 08/07/2026
Place: Greater Noida

MANAGEMENT DISCUSSION AND ANALYSIS

A) INDUSTRY STRUCTURE AND DEVELOPMENTS

AI. Global economy

The global economy passed through a year of intensifying uncertainty. Growth was constrained by weak external demand and elevated energy costs, with services remaining the principal engine of activity, supported by travel and by the rapid scaling of artificial intelligence related professional services. The International Monetary Fund projected global growth of 3.1% and 3.2% for 2026 and 2027 respectively, against 3.4 per cent in 2025. Advanced economies proved comparatively resilient, while emerging and developing economies bore the greater part of the heightened volatility.

Hostilities involving Iran spread across West Asia from February 2026 and intensified through March, introducing acute uncertainty over energy supplies and raising the prospect of disruption to the Strait of Hormuz. Energy prices and freight costs rose sharply, Brent crude moving into a range of USD 86 to USD 113 per barrel. Wholesale energy costs did not begin to pass through to domestic prices until March, which is why the effect on Indian markets was concentrated in the closing weeks of the year.

The consequence for financial markets was the stalling of global disinflation. After a prolonged period in which central banks had brought prices down, global headline inflation for 2026 came to be projected at 4.4 per cent against earlier projections of 3.8 per cent, attributable largely to an anticipated rise of about 19 per cent in energy prices. For the domestic market, the material effect was a reversal in the direction of global yields: United States Treasury yields firmed in a steepening trend as investors priced inflation risk from energy costs, and the spread available on Indian sovereign paper over comparable global sovereigns, together with the currency outlook, became the dominant influence on foreign appetite for domestic debt.

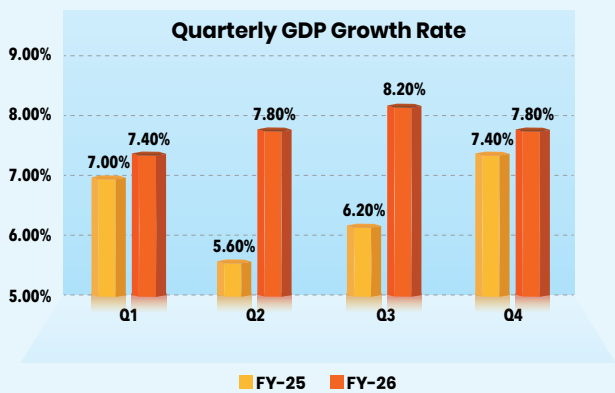
AII. Domestic Economy

The fiscal year 2025-26 unfolded against an unusually demanding external backdrop, yet the domestic economy proved markedly resilient. The principal headwinds were a sharp escalation in US tariffs, recurring bouts of financial-market volatility and, towards the close of the year, the conflict in West Asia that pushed crude oil prices sharply higher. These pressures bore most directly on the rupee and on the longer end of the domestic yield curve, while their impact on real activity remained limited.

The Indian economy in fact accelerated, with growth picking up even as headline inflation fell to the lowest level recorded in the current price series. That rare combination of firm growth and low inflation allowed the RBI to lower the policy repo rate by a cumulative 100 bps during the fiscal year, taking the easing since February 2025 to 125 bps, and to inject close to ₹ 13.8 lakh crore of durable liquidity into the system. For the bond market, however, the boost from monetary easing was outweighed by the weight of government bond supply, and the defining development of the year was a marked steepening of the yield curve.

1. Domestic Growth

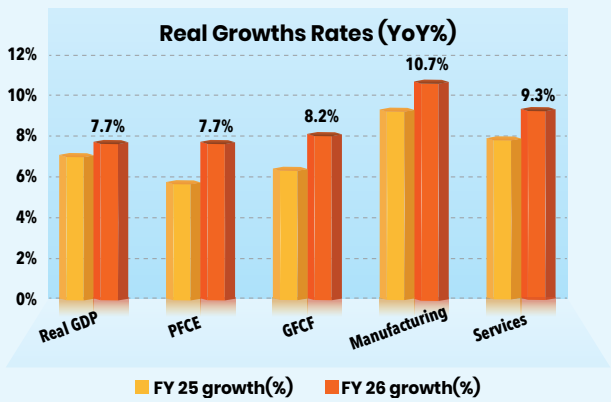
FY26 emerged as a robust year for India's economic growth, with real GDP expanding at a strong pace supported by resilient domestic demand, robust capital expenditure, and favourable base effects. Quarterly growth accelerated notably compared to the previous year: 7.40% in Q1 (vs 7.00% in FY25), 7.80% in Q2 (vs 5.60%), and a strong 8.20% in Q3 (vs 6.20%). Q4 growth moderated to 7.80%, leading to a full-year real GDP growth of 7.70%, marking one of the strongest performances among major economies.



The feared drag from higher US tariffs did not materialise in the headline growth numbers. Real GDP expanded by 7.7%, up from 7.1% a year earlier. Growth was anchored by domestic demand. Private final consumption, the largest component of demand, grew 7.7%, a sharp pick-up from 5.8% the previous year, supported by personal income-tax relief, the rationalisation of the goods and services tax, a healthy rural economy and a recovery in urban spending. Fixed investment expanded by around 8.2%, with government capital expenditure continuing to play a key role and helping to crowd in private investment. Real exports and imports grew at a similar 6.3% and 5.6%, respectively, leaving net trade little changed even as tariffs rose.

On the supply side, the expansion was led by services, which grew by 9.3%, and by manufacturing, which rebounded into double-digit growth of 10.7%.

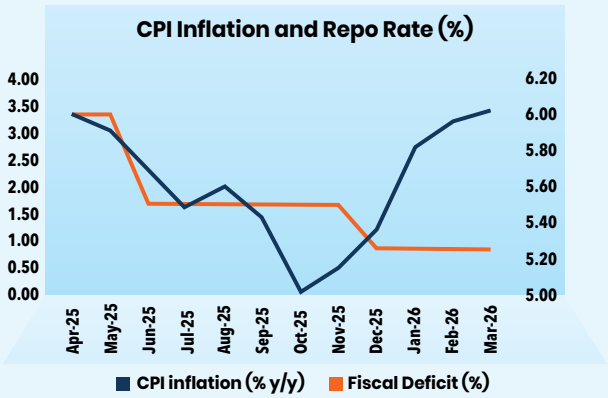
Growth remained resilient despite global headwinds, including geopolitical tensions in West Asia and volatility in commodity prices.



Note: PFCE is Private Final Consumption Expenditure, GFCF is Gross Fixed Capital Formation Source: MoSPI

2. Domestic Inflation, Monetary Policy and Liquidity

FY26 stood out as one of the most benign inflationary periods in India's recent macroeconomic history. If growth surprised on the upside, inflation surprised even more on the downside, in what the RBI characterised as a rare combination of high growth and low inflation, in effect a Goldilocks phase. Headline CPI inflation averaged 2.1%, less than half the 4.6% of the previous year and below the lower tolerance bound for stretches of the year, touching a series low in October. The disinflation was driven by food deflation, aided by a strong harvest, comfortable buffer stocks, a favourable statistical base and softer global commodity prices. Core inflation remained firm, averaging 3.4% on rising gold and silver prices, even as core excluding precious metals stayed benign.



Source: MoSPI, RBI

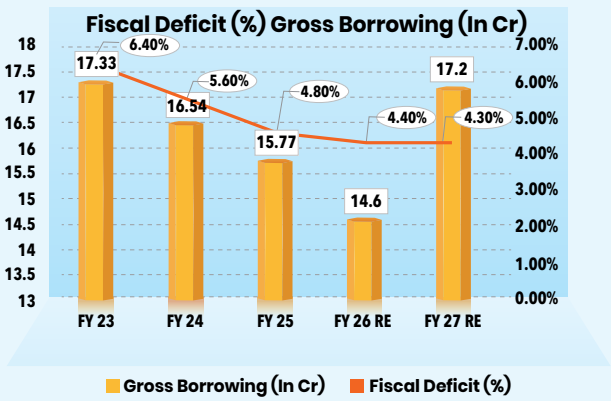
A key methodological shift occurred from January 2026 with the introduction of the new CPI series (base 2024=100), derived from the latest Household Consumption Expenditure Survey. This revision expanded the basket to 358 items, updated weights to reflect contemporary consumption patterns with greater emphasis on services, and adopted refined international standards, thereby enhancing the index's representativeness while affecting direct comparability with earlier data.

The MPC front-loaded its easing. After opening the year with a 25 bps cut, it delivered an outsized 50 bps reduction in June that took the repo rate to 5.50%, and announced a 100 bps cut in the CRR staggered over the following months. A further 25 bps cut in December took cumulative easing to 100 bps over the year, leaving the repo rate at 5.25%. Liquidity was the more powerful lever. The RBI moved the system from deficit into durable surplus, injecting close to ₹ 13.8 lakh crore led by OMO purchases, alongside forex swaps and VRR auctions. Transmission to bank lending rates was strong and swift, with fresh-loan rates falling 95 bps against the 100 bps cut.

3. Government Finances and the Borrowing Programme

FY26 marked a significant milestone in India's fiscal consolidation journey, with the Government of India successfully achieving its targeted fiscal deficit of 4.4% of GDP in the Revised Estimates, in line with the Budget Estimates and fulfilling the commitment made in FY22 to bring the deficit below 4.5% of GDP. This continued the steady downward trajectory observed in previous years from 6.40% in FY23 and 5.60% in FY24 to 4.80% in FY25. The improvement reflected higher non-tax revenue, up 26.5%, and expenditure restraint rather than tax buoyancy, with gross taxes holding near 11.4% of GDP. The quality of the deficit nonetheless improved, with the revenue deficit narrowing to 1.55% of GDP and capital outlay maintained.

The Union Budget for 2026-27 extended this, targeting a deficit of 4.3% of GDP and an 11.5% rise in capital expenditure.

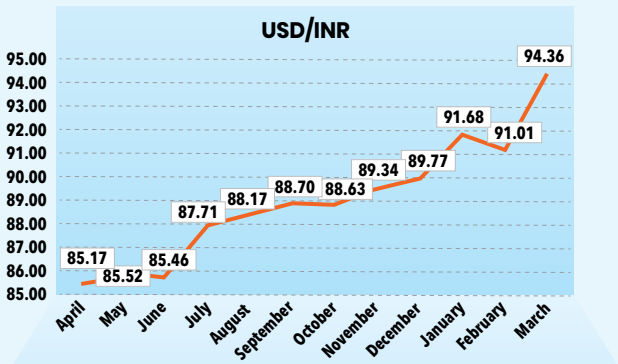


In the bond market, the supply arithmetic dominated. Gross dated issuance rose 4.3% to ₹ 14.61 lakh crore, while net market borrowing held steady at ₹ 10.84 lakh crore. The programme was completed without devolvement on primary dealers, against two a year earlier, and the weighted average yield on fresh issuance declined by 27 bps to 6.69%. The RBI shortened the average maturity of issuance to just under 19 years while lengthening that of the outstanding stock, and continued sovereign green and ultra-long supply. State borrowing, by contrast, expanded markedly, with gross state development loans rising to ₹ 12.76 lakh crore and the spread over central government securities widening to 50 bps from 30, amid heavier supply.

The orderly and lower-than-historical borrowing programme helped contain interest costs, reduced pressure on the government securities market, and facilitated smoother debt management. Overall, FY26's fiscal performance demonstrated disciplined macroeconomic management amid global uncertainties, reinforcing investor confidence and providing stability to India's public finances.

4. The Rupee and the External Sector

The rupee was the most visible casualty of the year's stresses, depreciating close to 10% against the dollar to ₹ 94.36, from ₹ 85.17 a year earlier. The weakness extended beyond the dollar, with the currency depreciating on a trade-weighted basis as the 40-currency NEER and REER fell 6.9% and 7.5%. Throughout the year, the rupee traded with a depreciating bias, pressured by tariff-related uncertainty, geopolitical tensions and sustained equity outflows. These intensified towards the end of the year, after the West Asia conflict flared at end-February, triggering net FPI outflows of US$13.6 billion in March amid a wider trade deficit and firmer crude.



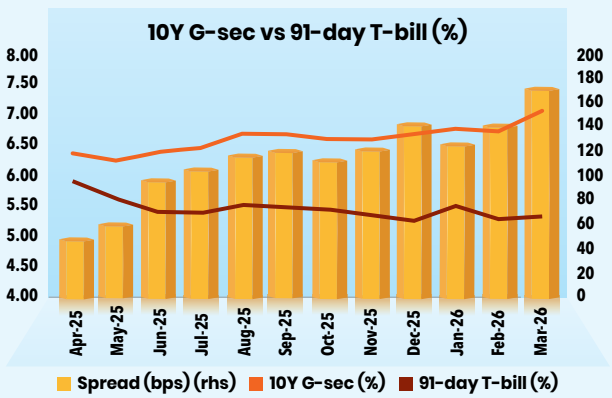
Beneath the currency, the external position was considerably sounder. The year's pressure came from the financial account, not the current account, which stayed small. The goods trade deficit widened to US$337 billion as domestic demand lifted imports while tariffs held merchandise exports broadly flat. Net services receipts, up almost 15%, and double-digit remittance growth largely offset it. This held the current account deficit at 0.6%

of GDP, broadly unchanged on the year. Net FDI recovered to US$6.9 billion in FY26 from US$1.0 billion a year earlier. Portfolio investment, however, swung to a net outflow of US$16.4 billion, led by equities and concentrated late in the year. Overall, reserves fell US$23.6 billion on a balance of payments basis. The end-March forex reserves stock nonetheless rose 3.4% to about US$688 billion. A US$36 billion gain in gold, primarily revaluation, outweighed a US$14 billion fall in foreign currency assets. That lifted gold's share of reserves to 16.5% from 11.7%. Import cover stayed comfortable near eleven months, and the RBI intervened to keep markets orderly.

5. The Government Securities Market

The government securities yield curve steepened sharply during the year, as the short and long ends moved in opposite directions. Short-term yields fell as the cumulative 100 bps of repo reduction, the durable liquidity surplus and the August rating upgrade took effect. The 91-day T-bill cut-off eased by close to 100 bps to around 5.3%. Net treasury-bill issuance was negative at ₹ 48,672 crore, further reducing supply at the short end. Long-term yields hardened as the market absorbed the borrowing programme, tracked rising sovereign yields abroad, and priced out further easing after the policy stance turned neutral in June. The ten-year yield rose to 7.06%, ending the year above 7% for the first time since July 2024. The spread of the 10-year over the 91-day T-bill widened from 47 bps in April to around 173 bps by year-end.

The movement through the year was uneven. Short-term yields rallied in the first quarter on monetary easing and open-market purchases, before the change in stance in June arrested the decline. Yields hardened in the second quarter on a strong first-quarter growth print and concerns over the revenue impact of the tariffs and the goods and services tax rationalisation, and stabilised once those concerns eased and the second-half borrowing calendar came in line with expectations. The third quarter was two-way, as reduced easing expectations after the December rate cut were offset by the RBI's liquidity operations. The sharpest movement came in the final quarter, when a larger-than-expected borrowing figure in the 2026-27 Union Budget and higher crude oil prices following the West Asia conflict pushed the long end above 7%. Primary auctions were absorbed smoothly. There was no devolvement on primary dealers during the year, against two instances in 2024-25. Primary cut-off yields ranged from 5.69% to 6.47% below five years and from 6.50% to 7.49% above ten years, reflecting the steepening of the curve. The weighted average maturity of fresh issuance was reduced to about 19 years, and the share of borrowing raised through securities of ten years and above eased to 50.9% from 55.3%. The average success ratio improved to 70% in the second half from 62.4% in the first, and the share of treasury-bill allotments to primary dealers rose to 76.1% from 74.8%. The underwriting commission paid to primary dealers increased more than fivefold to ₹ 86.3 crore, reflecting the greater uncertainty around auction cut-offs in a volatile market.



Demand remained firm and was met largely by domestic institutions, principally commercial banks, insurance companies and provident funds. Foreign participation stayed limited, with the foreign portfolio investor share of outstanding government securities below 2% despite the global bond-index inclusions. The RBI supported the long end through open-market purchases, with aggregate outright purchases of close to ₹ 8.8 lakh crore during the year, of which about ₹ 4.6 lakh crore was in the final quarter.

B. Indian debt market

The structure of the Indian debt market, can be described in terms of issuers, investors, and the instruments through which the two are connected.

Issuers

Sovereign issuance originates from the Central Government and the State Governments.

The Central Government raises funds through short-term instruments such as Treasury Bills (91, 182 and 364-day tenors) and Cash Management Bills (CMBs), as well as long-term dated securities with tenors ranging up to 50 years. State Governments issue State Government Securities (SGS), also known as State Development Loans (SDLs), with maturities typically ranging from 2 to 40 years.

Corporates, public sector undertakings, banks and non-banking financial companies also issue debt over the sovereign curve at a spread.

Investors

A diverse set of institutional and retail investors participate in the G-Sec market:

Banks are the largest single category of holders. Their appetite is anchored by the Statutory Liquidity Ratio and modulated by the applicable capital, exposure and liquidity requirements.

Primary Dealers play a critical role as intermediaries between the Government (issuer) and investors and act as market makers by offering continuous two-way quotes on the NDS-OM platform, OTC market, and stock exchanges.

Insurance companies, pension funds and provident funds are long-term investors with concentration in thirty and forty-year segments.

Mutual funds participate across the curve through gilt, money market, duration, index and hybrid schemes, on both an active and a passive basis.

Foreign portfolio investors invest in Government securities principally through the Fully Accessible Route, under which specified securities are available without quantitative ceiling, and additionally through the General Route under the Medium Term Framework, which is subject to prescribed limits, and through the Voluntary Retention Route, which affords relaxation from certain macro-prudential limits in return for a committed retention period.

Corporates, co-operative institutions and retail participation continue to broaden through the Reserve Bank's Retail Direct facility and the widening of access to the electronic order matching platform.

Instruments

Money Market

The money market segment comprises Treasury Bills and Cash Management Bills, Certificates of deposit, Commercial paper, Inter-corporate deposits, Call, Notice and Term money, and Collateralised funding through market repo, triparty repo and the Reserve Bank's liquidity facilities.

Govt. Bond Market

The **bond market segment** comprises instruments of residual maturity greater than one year.

Dated Central Government securities carry a coupon (fixed/floating) for the life of the security and paid half-yearly. The Government also issues floating rate securities on which the coupon resets against a benchmark derived from Treasury Bill auction yields with a fixed spread.

STRIPS (Separate Trading of Registered Interest and Principal of Securities) are not issued by the Government but are created by Primary Dealers and Banks by stripping an eligible fixed rate security into its constituent cash flows, yielding coupon STRIPS and a principal STRIP, each of which trades as a separate zero coupon instrument. These afford zero coupon exposure across the maturity spectrum.

Special securities are issued by Central Government to entities such as oil marketing and fertiliser companies in place of cash subsidy. These securities carry sovereign credit and are repo-eligible, but are not eligible for Statutory Liquidity Ratio purposes.

Sovereign green bonds are issued by Central Government within the overall borrowing

programme against projects carrying environmental benefit, and eligible for both Statutory Liquidity Ratio and repo purposes.

State Government Securities are issued by State Governments paying half-yearly coupons across a range of tenors and are eligible for both Statutory Liquidity Ratio and repo purposes.

Corporate Bond Market

The **corporate bond market** comprises debt securities issued by corporates, public sector undertakings (PSUs), and financial institutions. These include non-convertible debentures (NCDs), bonds, and Commercial paper. Primary Dealers are permitted to deal in and provide liquidity in the secondary market for corporate bonds, contributing to better price discovery and market depth.

Regulatory Framework and Key Developments

As of FY26, there were seven Standalone Primary Dealers and fourteen Bank Primary Dealers operating in India. The principal regulatory developments during FY2025-26 that affect the business activities of Primary Dealers are enlisted hereunder:

1. **Participation of Standalone Primary Dealers in Non-deliverable Rupee Derivative Markets effective 22nd September 2025.** Standalone Primary Dealers authorised to act as Authorised Dealer Category-III were permitted to transact in non-deliverable derivative contracts involving the Indian Rupee, and to offer such contracts to both residents and non-residents. The facility had previously been confined to a narrower set of institutions. The measure widens both the risk management toolkit available to the industry and the potential client franchise, and deepens participation in the offshore-linked Rupee derivatives segment.

2. **Reserve Bank of India (Standalone Primary Dealers) Directions, 2025, effective 28th November 2025**. The Directions consolidate and recast the framework applicable to Standalone Primary Dealers registered as non-banking financial companies thereby enhancing regulatory clarity and operational efficiency.

3. In March 2026, the Reserve Bank of India issued the **Reserve Bank of India (Standalone Primary Dealers) Amendment Directions, 2026,** providing further clarity on the computation of Tier I Capital and its application for prudential exposure norms. The amendment permits inclusion of eligible quarterly profits in Tier I Capital, subject to statutory review and prescribed adjustments.

B) OPPORTUNITIES AND THREATS

PNB Gilts Limited maintains a robust capital base with a healthy Capital Adequacy Ratio, enabling it to undertake larger business mandates while maintaining financial resilience. Its strong in-house Research Desk, experienced management team, diversified client base, and established compliance and risk management framework further strengthen its competitive position. Additionally, proactive investments in information technology and cyber security infrastructure enhance operational efficiency and safeguard business continuity.

Looking ahead, several opportunities exist for future growth. India's inclusion in global bond indices is expected to improve foreign investor participation and liquidity in the debt market. Regulatory developments, including permissions for NDDCs as AD Category-III entities, create new business avenues. The expanding corporate bond market, planned entry into forex operations, increasing retail participation in debt markets, and enhanced contribution from the Research Desk provide additional growth potential.

However, the Company's earnings remain significantly influenced by movements and volatility in the fixed-income market. As a regulated Primary Dealer, its business flexibility is subject to regulatory requirements. Compared to large bank-backed Primary Dealers, the Company operates with a relatively smaller balance sheet and has limited retail market penetration, which may constrain growth opportunities in certain segments.

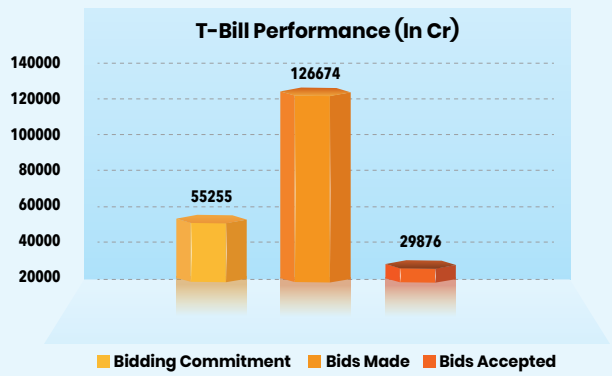
On the other hand, the Company remains exposed to macroeconomic and geopolitical

uncertainties, including fluctuations in crude oil prices and global financial market developments. Intensifying competition from banks, mutual funds, and other market participants may impact market share and profitability. Adverse movements in interest rates and bond yields can affect trading income and margins, while evolving cyber security risks and regulatory changes require continuous monitoring and investment. Further, any slowdown in government borrowing programs or primary market activity could adversely impact business volumes and revenue generation.

C) SEGMENT–WISE/PRODUCT–WISE PERFORMANCE

1) Primary Market

In the primary market, the Company continued to comply with all the regulatory requirements for bidding under Minimum Underwriting Commitments (MUC) and Additional Competitive Underwriting (ACU) for Primary Dealers. During FY 2025-26, the Company earned an underwriting commission of ₹4.51 crore, up from the previous year's commission of ₹1.11 crore.



In Treasury bill auctions, during H1 of FY 2026, GOI raised ₹5,14.436 crore as against ₹4,78,213 crore in the corresponding period of the last fiscal. In the second half, GOI raised ₹ 5,90,670 crores through T-bills as against ₹ 6,12,804 crores raised in the corresponding period of the last fiscal. Against these issuances of T-bills, the Company submitted bids aggregating to ₹1,26,673 crore against the commitment of ₹55,255 crore (being 5 per cent of the notified amount). Out of this, bids amounting to ₹29,876 crore were accepted. Fulfilling its primary market commitment, the Company achieved a success ratio of 61.43 per cent and 47.66 per cent in H1 and H2, respectively, in FY 2025-26, as against the statutory requirement of 40 per cent-maintained half yearly.

2) Secondary Market

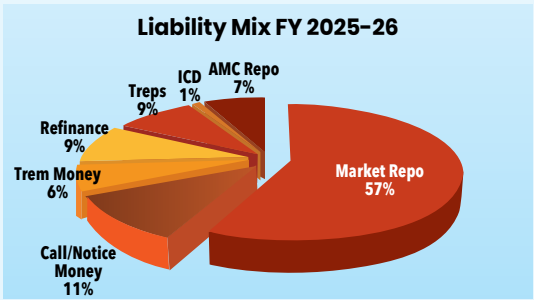
During FY 2025-26, total secondary market outright turnover registered by the Company stood at ₹7,66,635 crore as against ₹6,61,936 crore in FY 2024-25. The Central Government security segment recorded a turnover of ₹6,20,009 crore, followed by SGSs, which registered a turnover of ₹35,173 crore. Treasury bills recorded a turnover of ₹19,694 crore. The company achieved an outright turnover of 2.86 per cent for FY 2025-26, as against the outright turnover target of 2.5 per cent prescribed by the RBI.

3) Portfolio Size and Composition

During FY 2025-26, dated securities (Central and State government) holding level in face value terms under FVTPL portfolio averaged at ₹22,582 crore (₹14,315 crore in FY 2025) with peak holding level of ₹25,521 crore (₹18,412 crore in FY 2025). The company's holding under Amortized Cost portfolio as on March 31, 2026, stands at ₹702.89 crore.

4) Liability Mix

During the year, the Company judiciously utilized different sources of borrowing viz. Call Money, TREP, Repo, LAF, etc. for active fund management. The average gross borrowings from all sources during FY 2026 amounted to ₹23,976.48 crore as against ₹19,983 crore in FY 2025. During FY 2026, the Company did not raise any funds through the issuance of Commercial Paper. The average leverage during FY 2026 was 14.48 times NOF against 15.89 times NOF in FY 2025, while the maximum leverage for the year stood at 16.67 times the NOF. The average cost of funds during FY 2026 stood at 5.48 per cent, lower than 6.55 per cent during FY 2025 as money market rates eased as of early 2026, the Reserve Bank of India (RBI) has continued its monetary easing cycle, lowering the key policy repo rate to 5.25%.



D) Outlook

The year just ended leaves the economy on firm ground, combining resilient growth with low inflation, a narrowing fiscal deficit and a well-capitalised banking system. The conflict in West Asia, therefore meets an economy that already carries these buffers, and it is this starting strength that offers the main defence against the disruption.

Its continuation, however, clouds the year ahead. Elevated energy prices and renewed supply chain disruptions are likely to weigh on economic activity and push inflation higher as costs pass through. The balance of risks has shifted, tilting towards weaker growth and firmer prices. With the RBI on a data-dependent pause and its stance neutral, persistent inflation risk, a wider current account deficit and pressure on the rupee argue for a firmer bias at the longer end of the curve. The extension of the Fully Accessible Route to long-tenor securities, removal of General Route limits on foreign portfolio investment, together with easing of the tax treatment of such flows, should, however, lend some support to sovereign paper.

E) RISKS AND CONCERNS

Risk is inherent in the business of a Primary Dealer, and the Company has in place Board-approved policies, systems and procedures for the identification, measurement, monitoring and mitigation of the risks to which it is exposed. Interest rate risk, which arises from the obligation to bid at auction across the maturity spectrum and to quote prices in the secondary market on a continuing basis, is the Company's principal exposure. An adverse movement in the level or in the shape of the yield curve reduces the value of the portfolio and may result in mark-to-market losses, and a reduction in the policy rate affords no protection where the portfolio carries duration at the longer end of the curve. The funding of inventory in the short-tenor collateralised market gives rise to liquidity and funding risk. Credit and counterparty risk arises on non-sovereign holdings and on repo, derivative and central counterparty relationships, sovereign holdings carrying no credit risk. Concentration in Government securities is inherent in the licence, and the extent to which the portfolio may be diversified into other permitted activities is itself limited by the ceiling on the market risk capital charge attributable to such activities.

The Company manages these exposures within a governance structure which reviews the adequacy of the risk management policies and monitors adherence to the risk and investment limits laid down by it. The risk management function, which functions independent of the dealing line, measures exposure against the applicable limits, maintains and reviews the models used to quantify market risk, assesses counterparties before limits are extended to them and monitors their standing thereafter, and evaluates new products and activities before they are undertaken. Exposure is measured through Value at risk (VaR), Duration, PV01 at both portfolio and security level and stress testing against parallel and non-parallel shifts in the yield curve, within duration, PV01 and stop-loss limits fixed by the Board. The company implemented CRISIL Quantix, an Early Warning System (EWS), to augment risk surveillance capabilities and facilitate timely identification of emerging risks and potential stress scenarios. Credit risk continued to be managed through well-defined counterparty and instrument-wise exposure limits, while established systems, processes, and controls provided a strong framework for managing operational risk. Independent model validation by external agencies ensured the robustness and reliability of the Company's risk measurement methodologies.

The Company also undertook its Internal Capital Adequacy Assessment Process (ICAAP) to assess material risks and determine capital requirements under Pillar I and Pillar II of the regulatory framework. Furthermore, the Company strengthened its climate risk framework by aligning its policies with emerging ISSB disclosure standards and integrating climate-related considerations into its risk management processes. The Company also implemented focused sustainability initiatives aimed at reducing resource consumption, minimizing waste generation, promoting efficient use of energy and paper, and fostering environmental awareness across the organization.

During the year, the Company further strengthened its technology infrastructure and cyber resilience framework through the implementation of several strategic initiatives aimed at enhancing operational security, regulatory compliance, and business continuity. A Security Operations Center (SOC) was established to enable real-time monitoring, proactive threat detection, and rapid incident response capabilities across critical systems and applications. To enhance system integrity and reduce exposure to emerging cyber threats, a comprehensive Patch Management framework was deployed, ensuring timely remediation of vulnerabilities and consistent software updates across the technology landscape.

The Company also strengthened access governance and network security through the implementation of proxy-based controls, enabling enhanced monitoring, secure internet usage, and improved visibility over application access. Recognizing that cyber security is as much a people challenge as a technology challenge, regular awareness initiatives, including monthly cyber security newsletters and targeted communication campaigns, were conducted to reinforce a culture of cyber vigilance across the organization.

Further, periodic cyber security drills and simulation exercises were undertaken to assess preparedness, validate incident response mechanisms, and strengthen organizational resilience against evolving cyber threats. These initiatives reflect the Company's commitment to maintaining a robust cyber security posture, safeguarding critical information assets, and ensuring secure and uninterrupted business operations in an increasingly dynamic digital environment.

F) INTERNAL CONTROL SYSTEMS

The Company considers a robust internal control system to be a fundamental component of its Corporate Governance framework. At PNB Gilts Ltd., internal controls are designed to ensure the orderly and efficient conduct of business, safeguard assets, prevent and detect fraud and errors, and ensure compliance with regulatory requirements and internal policies.

The internal control systems are aligned with the nature, size, and complexity of the Company's operations and are reviewed periodically for adequacy and effectiveness. The Company has implemented a well-defined delegation of authority, with appropriate checks and balances for financial, operational, and compliance-related transactions, including procurement and contract approvals.

For the financial year 2025-26, the Company continues to be audited by Grant Thornton Bharat LLP as the Concurrent Auditor. The scope of the Concurrent Audit includes critical areas such as treasury operations, investment transactions, and adherence to internal risk parameters and regulatory limits. Grant Thornton will conduct audits on a regular basis and submit reports directly to the Audit Committee to ensure transparency and accountability.

Additionally, the Comptroller and Auditor General (CAG) has appointed Joint Statutory Auditors- K Venkatachalam Aiyer and Co. and Raj Har Gopal and Co. in place of one compared to the previous year, for FY2025-26 considering the increase in the company's balance sheet size. The auditors also issue an annual report on internal financial controls. The Company also engages an Internal Auditor and maintains an independent Internal Audit

Department, headed by a designated Internal Head of Audit. This multi-tiered approach reinforces the internal control environment, which is reviewed by the Audit Committee in line with regulatory guidelines, including those prescribed by the Reserve Bank of India.

By maintaining a comprehensive internal control framework, PNB Gilts Ltd. ensures business continuity, risk mitigation, and stakeholder confidence.

G) TRADING STANCE & FINANCIAL PERFORMANCE

FY26 witnessed heightened market volatility as the RBI's shift to a neutral stance and evolving global developments led to increased market repricing, moderating trading gains and resulting in a decline in Profit Before Tax and Profit After Tax to ₹241.60 crore and ₹181.60 crore, respectively.

Despite the decline in profitability, the Company's financial position strengthened considerably, with Net Owned Fund increasing to ₹1,696.44 crore and Capital Adequacy Ratio improving to 52.68%. The strong capital base and prudent risk management framework continue to position PNB Gilts well for future growth opportunities. The two-year trend in the main financial parameters is tabulated below:

Particulars	FY 2025-26	FY 2024-25
Net Owned Fund (₹ Cr.)	1,696.44	1,517.41
Profit Before Tax (PBT) (₹ Cr.)	241.60	310.95
Profit After Tax (PAT) (₹ Cr.)	181.60	233.03
Capital Adequacy Ratio (%)	52.68	42.68
Return on average NOF (%)	11.30	16.46
Interest Coverage Ratio	1.18	1.24
PE Ratio	5.86	6.22
Net Profit Margin (%)	10.73	13.93
Debtors Turnover Ratio	9.12	11.50
Operating Margin (%)	14.28	18.58
Debt Equity Ratio	16.27	14.48
Networth (₹ Cr.)	1,708.44	1,544.58

Summary of Performance:

- Strong Profit Growth: Both Profit Before Tax and Profit after Tax saw a fall, PBT from ₹ 310.95 Cr. to ₹ 241.60 Cr and PAT ₹ 233.03 Cr. to ₹ 181.60 Cr
- Improved Capital Position: The increase in capital adequacy, as reflected in the improved CAR/CRAR, is primarily due to the significant rise in the Net Owned Fund (NOF). NOF increased from ₹ 1,517.41 Cr to ₹ 1696.44 Cr Y-o-Y.
- Returns: Return on average Net Owned Fund (NOF) fell from 16.46% in FY 24-25 to 11.30% in FY25-26.
- The interest coverage ratio decreased due to a decrease in EBIT. In FY 26, EBIT and financing cost were ₹ 1,554 Cr. and ₹ 1,312 Cr., respectively. In FY 25, EBIT and financing cost were ₹ 1,623 Cr. and ₹ 1,312 Cr., respectively,
- PE Ratio Decline: The PE Ratio decreased due to a decrease in the Market price in FY 26. In FY 26, EPS were ₹ 10.09 and the Market price was ₹ 59.16. In FY 25, EPS was ₹ 12.95 and the market price was ₹ 80.49.
- Net Profit Margin: The margin dropped from 13.93% (FY 2024-25) to 10.73% (FY 2025-26).
- Networth increased from ₹ 1,544.58 Cr to ₹ 1,708.44 Cr Y-o-Y due to Profit after Tax during the year at ₹ 181.60 Cr.

H) HUMAN RESOURCE DEVELOPMENT

Human Resource Development remains a key focus area for the Company, recognizing employees as its most valuable asset and an integral driver of organizational growth

and success. The Company is committed to fostering a positive, inclusive, and performance-driven work environment through progressive HR practices aimed at employee engagement, capability enhancement, and overall well-being.

Continuous learning and development are encouraged through various training and development initiatives designed to strengthen professional competencies and support individual growth aspirations. Training programs are curated based on organizational as well as individual requirements to ensure continuous skill enhancement and knowledge development. The Company also conducts regular in-house sessions, workshops, and knowledge-sharing initiatives to promote exchange of ideas. In addition to professional development, emphasis is placed on employee engagement activities that help re-energize employees, strengthen interpersonal relationships, and enhance teamwork across the organization.

The Company remains committed to creating a workplace culture that promotes learning, collaboration, employee well-being, and sustained organizational excellence. The total number of employees of the Company as on March 31, 2026, was 57 (including 6 employees on deputation from the parent bank).

I) CORPORATE SOCIAL RESPONSIBILITY

During FY 2025-26, the company allocated a total CSR budget of approximately ₹1.42 crore towards various impactful initiatives. Key projects undertaken included supporting Zero Waste to Landfill initiatives at National Institute of Tuberculosis and Respiratory Diseases (₹0.44 crore), establishment of a dialysis center at Kalawati Sharan Children's Hospital (₹0.90 crore) and contributing towards PM National Relief Fund (₹0.07 crore) These initiatives reflect the Company's continued commitment towards strengthening healthcare infrastructure and promoting environmental sustainability through its CSR efforts.

J) ACHIEVEMENTS

I. As on year-end, PNB Gilts ranked 4th in **arrangership** in the corporate bond market as per PRIME Database, reflecting its strong presence and growing participation in this segment.

II. During FY 2025-26, PNB Gilts Limited completed **25 years of listing** on the stock exchange. The milestone was commemorated with a **bell ceremony,** celebrating the Company's long-standing presence and contributions to India's capital markets.

On behalf of Board of Directors

(Pareed Sunil)
Managing Director & CEO
DIN: 11001150

(Tejendra Mohan Bhasin)
Independent Director
DIN: 03091429

Date: August 7, 2026
Place: New Delhi

NSE
30
Years of Operations
PNB GILTS LTD
(Subsidiary of Punjab National Bank)
PNB Gilts Limited
Celebrating 25 years of listing at NSE

CORPORATE GOVERNANCE

REPORT ON CORPORATE GOVERNANCE

- **Company's Philosophy on Code of Corporate Governance**

  Corporate Governance for the Company means achieving a high level of accountability, efficiency, responsibility, and fairness in all areas of operation. Our workforce is committed to protecting the interests of the stakeholders, viz. shareholders, counterparties, investors, employees, etc. Our policies consistently undergo improvements, keeping in mind our goal, i.e., maximization of the value of all stakeholders.

- **The goal is achieved through:**
  - Infusion of best expertise in the Board.
  - Consistent monitoring and improvement of the human and physical resources.
  - Introducing regular checks, audits and continuous improvements in well-defined systems and procedures. Board / Committee meetings at regular intervals to keep the Board informed of the recent happenings.

I Board of Directors

The Board of Directors is the apex body constituted by shareholders for overseeing the Company's overall functioning. The Board provides and evaluates the Company's strategic direction, management policies and their effectiveness, and ensures that shareholders' long term interests are being served. The Board has constituted various Committees at Board level namely Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee, Stakeholders' Relationship Committee, IT Strategy Committee etc. The Board may also constitute additional functional Committees, from time to time, depending on business and regulatory needs. The Company's internal guidelines for Board and its Committee meetings facilitate the decision making process at its meetings in an informed and efficient manner.

1 Composition of the Board

The composition of the Board of Directors is an optimum combination of executive and non-executive directors which fulfills the requirement as stipulated by the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), the Companies Act, 2013 ("Act") and RBI Master Directions on Corporate Governance. As on March 31, 2026, the Company had seven (7) Directors, consisting of six (6) Non-Executive Directors (out of which four (4) are Independent Directors, including one Independent Woman Director).

The members of the Board are from diverse background with requisite skills and experience in critical areas like finance, treasury, human resource, legal, management etc. The Board reviews its strength and composition from time to time to ensure that it remains aligned with the statutory as well as business requirements.

As on March 31, 2026, the composition of the Board was as follows –

Sh. Bibhu Prasad Mahapatra (DIN: 08756848), Executive Director – Punjab National Bank ("PNB" or "Promoter"), is the Non-Executive & Non-Independent Chairman related to Promoter of the Company. He started his banking journey in PNB as Management Trainee in the year 1989 and has served the Bank for the last 36 years in various capacities across the country. A banking veteran, he brings to the table a wealth of knowledge across multiple domains of Branch Banking, Credit and MSME, Business Process, Forex and Trade Finance, Compliance, among others. Prior to his assignment as Executive Director, PNB, he headed Mumbai Zone of the Bank as Chief General Manager. He is also a member of Governing Board of Indian Institute of Bank Management, Guwahati.

Dr. Tejendra Mohan Bhasin (DIN: 03091429), Independent Director has been a career Banker for 37 years (with notable roles such

as Chairman and Managing Director of Indian Bank from 2010 to 2015) having experience in treasury, banking operations and vigilance matters etc. in the banking industry. He was also appointed as Vigilance Commissioner of India by Hon'ble President of India in CVC from June 2015 to June 2019 and has also chaired the Advisory Board for Banking and Financial Frauds (constituted by CVC and RBI) from August 2019 to August 2023. Dr. Bhasin holds an MBA in Finance from FMS, Delhi, LL.B. from Delhi University, CAIIB, and M.Sc. Gold Medalist. A Delhi University topper in its one year flagship programme in 'Criminology and Forensic Science', he is a fellow of the Indian Institute of Banking and Finance. He also completed the Advanced Financial Enterprises Management Programme at Harvard Kennedy School (US). His Doctoral Research findings and recommendations formed the basis of Pradhan Mantri Jan Dhan Yojana. Dr. Bhasin is a prolific author with a book on 'E-Commerce in Indian Banking' and has numerous research papers to his credit. Presently, he is director of PNB Housing Finance Ltd., Patanjali Foods Ltd., SBI Life Insurance Company Ltd., Centrum Financial Services Ltd. and SBI Capital Markets Limited.

Sh. Gopal Singh Gusain (DIN: 03522170), Independent Director is having more than three decades of experience in finance and banking industry including credit, recovery, risk, compliance, information technology, international banking, human resource, Corporate Credit and treasury operations. He served as an Executive Director of Union Bank of India. Prior to his assignment in Union Bank of India, he worked in PNB in various capacities and has held various positions such as Chief Executive of Hongkong Operations, Group Chief Risk Officer, Group Compliance Officer. Presently, he is director of STCI Finance Limited, The Nainital Bank Limited and LIC Pension Fund Limited.

Sh. Raj Kamal Verma (DIN: 07847454), Independent Director, started his professional journey with Bank of India as Probationary Officer in year 1982. In August 2016, he was elevated as Executive Director (ED) of Union Bank of India and superannuated in February, 2019. During his 37 years of experience in the banking sector, he handled key banking areas like Human Resources, IT and Digital Banking, MSME, Corporate Credit, Foreign Business, Financial Inclusion, Inspection & Audit, Credit Monitoring & Recovery etc.

Dr. Rekha Jain (DIN: 01586688), Independent Director, is a Senior Visiting Professor, Indian Council for Research on International Economic Relations (ICRIER). Earlier, she has served as Professor in the Indian Institute of Management, Ahmedabad from June 1985 to December 2019 (i.e. till superannuation). She has also worked as Probationary Officer in State Bank of India for a year at the start of her career. She has over 39 years of diverse experience and special knowledge in Information Technology, Payment & Settlement Systems, Business Management and Risk Management. Currently, she is independent director on the Board of Gujarat Gas Limited.

Smt. Anju Mittal (DIN: 11410994), Non- Executive & Non-Independent Director, is General Manager, PNB. She began her professional journey with PNB in year 1993 and is serving the bank from last 32 years in core banking, risk management, and compliance etc. Presently, she is Nominee Director on the Board of Sarva Haryana Gramin Bank.

Sh. Pareed Sunil (DIN: 11001150) is the Managing Director & CEO of the Company. He is also Deputy General Manager of PNB. He has earlier worked as Deputy CEO of the Company for approx. 2 years. He has been engaged with PNB group for more than 3 decades and played an important role in the field of Treasury, International Banking, Credit Management, Risk Management, Compliance and HR. His extensive experience spans both domestic and international markets, including significant assignments in India and abroad. He is also Chairperson of Primary Dealers' Association of India.

Other information regarding the Board as on March 31, 2026 is given below:

Name of the Director	Category	No. of Directorships and Committee Memberships/ Chairmanships of other entities (including High Value Debt Listed Entities)			Directorship in other listed entity (Category of Directorship)
		Director-ships	Committee Member-ships*	Committee Chairman-ships*	
Sh. Bibhu Prasad Mahapatra**	Non-Executive, Non-Independent, Chairman (promoter nominated)	1	1	-	Punjab National Bank (Executive Director)
Dr. Tejendra Mohan Bhasin	Non-Executive, Independent	5	6	2	Independent Director of- • PNB Housing Finance Limited • Patanjali Foods Ltd. • SBI Life Insurance Company Limited
Sh. Gopal Singh Gusain	Non-Executive, Independent	3	3	1	-
Sh. Raj Kamal Verma	Non-Executive, Independent	-	-	-	-
Dr. Rekha Jain	Non-Executive, Independent	1	2	-	Gujarat Gas Limited (Independent Director)
Smt. Anju Mittal***	Non-Executive, Non-Independent (promoter nominated)	1	1	1	-
Sh. Pareed Sunil****	Executive, Non-Independent	1	-	-	-

*In terms of Regulation 26 of Listing Regulations, the limit of the committees on which a Director may serve in all public limited companies, whether listed or not and High Value Debt listed entities, are included and all other companies including private limited companies, foreign companies, and companies under Section 8 of the Act are excluded and for the purpose of determination of limit, chairpersonship and membership of the Audit Committee and the Stakeholders' Relationship Committee alone are considered.

** Appointed as a Non-Executive and Non-Independent Chairman w.e.f. January 29, 2026 and his association with the Company is ceased from 07.08.2026.

*** Appointed as a Non-Executive and Non-Independent Director w.e.f. March 16, 2026.

**** Appointed as a Managing Director and CEO w.e.f. June 19, 2025.

As on March 31, 2026, none of the Directors holds any shares / convertible instruments of the Company.

There is no inter-se relationship between the Directors.

Familiarization Programme of the Independent Directors

The Company conducts a familiarization programme for Independent Directors with regard to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company, etc. The details of the familiarisation programme imparted to the Independent Directors during the year are available on the website of the Company at the link https://www.pnbgilts.com/uploads/corporate_governance/Familiarization_Programme_-_67_Nov.pdf. Quarterly updates on relevant statutory and regulatory changes are also circulated to the Directors.

The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Professional Competencies	
Business and Management experience	Experience in, or is able to demonstrate knowledge or expertise in, sound management and operational business processes and practices in the private or public sector.
Legal, technology etc.	Exposure in handling regulatory and technology matters or providing legal/regulatory/technology advice and guidance to an organization.
Risk Management	Knowledge and experience in enterprise risk management in the relevant industry and understanding of the Board's role in the oversight of risk management principles.
Strategic Planning	Ability to generate and apply strategic thinking in regard to the unique business insights and opportunities of relevance to the organization.
Board service and Governance	Experience in Board governance practices in private or public sector. Understanding of roles and responsibilities of Board of a Company and responsibilities as Director.
HR	Experience in developing strategies or handling matter like development of talent and retention, succession planning and driving change and long term growth etc.
Finance	An understanding of financial statements and the accounting principles used by entities to prepare its financial statements; including the ability to assess the general application of such accounting principles in connection with the accounting for the company.
Banking	Experience in Credit/Treasury/ International Business etc. in banking industry.
Capital market	Strategic and operational understanding of the working of capital markets in order to provide oversight to management strategies.
Debt Market	Experience in driving Fixed Income, capital or any other market as may be permitted by Reserve Bank of India, from time to time, with an understanding of diverse business environments, economic conditions, regulatory frameworks and a broad perspective on Indian and/or Global market opportunities.
Diversity (gender, ethnic or others)	Representation of gender, ethnic, geographic, cultural or other perspectives that expand the Board's understanding of the needs and viewpoints of clients, employees, governments and other stakeholders.
Leadership	Ability to inspire, motivate and offer direction and leadership to others.

Professional Competencies	
Analytical and visionary	Ability and aptitude of showcasing analytical and visionary skills towards the organization in the long term. Ability to work as part of a team, and demonstrate the passion and time to make a genuine and active contribution to the Board.
Commitment	Commitment to the organization, its Board, its culture, values and people.

In the below table, the specific areas of focus or expertise of individual Board members have been highlighted. However, the absence of mark against a member's name doesn't necessarily mean the member doesn't possess the corresponding qualification or skill.

	Sh. Bibhu Prasad Mahapatra	Dr. T. M. Bhasin	Sh. Gopal Singh Gusain	Sh. Raj Kamal Verma	Dr. Rekha Jain	Smt. Anju Mittal	Sh. Pareed Sunil
Business and Management experience	✓	✓	✓	✓	✓	✓	✓
Legal, technology etc.	✓	✓	✓	✓	✓	✓	✓
Risk Management	✓	✓	✓	✓	✓	✓	✓
Strategic Planning	✓	✓	✓	✓	✓	✓	✓
Board service and Governance	✓	✓	✓	✓	✓	✓	✓
HR	✓	✓	✓	✓	✓	✓	✓
Finance	✓	✓	✓	✓	✓	✓	✓
Banking	✓	✓	✓	✓	✓	✓	✓
Capital market	✓	✓	✓	✓	✓	✓	✓
Debt Market	✓	✓	✓	✓	✓	✓	✓
Diversity (gender, ethnic or others)	✓	✓	✓	✓	✓	✓	✓
Leadership	✓	✓	✓	✓	✓	✓	✓
Analytical & visionary	✓	✓	✓	✓	✓	✓	✓
Commitment	✓	✓	✓	✓	✓	✓	✓

2. Independent Directors

a. Performance Evaluation:

The Company believes that an effective governance framework requires periodic evaluation of the functioning of the Board as a whole, its committees and individual director's performance evaluation. Accordingly, the Company on the recommendation of the Nomination and Remuneration Committee (NRC) has devised a policy for performance evaluation of Independent Directors, other Directors, Board, its Committees and Chairman of the Board, which includes criteria for performance evaluation as well.

As per process given in the policy, the evaluation exercise shall be carried out on annual basis. The process involves evaluation of the whole Board, which is to be done by all the Members of the Board; evaluation of the Committees of the Board, which is to be done by all the Members of the respective Committee; and evaluation of the individual Director which is carried out by the NRC.

Structured questionnaires formed key part of the evaluation process for reviewing the functioning and effectiveness of the Board. The evaluation process focused on various aspects of the Board and Committees functioning such as structure, composition, quality, board meeting practices and overall Board effectiveness. The Independent Directors are additionally required to fulfill the criteria of Independence from the other directors, management and that they exercise their own judgment and voice their opinion freely. The above criteria are based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017. An indicative list of factors on which evaluation exercise to be conducted internally includes participation and contribution by a director, commitment, knowledge and competency, integrity and maintenance of confidentiality and independence of behavior and judgment.

Annual Performance Evaluation: During the year, questionnaires were circulated to the members of the Board and respective Committees soliciting their feedback on the performance of the Board, its Committees and individual Directors for the financial year 2025-26.

As part of evaluation exercise, the outcome of feedback from Directors was discussed at the respective meetings of NRC and Board.

The Nomination and Remuneration Committee reviewed the performance of individual directors including Independent Directors on the basis of criteria such as the contribution of the individual director to the Board and committee meetings like meaningful and constructive contribution and inputs in meetings, ability to function as a team, initiative taken for the growth and development of the Company, integrity, etc.

Also, in a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of Board as a whole and performance of the Chairman was evaluated, taking into account the views of the Executive Directors and Non-executive Directors.

In the Board Meeting that followed the meeting of the independent directors and meeting of Nomination and Remuneration Committee, the performance of the Board, its committees, and individual directors was also discussed. Discussion on Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

Outcome of Evaluation Process: The Board was satisfied with the professional expertise and knowledge of each of its Directors. All the Directors effectively contributed to the decision making process by the Board. Further, all the Committees were duly constituted and were functioning effectively. The Board also expressed its satisfaction in relation to the provision of supporting documents to the Board enabling it to assess the policy and procedural requirements for proper functioning of the Company.

b. Confirmation on Independence of Independent Directors: In terms of Regulation 25(8) of the Listing Regulations, all the independent directors of the Company have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors confirms that all the Independent Directors of the Company meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act and that they are independent of the management. A formal letter of appointment to Independent Directors as provided in the Act has been issued and the draft of the same is disclosed in Investors Relations section on the website of the Company viz. https://www.pnbgilts.com/uploads/disclosures/ID_Letter.pdf

c. **Resignation by Independent Director during FY 2025-26:** There was no instance of resignation by any independent director of the Company.

3. Meetings of the Board

During the financial year 2025-26, seven (7) Board meetings were held. The gap between any two (2) meetings not exceeded 120 days as per the requirements of Regulation 17 (2) of the Listing Regulations and Section 173 of the Act.

The attendance record of the Directors in the above meetings and last AGM is as under

Name of Director	Details of Board Meeting								Attended last AGM held on 17.09.2025
	Held during tenure	02.05.2025	15.05.2025	02.07.2025	23.07.2025	16.10.2025	17.01.2026	27.03.2026	
Sh. Kalyan Kumar[1]	4	✓	X	✓	✓	N.A.	N.A.	N.A.	✓
Sh. Bibhu Prasad Mahapatra[2]	1	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	✓	N.A.
Dr. Tejendra Mohan Bhasin	7	✓	✓	✓	✓	✓	✓	✓	✓
Sh. Gopal Singh Gusain	7	✓	✓	✓	✓	✓	✓	✓	✓
Sh. Raj Kamal Verma	7	✓	✓	✓	✓	✓	✓	✓	✓
Dr. Rekha Jain	7	✓	✓	✓	✓	✓	✓	✓	✓
Sh. Amit Kumar Srivastava[3]	5	✓	✓	✓	X	✓	N.A.	N.A.	✓
Smt. Anju Mittal[4]	1	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	✓	N.A.
Sh. Pareed Sunil[5]	5	N.A.	N.A.	✓	✓	✓	✓	✓	✓
Attendance of Directors as on date of Meeting		6/6	5/6	7/7	6/7	6/6	5/5	7/7	7/7
		100%	83.33%	100%	85.71%	100%	100%	100%	100%

✓ Present X Leave of absence

1 Resigned as a Non-Executive and Non-Independent Director and Chairman w.e.f. close of business hours of 30.09.2025.

2 Appointed as a Non-Executive and Non-Independent Director and Chairman w.e.f. 29.01.2026 and ceased to be in office w.e.f. 07.08.2026.

3 Resigned as a Non-Executive and Non-Independent Director w.e.f. 26.11.2025.

4 Appointed as a Non-Executive and Non-Independent Director w.e.f. 16.03.2026.

5 Appointed as a Managing Director & CEO w.e.f. 19.06.2025.

4. Committees of the Board

(A) Audit Committee

The Audit Committee has been formed in pursuance of the Listing Regulations, Section 177 of the Act, and RBI guidelines/directions. The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Regulation 18 read with Part C to Schedule II of the Listing Regulations and Section 177 of the Act, RBI guidelines/ directions, as applicable, besides other terms as referred by the Board of Directors.

The role, inter alia, includes oversight of Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible; recommending the appointment, re-appointment, remuneration and terms of appointment of auditors and approval of payment for any other services rendered by statutory auditors; reviewing with the management quarterly results and annual financial statements before submission to the Board for approval; approval or any subsequent modification of any transactions of the Company with related parties; review and monitor the auditor's independence and performance and effectiveness of audit process; evaluation of internal financial controls and risk management system; reviewing the functioning of the vigil mechanism / whistle blower policy; reviewing the compliance with provisions of Securities Exchange Board of India (Prevention of Insider Trading) Regulation, 2015 (including any amendment(s) or modification(s) from time to time) at least once in a financial year and verify that the systems for internal controls for ensuring compliance to these Regulations, are adequate and are operating effectively.

The Committee mandatorily reviews information such as internal audit reports related to internal control weakness (if any), management discussion and analysis of financial condition and result of operations, statement of related party transactions and such other matters as prescribed.

During the financial year 2025-26, seven (7) Committee meetings were held. The composition and attendance of Members is as under:

Name of Director	Details of Committee Meeting								
	Position	Held during tenure	02.05.2025	02.07.2025	23.07.2025	16.10.2025	28.11.2025	17.01.2026	26.03.2026
Sh. Gopal Singh Gusain	Chairman	7	✓	✓	✓	✓	✓	✓	✓
Dr. Tejendra Mohan Bhasin	Member	7	✓	✓	✓	✓	✓	✓	✓
Sh. Raj Kamal Verma	Member	7	✓	✓	✓	✓	✓	✓	✓
Dr. Rekha Jain	Member	7	✓	✓	✓	✓	✓	✓	✓
Attendance of Directors as on date of Meeting		4/4	4/4	4/4	4/4	4/4	4/4	4/4	4/4
		100%	100%	100%	100%	100%	100%	100%	100%

✓ Present X Leave of absence

Ms. Monika Kochar, Company Secretary, acts as the Secretary to the Committee.

All the recommendations made by the Audit Committee during the year were accepted by the Board.

(B) Nomination and Remuneration Committee

The Nomination and Remuneration Committee is instrumental in identifying persons qualified to become Directors or part of senior management in accordance with the criteria laid down by the Board, to carry out evaluation of every Director's performance, to recommend to the Board a policy relating to the remuneration for the Directors, key managerial personnel and other employees and Board Diversity etc. The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas as contemplated under Regulation 19 read with Para A of Part D to Schedule II of the Listing Regulations, Section 178 of the Act and RBI's directions, as applicable, besides other terms as referred by the Board of Directors.

The role of Nomination and Remuneration Committee, inter-alia, includes formulation of criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy relating to the remuneration for the directors, senior management including key managerial personnel and other employees; formulation of criteria for evaluation of Independent Directors and the Board; devising a policy on diversity of Board of Directors; and identification of persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommending to the Board their appointment, removal and noting their cessation; recommendation on extension or continuation of the terms of appointment of the Independent Directors; and recommendation to the Board of all remuneration, in whatever form, payable to senior management.

The Company is also having "Directors' Fit and Proper Policy" in place for ascertaining the 'fit and proper criteria' to be adopted at the time of appointment of Directors and on continuing basis, in line with the regulatory framework issued by RBI. Pursuant to the terms of reference, the said Committee deals with matter of the appointment/reappointment of Directors and their remuneration etc. and submits its recommendations to the Board for approval.

During the financial year 2025-26, four (4) Committee meetings were held. The composition of the Committee and attendance of the Members is as under:

Name of Director	Position	Details of Committee Meeting				
		Held during tenure	23.07.2025	28.11.2025	26.12.2025	27.03.2026
Dr. Tejendra Mohan Bhasin	Chairman	4	✓	✓	✓	✓
Sh. Gopal Singh Gusain	Member	4	✓	✓	✓	✓
Dr. Rekha Jain	Member	4	✓	✓	✓	✓
Sh. Amit Kumar Srivastava[1]	Member	1	X	N.A.	N.A.	N.A.
Attendance of Directors as on date of Meeting			3/4	3/3	3/3	3/3
			75%	100%	100%	100%

✓ Present X Leave of absence

1 Ceased to be member of the Committee w.e.f. 26.11.2025.

The details relating to remuneration of Directors and disclosure regarding Remuneration Policy, as required under Listing Regulations, have been given under a separate section, viz. 'Directors' Remuneration' in this report.

(C) Stakeholders' Relationship Committee

The role and responsibilities of the Stakeholders Relationship Committee are as prescribed under Section 178(6) of the Act read with applicable Rules framed thereunder and Regulation 20 read with Para B of Part D to Schedule II of the Listing Regulations. The terms of reference of Stakeholders' Relationship Committee, besides other terms as referred by the Board of Directors, inter-alia includes, overseeing the redressal of stakeholders' grievances; to review the measures taken for effective exercise of voting rights by shareholders; review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent etc. During the year 2025-26, 1 (one) meeting of the said Committee was held. The composition of Stakeholders' Relationship Committee and the attendance of the Members is as under:

Name of Director	Position	Details of Committee Meeting	
		Held during tenure	27.03.2026
Sh. Raj Kamal Verma	Chairman	1	✓
Dr. Rekha Jain	Member	1	✓
Sh. Amit Kumar Srivastava[1]	Member	N.A.	N.A.
Sh. Pareed Sunil[2]	Member	1	✓
Attendance of Directors as on date of Meeting			3/3
			100%

✓ Present X Leave of absence

1 Ceased to be member of the Committee w.e.f. 26.11.2025.

2. Inducted as a member of the Committee w.e.f. 24.07.2025.

The Company attends to investor grievances/correspondence expeditiously and usually reply is sent within a period of 5 to 7 days of receipt, except in the cases that are constrained by disputes or legal impediments.

There was one complaint received on 28.03.2025 from the shareholders/ investors which remained pending to be resolved, at the beginning of the FY 2025-26, and redressed on 02.04.2025.

During the FY 2025-26, the Company received 8 complaints from the shareholders/ investors. All the complaints have been redressed to the satisfaction of the complainants.

No shareholder / investor complaint was pending as at the end of the financial year i.e. on 31.03.2026.

Ms. Monika Kochar, Company Secretary of the Company, acts as the Compliance Officer.

(D) Corporate Social Responsibility (CSR) Committee

The CSR Committee discharges the role of Corporate Social Responsibility Committee under Section 135 of the Act, which inter alia, includes formulating and recommending to the Board, a Corporate Social Responsibility (CSR) Policy indicating the activities to be undertaken by the Company. During the financial year 2025-26, three (3) CSR Committee meetings were held. The composition of the Committee and attendance of the Members is as under:

Name of Director	Position	Details of Committee Meeting			
		Held during tenure	23.07.2025	26.12.2025	26.03.2026
Dr. Tejendra Mohan Bhasin	Chairman	3	✓	✓	✓
Dr. Rekha Jain	Member	3	✓	✓	✓
Sh. Raj Kamal Verma	Member	3	✓	✓	✓
Sh. Amit Kumar Srivastava[1]	Member	1	X	N.A.	N.A.
Attendance of Directors as on date of Meeting			3/4	3/3	3/3
			75%	100%	100%

✓ Present X Leave of absence

1 Ceased to be member of the Committee w.e.f. 26.11.2025.

The CSR Committee's terms of reference are as per the provisions of the Act besides other terms as referred by the Board of Directors. A detailed Report on CSR activities/ initiatives is also attached to the Board's Report.

(E) Risk Management Committee

The Risk Management Committee constituted in accordance with the RBI guidelines for Primary Dealers and NBFCs and the Listing Regulations, reviews the overall risk management plan and framework and recommend changes to ensure their adequacy. The Committee ensures that the Company is complying with the policies already documented, controls, and procedures concerning the operation of the risk measurement system. The role and responsibilities of the Risk Management Committee are as prescribed under Regulation 21 read with Para C of Part D to Schedule II of the Listing Regulations and RBI guidelines/Directions.

The role of Committee, besides other terms as referred by the Board of Directors, inter-alia, include the following:

1. To formulate a detailed risk management policy which shall include:
   a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
   b. Measures for risk mitigation including systems and processes for internal control of identified risks.
   c. Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
7. To monitor and review of the risk management plan, cyber security function and such other functions as the Board may deem fit.
8. Review ICAAP policy and framework of the company on an annual basis.

9. In consultation with IT Strategy Committee, shall periodically review and update the IT related risk including the Cyber Security related risk in risk management policy of the Company.

10. Interact with Head of Risk, separately, without presence of management, at least on quarterly basis for reviewing the risk profile of the Company.

11. The Committee shall have discretion of approving outsourcing of activities, if any, as covered under the RBI directions, in line with the Board approved policy. If approved, monitoring of outsourced activities will also be done by the Committee.

12. To review on a regular basis (quarterly or at more frequent intervals) the exposures to CCPs, including exposures arising from trading through a CCP and exposures arising from CCP membership obligations such as default fund contributions

During the financial year 2025-26, five (5) Risk Management Committee meetings were held. The composition of the Committee and attendance of the Members is as under:

Name of Director	Position	Details of Committee Meeting					
		Held during tenure	15.05.2025	24.06.2025	17.09.2025	26.12.2025	26.03.2026
Sh. Gopal Singh Gusain	Chairman	5	✓	✓	✓	✓	✓
Dr. Tejendra Mohan Bhasin	Member	5	✓	✓	✓	✓	✓
Dr. Rekha Jain	Member	5	✓	✓	✓	✓	✓
Sh. Amit Kumar Srivastava[1]	Member	4	✓	X	X	N.A.	N.A.
Sh. Pareed Sunil[2]	Member	3	N.A.	N.A.	✓	✓	✓
Attendance of Directors as on date of Meeting			4/4	3/4	4/5	4/4	4/4
			100%	75%	80%	100%	100%

✓ Present X Leave of absence

1 Ceased to be member of the Committee w.e.f. 26.11.2025.

2 Inducted as a member of the Committee w.e.f. 24.07.2025.

(F) IT Strategy Committee

The IT Strategy Committee has been constituted an IT Strategy Committee in terms of RBI Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated November 7, 2023, as amended from time to time. The Committee shall work in partnership with other Board committees and Senior Management to provide input to them.

The role of Committee, besides other terms as referred by the Board of Directors, inter-alia, includes the following:

(i) Ensure that the Company has put an effective IT strategic planning process in place.

(ii) Guide in preparation of IT Strategy and ensure that the IT Strategy aligns with the overall strategy of the Company towards accomplishment of its business objectives.

(iii) Satisfy itself that the IT Governance and Information Security Governance structure fosters accountability, is effective and efficient, has adequate skilled resources, well defined objectives and unambiguous responsibilities for each level in the organization.

(iv) Ensure that the Company has put in place processes for assessing and managing IT and cybersecurity risks.

(v) Ensure that the budgetary allocations for the IT function (including for IT security), cyber security are commensurate with the Company's IT maturity, digital depth, threat environment and industry standards and are utilised in a manner intended for meeting the stated objectives.

(vi) Review, at least on annual basis, the adequacy and effectiveness of the Business Continuity Planning and Disaster Recovery Management of the Company.

(vii) Review and recommend the strategies and policies related to IT, Information Assets, Business Continuity, Information Security, Cyber Security (including Incident Response and Recovery Management/ Cyber Crisis Management) to the Board for approval at least on an annual basis.

(viii) Review the assessment of IT capacity requirements and measures taken to address the issues.

(ix) Approve documented standards and procedures regarding access to information assets of the Company.

(x) Review of cyber security risks/arrangements/preparedness of the Company, as placed by CISO, on a quarterly basis.

During the financial year 2025-26, four (4) IT Strategy Committee meetings were held. The composition of the Committee and attendance of the Members is as under:

Name of Director	Position	Details of Committee Meeting				
		Held during tenure	24.06.2025	17.09.2025	26.12.2025	26.03.2026
Dr. Rekha Jain	Chairperson	4	✓	✓	✓	✓
Dr. Tejendra Mohan Bhasin	Member	4	✓	✓	✓	✓
Sh. Gopal Singh Gusain	Member	4	✓	✓	✓	✓
Sh. Raj Kamal Verma	Member	4	✓	✓	✓	✓
Attendance of Directors as on date of Meeting			4/4	4/4	4/4	4/4
			100%	100%	100%	100%

✓ Present X Leave of absence

II Directors' Remuneration

The Company's Remuneration Policy for Directors, Key Managerial Personnel and other employees is available on the website of the Company at the link: https://www.pnbgilts.com/uploads/corporate_governance/REMUNERATION_POLICY.pdf .

The Company's remuneration policy is directed towards rewarding performance based on achievement of results and attracting and retaining the best talent. During the year 2025-26, the remuneration policy of the Company, which is effective from 01.04.2026, was revised to align it with the Company's Performance Linked Incentive (PLI) Policy and strengthen governance in remuneration practices. The key changes

include include updation of sitting fees structure and refinement in the framework for assessment of performance-linked incentives, inclusion of Group Accidental Insurance under variable remuneration, and enhanced clarity on malus and clawback provisions and their applicability, while continuing to align remuneration with performance, risk outcomes and regulatory expectations.

Matters of remuneration of Managing Director & CEO are considered by the Board of Directors of the Company, with the Interested Directors not participating. The terms of remuneration of the Director are approved by the shareholders at the general body meeting. The details of remuneration paid to the Managing Director & CEO in the financial year 2025-26 are as under:

(₹ in lakhs)

	Sh. Pareed Sunil, Managing Director & CEO*
Salary	29.01
Perquisites and allowances	1.24
Company's Contribution to PF	1.59
Performance Linked Incentive	-

*Appointed as a Managing Director & CEO for a tenure of 3 years w.e.f. 19.06.2025 and thus the above is remuneration paid to MD & CEO from 19.06.2025 to 31.03.2026.

Note: Neither variable pay was paid by the company nor any annual increment was given to him during the period from 19.06.2025 to 31.03.2026.

Service conditions of the Managing Director & CEO are governed by the service regulations of the parent bank i.e. PNB. As per the service regulations, his services can be terminated by a notice period of 3 months. No other severance fees is payable.

Criteria for making payment to Non-Executive Directors:

The terms and conditions of appointment of Non-Executive Directors including Independent Directors of the Company shall be governed by the resolutions approved by the shareholders of the Company with respect to their respective appointments.

Sitting fee is payable only to Independent Directors. The sitting fee structure payable to Independent Directors till 27.10.2025 was as under –

Meeting	**Sitting fees for independent directors (payable per meeting)***
For attending and chairing meetings of the Board	₹ 70,000/- plus ₹ 20,000/- for chairing the meeting. This will be subject to change thereafter in accordance with such fee structure of promoter i.e. PNB.
For attending and chairing meetings of Committees of Board.	₹ 35,000/- plus ₹ 10,000/- for chairing the meeting. This will be subject to change thereafter in accordance with such fee structure of promoter i.e. PNB.
For attending and chairing meetings of any other committee/group/panel which may or may not be at Board level but such a forum is statutorily or operationally required to meet	Same as that of Committees of the Board.
*Fee in respect of Board Meetings shall not exceed the limit as provided for in respect of companies under the Companies Act, 2013 and Rules made thereunder. Fee in respect of Committees of Board should not exceed one half of fee for attending the meetings of Board. Further, the above fees shall be subject to overall ceiling of ₹ 25 lacs per annum.	

Further, w.e.f. 28.10.2025, the sitting fee structure payable to Independent Directors is as under –

Meeting	New Sitting fees for independent directors (payable per meeting)*
For attending and chairing meetings of the Board	₹ 90,000/- plus ₹ 10,000/- for chairing the meeting. This will be subject to change in accordance with such fee structure of promoter i.e. PNB.
For attending and chairing meetings of Committees of Board.	₹ 45,000/- plus ₹ 5,000/- for chairing the meeting. This will be subject to change in accordance with such fee structure of promoter i.e. PNB.
For attending and chairing meetings of any other committee/group/panel which may or may not be at Board level but such a forum is statutorily or operationally required to meet	Same as that of Committees of the Board.
*Note: Sitting Fee shall not exceed the limit as provided for in respect of companies under the Companies Act, 2013 and Rules made thereunder.	

In addition to the sitting fee, the Company also reimburses out of pocket expenses if incurred by them in connection with performance of duties as a Director.

The details of sitting paid to Independent Directors for the various meetings attended during the financial year 2025-26 are as under:

(₹ in lakhs)

Names of the Director	Sitting Fees*
Dr. T.M. Bhasin	1650000
Sh. Gopal Singh Gusain	1515000
Sh. Raj Kamal Verma	1230000
Dr. Rekha Jain	1620000

* Out of pocket expenses, if any, incurred by directors for attending the meetings and GST not taken into account.

Service contracts, notice period, severance fees are not applicable for Non-Executive Directors.

No other remuneration or stock option scheme is in place. Apart from the sitting fees and reimbursement of expenses, there are no other pecuniary relationship or transactions of the non-executive directors vis-à-vis the Company.

III Resume of Directors Proposed to be Appointed / Re-Appointed

The brief resume of Directors to be appointed or re-appointed is given in the explanatory statement/ annexure to the notice convening the Annual General Meeting.

IV Code of Conduct for Directors and Senior Management

The Code of Conduct for Directors and Senior Management of the Company has been posted at the Company's website (www.pnbgilts.com). All the Board Members and Senior Management Personnel have affirmed the compliance of the said Code during the year 2025-26. A declaration of the Chief Executive Officer to this effect is also appended to this report at Annexure A.

V Certificate on Corporate Governance

As required under Schedule V of the Listing Regulations, a certificate from practicing company secretaries regarding compliance of conditions of corporate governance is appended to this report as Annexure B.

VI CEO and CFO Certification

The Chief Executive Officer and Chief Financial Officer of the Company had submitted required certification to the Board along with the annual financial statements as per the provisions of Regulation 17(8) read with Para B of the Schedule II of the Listing Regulations.

VII General Body Meetings

Location and time of last three General Meetings are as under:

Financial year	Type of Meeting	Venue	Date and time
2024-25	Annual General Meeting (AGM)	Meeting conducted through Video Conferencing pursuant to the MCA Circular(s) and SEBI circulars	17.09.2025 at 11:00 a.m. (IST)
2023-24	Annual General Meeting (AGM)		20.09.2024 at 11:00 a.m. (IST)
2022-23	Annual General Meeting (AGM)		08.09.2023 at 11:00 a.m. (IST)

AGM held on 08.09.2023, four special resolutions were passed for re-appointment of Sh. S. K. Kalra and Sh. T. M. Bhasin as Independent Directors of the Company and for waiving the recovery of excess managerial remuneration paid to Sh. Vikas Goel, MD & CEO for the year ended March 31, 2023, in terms of Section 197 read with Schedule V of the Act in view of losses incurred for the year ended March 31, 2023 and for approval of the remuneration payable to MD & CEO for financial year 2023-24 in excess of the stipulated limits prescribed under Section 197 read with Schedule V to the Companies Act, 2013.

In the AGMs held on 20.09.2024 and 17.09.2025, no special resolution was passed.

During FY 2025-26, the members of the Company passed one special resolution through postal ballot and voting pattern of the same was as follows -

Particulars of remote e-voting	Special resolution passed on 20.06.2025 for increase the borrowing power of the Company
Total number of Valid Votes	133868578
Votes cast in favour of the Resolution	133854244
Votes cast against the Resolution	14334
Number of Invalid Votes	Nil

No special resolution is proposed to be conducted through postal ballot.

Procedure followed for Postal Ballot/ E-voting:

a. In compliance with Regulation 44 of the Listing Regulations and Sections 108, 110 and other applicable provisions of the Act read with the Rules made thereunder and General Circulars issued by Ministry of Corporate Affairs, the postal ballot process was conducted by way of electronic voting only. The Company engaged the services of National Securities Depository Limited ("NSDL") for the purpose of providing e-voting facility.

b. In accordance with the MCA Circulars, the Notices of Postal Ballot along with the instructions regarding e-voting were sent only by e-mail to all those Shareholders.

c. Mr. Nitesh Latwal, Partner of PI & Associates, Practicing Company Secretaries, was appointed as the Scrutinizer to conduct the Postal Ballot process in a fair and transparent manner. After due scrutiny of e-voting, scrutinizer submitted its final report on 23.06.2025 and the results of the postal ballot/ e-voting was declared on 23.06.2025 itself.

d. The result of the postal ballot along with the scrutinizer's report was also displayed at the registered office of the Company, hosted at the Company's website at www.pnbgilts.com and on the website of NSDL at https://www.evoting.nsdl.com and was also communicated to the Stock Exchanges.

VIII Management Discussion and Analysis

Management Discussion and Analysis has been given separately in the Annual Report.

IX Disclosures

a) Related Party Transactions (RPTs): During financial year 2025-26, the Company did not enter into any 'materially significant related party transactions', which are considered to have potential conflict with the interests of the Company at large. None of Director is related to each other. The Company has formulated a policy on materiality of related party transactions and also on procedure for dealing with such transactions. During FY 2025-26, the policy was aligned with the provisions of SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2025. The said policy is available on the website of the Company at https://www.pnbgilts.com/uploads/corporate_governance/Policy_on_Related_Party_Transactions_17_01_2026.pdf. Details of all related party transactions including transactions with PNB, promoter having shareholding of 74.07% in the company and others are given in Note No. 35A and 35B of the Financial Statements. No other promoter group entity is holding any shares in the Company.

b) Compliance by the Company: There has not been any non-compliance, penalties or strictures imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority on any matter relating to the capital markets during the last three years. However, the National Stock Exchange of India Limited (NSE) vide its email dated 1st March, 2024, imposed a penalty of ₹5,000/- (Rupees Five Thousand only) for delayed reporting of demat account(s) i.e., after one week of the opening of such account(s) which is a non-compliance of said SEBI Circular No. SEBI/HO/MIRSD/MIRSD2/CIR/P/2016/95 dated September 26, 2016 applicable to stock brokers. The said penalty was to be debited by NSE on or after 15.03.2024; The Company responded diligently and requested NSE for clarification on reporting of accounts which are not related to stock broker business and has also requested to condone the delay and waiver of penalty for the event in absence of clarity. In the absence of any clarity, the Company submitted its representation to NSE for consideration of exemption to Primary Dealers from reporting of demat accounts unrelated to stock broker business. Following feedback from the stock exchanges, the SEBI issued circular HO/38/11/(1)2026-MIRSD-POD/I/7656/2026 on 24.04.2026. This new circular removes the requirement for stockbrokers acting as Primary Dealers to report such demat accounts. The regulatory relief came into effect on April 17, 2026. It is to be noted that NSE has not charged the penalty from the designated bank account till issuance of this Report.

c) Whistle Blower Policy/Vigil Mechanism: The Company has put in place the Whistle Blower Policy (including Vigil Mechanism). The Audit Committee on time-to time basis reviews the functioning of the same and no person has been denied access to the Audit Committee and its Chairman.

For further detail(s), please refer the Board's Report.

d) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 –

i. Number of pending complaints in the beginning of FY 2025-26 : Nil

ii. Number of complaints received during the FY 2025-26 : Nil

iii. Number of complaints disposed of during the year : Nil

iv. Number of cases pending for more than 90 days – Nil

v. Number of complaints pending as on end of the FY 2025-26 - Nil

e) Commodity price risk or foreign exchange risk and hedging activities: The Company has not dealt in commodities and foreign exchange during FY 2025-26. Since there is no exposure in commodities, the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given. There are no hedging activities in derivative instruments.

f) Certificate from Practicing Company Secretary as required under Part C of Schedule V of Listing Regulations: A certificate has been received from M/s Ashu Gupta & Co., Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority. The certificate is annexed with this Report at Annexure C.

g) Total fees paid to Statutory Auditors of the Company: During the financial year 2025-26, a fee of ₹ 40.00 lacs plus GST thereon (totaling to ₹ 47.20 lacs) for all services, was paid by the Company to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

h) List of Credit Ratings obtained and any revisions thereto for debt instruments or any fixed deposit programme or any scheme or proposal involving mobilization of funds, whether in India or abroad: CRISIL Ratings Limited ('CRISIL') and ICRA Limited ('ICRA') have rated A1+ to ₹1000 crore Commercial Paper programme of the Company. The rating indicates highest safety.

The Company is also having 'IND A1+' rating for INR 25 billion Short-term bank loans and 'IND A1+' rating for INR10 billion Inter-corporate deposit, both ratings from India Ratings & Research Pvt. Ltd. Additionally, the Company is also having ICRA A1+ rating from ICRA for its ₹ 1,000 crore of Inter-Corporate Deposits (ICD) programme.

Further, CRISIL has given the credit rating of CRISIL A1+ for short term bank loan facility of ₹ 2100 crore.

There was no revision in the above ratings during the FY 2025-26.

i) Others

The Company is complying with all the mandatory requirements related to corporate governance under the Listing Regulations. Compliance with respect to non-mandatory requirement(s) under the Part E of Schedule II of said Regulations is also given in this report.

The Company, being a Primary Dealer, has not formed any subsidiary and thus the policy for determining material subsidiary has not been framed.

The Company has not given any loans and advances in the nature of loans to firms/ companies in which directors are interested.

The Company has complied with all the applicable corporate governance requirements as specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations as well as disclosure requirements as enumerated in Schedule V of the Listing Regulations.

Your company is having following officers in senior management position in the Company (as defined under Regulation 16 of the Listing Obligations) as on 31.03.2026-

Name	Designation	Date of joining in Company	Brief Profile
Ms. Monika Kochar	Company Secretary	12.05.2006	She is B.Com (Hons.), M.Com, LL.B and also a fellow member of the Institute of Company Secretaries of India. She is having more than 20 years of post-qualification experience in handling matters related to secretarial, finance, compliance, legal, HR, merchant banking and corporate affairs etc.
Mr. Vijay Sharma	SEVP (Operations)	22.03.2011	He is B.E. (Chemical) from Malviya National Institute of Technology, Jaipur and MBA from Narsee Monjee Institute of Management Studies (NMIMS) Mumbai. He has over 25 years of experience, mainly in the Indian Fixed income markets and has been associated with the Primary Dealership Industry as well the organization almost since inception.
Mr. Neeraj Aggarwal	Head of Internal Audit	17.05.2022	He is B.Com and associate member of the Institute of Chartered Accountants of India. He is having around 14 years of post-qualification experience in area of internal audit, risk, financial controls, fraud control and investigation.
Mr. Pankaj Kumar	Deputy CEO	03.11.2025	He is a B.Sc. from Vinoba Bhave University, CAIIB and Dip. In Treasury, Investment & Risk Management from IIBF, Post Graduate Diploma in Business Administration from Symboisis University. He has more than 22 years of experience in the banking industry in areas like risk management, treasury operations, administration etc. During his career journey with PNB, he has worked in PNB Gilts Limited on deputation from PNB for approx. 4 years in Mid Office.
Mr. Shailesh Saurabh	Chief Compliance officer	12.11.2025	He holds B-Level (MCA equivalent) from National Institute of Electronics and Information Technology (formerly DOEACC Society), B.Sc. (Hons.), and certifications including CAIIB, JAIIB, AML and KYC. He is having over 15 years of diversified banking experience in PNB across Compliance, Treasury, Credit, Retail, and HR Transformation.
Ms. Kishkanda Garg	Chief Financial Officer	13.11.2025	She is B.Com (Hons.), CAIIB, and a member of Institute of Chartered Accountant of India. She has more than 15 years of post-qualification experience in banking industry in areas like MSME, Corporate Credit, Finance & Accounts and Taxation, etc.

Name	Designation	Date of joining in Company	Brief Profile
Mr. Anuj Prakash	Chief Information Security Officer	01.12.2025	He is B.Tech (Mechanical) from IIT(ISM) Dhanbad and PGD in General Management from XLRI Jamshedpur. He is certified Financial Risk Manager (FRM) from GARP(US) and has more than 17 years of experience, primarily in Quantitative Finance, Risk Management and Valuations domain across Financial Services, Banking and Consulting industries.
Ms. Priyanka	Chief Risk Officer	09.12.2025	She is M.Sc.(Mathematics), MBA, CAIIB, FRM (GARP) and has been engaged with PNB group for more than a decade and has experience of 16 years in the domain of Risk Management and Analytics.
Ms. Priyanka Gupta	Chief Technical Officer	10.12.2025	She is a CAIIB and B. Tech. in Computer Science from Kurukshetra University. She is having more than 18 years of experience in the Information Technology.

Changes in senior management positions during financial year 2025-26 are under:

Name of official and designation	Change and its effective date
Mr. Pareed Sunil	Elevated from the position of Deputy CEO to Managing Director & CEO w.e.f. 19.06.2025
Mr. Chandra Prakash, Chief Financial Officer & CISO	Cessation on account of resignation due to his transfer back to the parent bank (i.e. PNB) for another assignment in the Bank. Not associated with the Company w.e.f. 29.11.2025
Ms. Kishkanda Garg	Appointed as Chief Financial Officer w.e.f. 17.01.2026
Ms. Priyanka	Appointed as Chief Risk Officer w.e.f. 17.01.2026
Ms. Priyanka Gupta	Appointed as Chief Technical Officer w.e.f. 17.01.2026
Mr. Shailesh Saurabh	Appointed as Chief Compliance Officer (CCO) w.e.f. 17.01.2026 in place of Ms. Monika Kochar, Company Secretary who was holding additional charge of CCO
Mr. Anuj Prakash	Appointed as Chief Information Security Officer w.e.f. 17.01.2026
Mr. Pankaj Kumar	Appointed as Deputy CEO w.e.f. 27.03.2026

Further, in terms of Regulation 30A of Listing Regulations, there are no such agreements which are required to be disclosed in the Annual Report.

X Means of communication

Print

The Company publishes unaudited quarterly financial results and half-yearly financial results reviewed by Statutory Auditor and audited annual financial results in one national daily newspaper circulating in the whole or substantially the whole of India in English language and in one daily newspaper published in the language of the region, where the registered office of the Company is situated i.e. New Delhi. Generally, these are published in Financial Express and Jansatta or Business Standard - English and Business Standard - Hindi. Besides, other notices / communications were also published in the same newspapers. The Quarterly/Annual Financial Results are also available on the Company's website and Stock Exchange websites www.nseindia.com and www.bseindia.com.

All material information about the Company is promptly sent to the stock exchanges.

Internet

For the financial results, official news and other information, shareholders may log on to the website of the Company i.e. www.pnbgilts.com.

No presentations were made to institutional investors or to the analysts.

XI General Shareholder Information

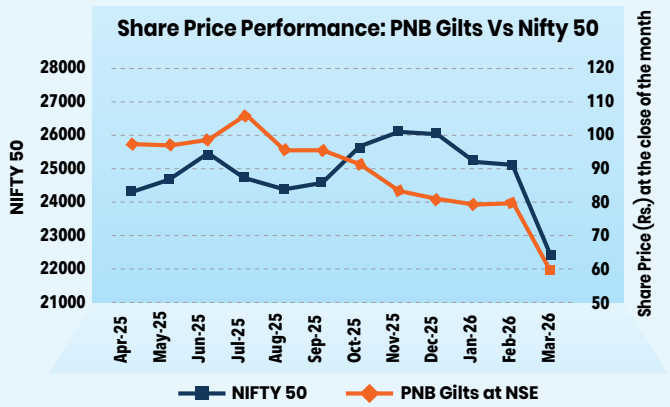
1. Annual General Meeting		
Date and time	:	September 28, 2026 at 11.00 A.M.
Venue	:	Annual General Meeting through Video Conferencing Other Audio Visual Means (VC/OAVM facility)
Financial Year	:	April 1, 2025 to March 31, 2026
Record Date (Cut off date for E-Voting)	:	September 21, 2026
Dividend Payment Date	:	Within 30 days of declaration in AGM.

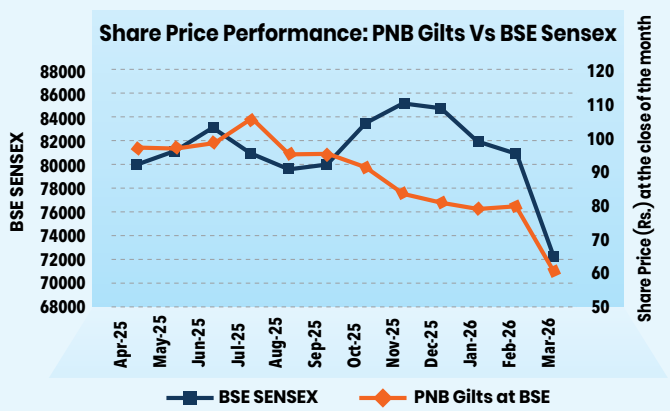
2. Listing on Stock Exchange		
	:	Listed in September, 2000 BSE Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot No. C/1, G - Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051.

Annual listing fee of the above-mentioned Stock Exchanges has been paid in time.

3. **Market Price Data:** High/low share price data in each month during 2025-26 on the National Stock Exchange of India Ltd. and BSE Ltd. is given as under:

	NSE		BSE	
Month	**High**	**Low**	**High**	**Low**
Apr-25	102.90	80.52	102.98	80.47
May-25	103.90	87.00	103.99	87.19
Jun-25	104.80	91.41	104.80	91.47
Jul-25	119.80	93.56	119.84	93.46
Aug-25	109.99	95.70	109.95	95.80
Sep-25	106.00	95.55	105.89	95.11
Oct-25	101.45	88.15	101.45	88.40
Nov-25	92.26	83.00	92.33	83.00
Dec-25	87.10	77.27	86.75	77.50
Jan-26	87.99	76.05	88.15	76.01
Feb-26	84.00	76.46	83.80	76.57
Mar-26	79.90	58.60	79.43	58.75





Information on the daily share prices: The quotes can be known from any financial daily like Economic Times, Financial Express, Business Standard, etc and from the websites of BSE Ltd. and National Stock Exchange of India Ltd. i.e. www.bseindia.com and www.nseindia.com. The Company has been marked under group B by BSE.

The Stock Code at BSE and NSE is as under:

BSE: 532366

NSE: PNBGILTS

4. **Registrar to Issue and Share Transfer Agents ("RTA"):**

   MCS Share Transfer Agent Limited

   179-180, 3rd Floor, DSIDC Shed, Okhla Industrial Area, Phase-I, New Delhi – 110020,

   Tel No.: (011) 41406149-51

   E-mail : helpdeskdelhi@mcsregistrars.com

5. **Outstanding ADRs / GDRs / Warrants or any convertible instruments, conversion date and likely impact on equity:** Not applicable.

6. **For the shareholders holding shares in physical form:** Investors' queries/requests for change in address/ bank details, transmission, issue of duplicate share certificates, registration of e-mail IDs etc. may please be sent directly to MCS Share Transfer Agent Limited at the above address. Further, the Company in compliance of the provisions of SEBI Circular No. SEBI/ HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, and subsequent circulars on 'Common and Simplified Norms for processing investor's service requests by RTAs and Norms for furnishing PAN, KYC details, and Nomination has sent necessary intimation of all shareholders holding in physical form.

7. **For the shareholders holding shares in dematerialized form:** Shareholders holding shares in electronic/ dematerialized mode should address all their correspondence like change of address/bank details, registration of e-mail IDs etc. to their respective depository participants (DPs). The updation of particulars in the records of the DP shall result in automatic updation of records of the Company.

8. **Online Dispute Resolution Process for shareholders:** The SEBI vide circular no. SEBI/ HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated December 28, 2023 as amended from time to time, has introduced a common Online Dispute Resolution ("ODR") mechanism which harnesses online conciliation and online arbitration to facilitate online resolution of all kinds of disputes arising between investors/ clients and listed companies (including their RTAs) or specified intermediaries/regulated entities, in the Indian securities market. The ODR Portal establish due connectivity with the SEBI SCORES portal / SEBI Intermediary portal and allows investors with additional mechanism to resolve the grievances. Any unresolved issues pertaining to any service-related complaints between investors and listed entity including its RTA in the securities market, will be resolved in accordance with the abovementioned SEBI Circular in the following manner.

   ODR may be initiated only after the resolution from RTA/ Company/ SCORES portal in accordance with the process laid out, are not resolved to the satisfaction of the shareholders or at any stage of subsequent escalations (prior to or at the end of such escalation(s)). The concerned Market Participant may also initiate dispute resolution through the ODR Portal after having given due notice of at least 15 calendar days to the investor/client for resolution of the dispute which has not been satisfactorily resolved between them. The resolution may be initiated through the ODR portal within the applicable timeframe under law, which can be accessed at https://smartodr.in/login and the same can also be accessed through Company's website at https://www.pnbgilts.com/assets/data/ODR-Mechanism-as-per-SEBI-Circulars.pdf

9. **Share Transfer / Dematerialisation System:**

   As mandated by SEBI and in accordance with Regulation 40 of SEBI Listing Regulations, shares of the Company can be transferred / traded only in dematerialised form effective from April 1, 2019. Shareholders holding shares in physical form are advised to avail the facility of dematerialization. All requests for transmission or transposition of securities are handled and disposed off by Company's RTA within prescribed time and manner from the date of receipt of request, provided the documents are found to be in order. The Company is in compliance with Listing Regulations read with applicable circulars issued in this respect, shall issue the securities in dematerialised form only, for processing any service requests from shareholders viz., issue of duplicate share certificates, endorsement, transmission, transposition, etc

   Further, the Company has a robust mechanism in place to ensure efficient investor servicing. In compliance with the Listing Regulations, the systems and procedures relating to share transfers and investor services are subject to periodic review as prescribed, to ensure adherence to statutory timelines and regulatory requirements.

   The Company in compliance with SEBI Master Circular dated HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 06, 2026, have disseminated the requirement for the holders of physical securities of the Company to furnish valid PAN (linked with Aadhaar), furnishing KYC details and Nomination details, on website of the Company. Form ISR-1 to furnish PAN, KYC details, Form SH-13, ISR-3 and

SH-14 to furnish nomination and opting out nomination details, respectively and Form ISR-2 to furnish for bank attested signatures of the security holder are hosted on the website of the Company and RTA.

Further, the security holder/ claimant shall submit duly filled Form ISR-4 hosted on the website of the Company for requests regarding issue of duplicate certificate, transmission and other related service requests, along with the documents / details specified therein. The RTA/Company shall verify and follow the process of approving the service requests as prescribed in the aforesaid SEBI Master Circular, as amended from time to time.

The Company has advertised in the newspapers, the opening of special window only for re-lodgement of transfer deeds, which were lodged prior to the deadline of April 1, 2019 and rejected / returned / not attended due to deficiency in the documents / process/ or otherwise, initially for a period of six months from July 7, 2025 till January 6, 2026. The said window will now be open for a period of one year from February 05, 2026 to February 04, 2027. Transfer can be completed subject to the process and conditions laid in the circular issued by SEBI in this regard.

The securities so transferred shall be mandatorily credited to the transferee only in demat mode and shall be under lock-in for a period of one year from the date of registration of transfer. Further, the cases involving disputes between transferor and transferee will not be considered in this window and may be settled by transferor and transferee through court/ NCLT process. Further, securities which have been transferred to Investor Education and Protection Fund (IEPF) shall not be considered under this window for processing.

Further, in pursuance of SEBI's circular, Reconciliation of Share Capital Audit is also being conducted regularly on a quarterly basis. During the course of audit, no discrepancy in updation / maintenance of the Register of Members or processing of the demat requests was found and the capital held in physical mode and demat mode tallied with the issued capital.

10. The Company is not in manufacturing industry and thus there are no plants of the Company.

11. Distribution of Shareholding as on March 31, 2026

No. of equity shares held	No. of Share-holders	% of Share-holders	No. of shares held	% of Share-holding
Upto 500	70,020	85.30	74,95,291	4.16
501-1000	5,978	7.28	47,22,295	2.62
1001-2000	3,054	3.72	45,62,514	2.54
2001-3000	1,000	1.22	25,72,302	1.43
3001-4000	481	0.59	17,32,155	0.96
4001-5000	407	0.50	19,11,160	1.06
5001-10000	657	0.80	47,96,822	2.67
10001 and above	488	0.59	15,22,17,595	84.56
Total	**82,085**	**100.00**	**18,00,10,134**	**100.00**

12. Shareholding pattern as on March 31, 2026

Particulars	No. of shares held	% of Share-holding
Promoter (PNB)	13,33,33,333	74.07
Bodies Corporate, Trusts, Clearing Members, HUF, Mutual Funds and NBFCs	55,62,380	3.09
Indian Public	3,92,51,903	21.80
NRIs and FPIs	15,95,149	0.89
Investor Education and Protection Fund Authority	2,67,369	0.15
Total	**18,00,10,134**	**100.00**

13. Glance at Equity History of the Company

Date	Particulars of Issue	Number of Shares	Total Number of shares	Nominal value of Shares (₹lacs)
July, 1996	Initial Equity Base	5,00,00,000	5,00,00,000	5,000.00

Date	Particulars of Issue	Number of Shares	Total Number of shares	Nominal value of Shares (₹lacs)
August, 1999	Issue of Bonus shares in the ratio of 1:2	2,50,00,000	7,50,00,000	7,500.00
September, 1999	Issue of Right shares in the ratio of 1:3	2,50,00,000	10,00,00,000	10,000.00
July, 2000	Initial Public Offer	3,50,07,600	13,50,07,600	13,500.76
July, 2013	Issue of Bonus shares in the ratio of 1:3	4,49,92,534	18,00,10,134	18,001.01

14. Dematerialisation of shares

The shares of the Company are traded compulsorily in demat mode. As on March 31, 2026, 179759044 equity shares i.e. 99.86 per cent of the shareholding is in demat mode.

Securities of the Company are not suspended from trading.

15. Unclaimed dividend

Dividends that are not claimed, within seven years from the date of its transfer to unpaid/ unclaimed dividend account, will, in terms of the provisions of Section 124 of the Companies Act, 2013, be transferred to Investor Education and Protection Fund (IEPF) established by the Government. In respect of transfers made after coming into effect of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time), shareholders will be entitled to claim the dividend transferred from IEPF in accordance with such procedure and on submission of such documents, as prescribed under such Rules.

The details of unclaimed dividend as on March 31, 2026 are as follows:

Financial Year	Amt of dividend (₹ Lacs)	Unclaimed Dividend as on 31.03.2026 (₹ Lacs)	Unclaimed dividend Percentage	Last date for making claim*	Last date for making transfer to IEPF
2018-19 (Final Dividend)	2,520.14	8.83	0.35	29th Sep 2026	29th Oct 2026
2019-20 (Final Dividend)	5,400.30	15.45	0.29	30th Oct 2027	29th Nov 2027
2020-21 (Interim Dividend)	5,400.30	16.43	0.30	13th Dec 2027	12th Jan, 2028
2020-21 (2nd Interim Dividend)	7,200.40	21.50	0.30	7th Mar 2028	6th Apr, 2028
2020-21 (Final Dividend)	5,400.30	18.41	0.34	20th Oct 2028	19th Nov 2028
2021-22 (Final Dividend)	9,000.51	28.44	0.32	3rd Oct 2029	2nd Nov 2029

Financial Year	Amt of dividend (₹ Lacs)	Unclaimed Dividend as on 31.03.2026 (₹ Lacs)	Unclaimed dividend Percentage	Last date for making claim*	Last date for making transfer to IEPF
2023-24 (Final Dividend)	1,800.10	4.26	0.24	21st Oct 2031	20th Nov 2031
2024-25 (Final Dividend)	1,800.10	3.66	0.20	20th Oct 2032	19th Nov 2032

*The Company is regularly sending individual advice letters (along with format of indemnity bond) to shareholders for claiming their dividend(s) not claimed by them. It is hereby once again requested to shareholders who have not yet claimed the said dividend(s), to lodge their claim with the Company by submitting an application and an indemnity bond on or before the last date for making claim. A format of indemnity bond in this respect is also available at the Company's website (www.pnbgilts.com).

In addition, as per above Rules, all the shares, in respect of which dividend has not been claimed by the shareholders for seven consecutive years, will also be transferred to demat account of IEPF Authority. During the year 2025-26, the Company had transferred 19,267 shares to IEPF Authority. The shareholders whose dividend/ shares has been transferred to the demat account of IEPF Authority can now claim their shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority http://iepf.gov.in/IEPFA/refund.html

For shares which are due for transfer in FY 2026-27, the Company has published advertisement in newspapers and sent specific communication to the concerned shareholders at their address registered with the Company/Depository Participant, inter alia, providing the details of the shares liable for such transfer and for taking appropriate action. These details will also be made available on the Company's website (www.pnbgilts.com).

Further, the Company actively participated in the 'Saksham Niveshak' campaign launched by the IEPF Authority under the Ministry of Corporate Affairs as a 100-day investor awareness initiative from July 28, 2025 to November 06, 2025 to create awareness among shareholders regarding updation of KYC details and claiming unclaimed dividends and shares from IEPF. In this regard, the Company published notice in newspapers to inform and encourage shareholders to claim their shares from the IEPF. The Company also submitted the necessary reports in the prescribed format to the Authority confirming its participation in the said campaign.

16. Shareholders holding shares under more than one Folio/ Client ID: This is in the interest of the shareholders who are holding shares under more than one Folio/Client ID that they get their holding consolidated under a single Folio/Client ID. This leads to a better follow-up on their grievances. Further, this will also help in avoiding multiple mailing of the Annual Reports, dividend instruments and other communication(s) to single person. Consolidation also provides convenience in maintaining the track of shares in best and easiest manner.

XII. The Company has not raised funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of Listing Regulations, accordingly no details of utilization of funds raised through preferential allotment or qualified institutions placement, is required to be disclosed.

XIII. There are no shares of the Company lying in the demat suspense account or unclaimed suspense account.

XIV. The Board had accepted all the recommendations of the Board level Committees in the FY 2025-26.

XV. The Company complies the following non-mandatory requirements under the Listing Regulations: -

1. **Separate posts of Chairperson and the Managing Director or the Chief Executive Officer**

   Separate persons have been appointed for the post of Chairperson and Managing Director & CEO.

   The Chairperson is non-executive director and not related to the Managing Director & CEO of the Company.

2. **Reporting of Internal Auditor**

   The Head of Internal Audit (HIA) reports to Audit Committee. HIA participate and discuss freely in each meeting of the Audit Committee and the reports submitted by auditor, are discussed by the Audit Committee. On quarterly basis, the HIA also meet the Audit Committee without the presence of management (including Managing Director & CEO).

XV. Compliance Officer and address for correspondence including contact details:

Ms. Monika Kochar,
Company Secretary and Sr. Vice President

PNB Gilts Ltd.
5, Sansad Marg, New Delhi-110 001
Tel : 011-23325759/ 23325779
Email: pnbgilts@pnbgilts.com,
monika.kochar@pnbgilts.com

On behalf of Board of Directors

(Pareed Sunil)
Managing Director & CEO
DIN: 11001150

(Tejendra Mohan Bhasin)
Independent Director
DIN: 03091429

Date: August 7, 2026
Place: New Delhi

Annexure – A

DECLARATION

To

The Members of PNB Gilts Ltd.

5, Sansad Marg

New Delhi – 110 001

Dear Member,

It is hereby certified that as per the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Code of Conduct for Directors and Senior Management Personnel has already been laid down and also posted on Company's website (www.pnbgilts.com).

Based on the affirmations received from Directors and Senior Management Personnel as covered under the said Code, I, Pareed Sunil, hereby declare that all the Directors and Senior Management Personnel of the Company have complied with the Company's "Code of Conduct for Directors and Senior Management" during the year 2025-26.

For and on behalf of Board of Directors

(Pareed Sunil)
Managing Director & CEO
DIN: 11001150

Date: August 5, 2026
Place: New Delhi

Annexure – B

PRACTISING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members,

PNB Gilts Limited

5, Sansad Marg, New Delhi-110001

We have examined the compliance of conditions of Corporate Governance by **PNB GILTS LIMITED** ("the Company"), for the year ended on March 31, 2026 as stipulated under Regulations 17 to 27, clauses (b) to (i) of Regulation 46 (2) and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us, and the representations made by the management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended March 31, 2026.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Pranav Kumar & Associates,
Company Secretarie

(Arpita Saxena)
Partner
ACS-23822: CP- 11962
UDIN: A023822H000780226
Firm Peer Review No.7493/2025
Firm Reg. No.- P2005BI010 400

Date:08/07/2026
Place: Greater Noida

Annexure - C

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of
PNB GILTS LIMITED
5, Sansad Marg,
New Delhi- 110001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **PNB GILTS LIMITED** (hereinafter referred to as 'the Company) having CIN: L74899DL1996PLC077120 and having Registered office at 5, Sansad Marg, New Delhi- 110001, produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub-clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in), as considered necessary and explanations furnished to us by the Company & its directors, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31st March, 2026**, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority (ies):

Sr. No.	Name of Director	DIN	Date of appointment in
1	Sh. Tejendra Mohan Bhasin	03091429	30/07/2019
2	Sh. Gopal Singh Gusain	03522170	26/03/2024
3	Sh. Raj Kamal Verma	07847454	10/10/2024
4	Smt. Rekha Jain	01586688	07/11/2024
5	Sh. Pareed Sunil	11001150	19/06/2025
6	Sh. Bibhu Prasad Mahapatra	08756848	29/01/2026
7	Smt. Anju Mittal	11410994	16/03/2026
8	*Sh. Kalyan Kumar	09631251	07/07/2022
9	#Sh. Amit Kumar Srivastava	08099846	26/12/2023

* Ceased to be the director of the Company w.e.f. closure of business hours of September 30, 2025 on account of resignation tendered by him due to elevation as Managing Director & CEO of Central Bank of India.

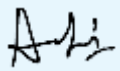
#Ceased to be the director of the Company w.e.f. November 26, 2025 on account of resignation tendered by him due to elevation as Executive Director of Punjab National Bank.

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company

Date: May 20, 2026
Place: New Delhi

For **Ashu Gupta & Co.**
Company Secretaries



Ashu Gupta
(Prop.)
FCS No.: 4123|CP No.: 6646
PR No.: 6581/2025
UDIN: F004123H000418691

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2025-26

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity:

1. Corporate Identity Number (CIN) of the Listed Entity: L74899DL1996PLC077120
2. Name of the Listed Entity: PNB Gilts Limited
3. Year of incorporation: 1996
4. Registered office address: 5, Sansad Marg, New Delhi – 110001
5. Corporate address: 5, Sansad Marg, New Delhi – 110001
6. E-mail: pnbgilts@pnbgilts.com
7. Telephone: 011 – 23325759
8. Website: www.pnbgilts.com
9. Financial year for which reporting is being done: 2025-26
10. Name of the Stock Exchange(s) where shares are listed: BSE Ltd. and National Stock Exchange of India Ltd.
11. Paid-up Capital: 18,001.01 lacs rupees
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:

    Ms. Monika Kochar, Company Secretary

    Telephone Number: 011 – 23325759

    E-mail Id: monika.kochar@pnbgilts.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).

    Disclosures made in this report are on a standalone basis
14. Name of assessment or assurance provider – N.A.
15. Type of assessment or assurance provider – N.A.

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.	RBI licensed primary dealer involved in providing a gamut of fixed income products such as Government Securities, Treasury Bills, Floating Rate Bonds and State Development Loans.	Underwriting & bidding in primary auctions of Government Securities conducted by RBI. Acting as Arrangers to privately placed debt securities and non-convertible redeemable preference shares.	100%
		Trading in Govt. Securities, Treasury Bills, money market instruments, NSLR etc. in secondary market.	
		Handling of Constituent Subsidiary General Ledger (CSGL) Accounts.	

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

S. No.	Product/Service	NIC Code	% of total turnover
1	Central Government Securities	NIC Code – 6499	100%
2	Treasury Bills		
3	Corporate Bonds		
4	Money Market Instruments		
5	Gilts Account		
6	Debt Capital Market		
7	Retailing		

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	Not Applicable*	6	6
International	Not Applicable*	-	-

*Being a financial service entity, this section is not applicable.

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	6*
International (No. of Countries)	-

*We are serving all over India through our head office and branches with a physical presence in Delhi, Mumbai, Chennai, Ahmedabad, Bangalore, and Kolkata.

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

Not Applicable.

c. A brief on types of customers

PNB Gilts Ltd has a wide client base ranging from Provident Fund Trusts, Regional Rural Banks, Co-operative Banks, Corporates, Educational Institutions, and Individuals etc. and has an independent marketing and sales team to cater to the specific client requirements. Corporate entities may seek to invest in government securities for both short and long-term durations. These investments serve various purposes, such as diversifying their investment portfolio, securing stable returns, or leveraging the safety and reliability offered by government-backed securities.

Institutional investors, including mutual funds, insurance companies, and pension funds, also form a significant portion of PNB Gilts' client base. These investors allocate a portion of their portfolios to government securities to meet their regulatory requirements and investment objectives. By investing in government securities, they can ensure stability and liquidity in their investment portfolios. Furthermore, banks and financial institutions are another key clientele for PNB Gilts Ltd. These entities invest in government securities as part of their mandatory Statutory Liquidity Ratio (SLR) requirements. SLR mandates that banks maintain a certain percentage of their total net demand and time liabilities in the form of liquid assets, including government securities. PNB Gilts provides these institutions with the necessary government securities to fulfill their SLR obligations. Overall, PNB Gilts Ltd caters to a wide range of clients, including corporate entities, institutional investors, banks, and financial institutions, by offering government securities and other fixed income instruments to meet their investment objectives, regulatory requirements, and liquidity needs.

IV. Employees

20. Details as at the end of Financial Year:

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)	51	37	72.55	14	27.45

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
2.	Other than Permanent (E)	6	3	50	3	50
3.	**Total employee (D + E)**	57	40	70.18	17	29.82
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

Note: Other than permanent in this report means the employees who are on deputation from the PNB (promoter/parent bank/ holding company) for a defined period.

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	0	0	0	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	**Total differently abled employees (D + E)**	0	0	0	0	0
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	Not Applicable				
5.	Other than Permanent (G)					
6.	**Total differently abled workers (F + G)**					

21. Participation/Inclusion/Representation of women (as on 31.03.2026)

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors*	7	2	28.57
Key Management Personnel**	3	2	66.66%

* As on 31st March,2026 we had 7 Directors of whom 1 also served as KMP.

** Sh. Pareed Sunil is the Managing Director who also serves as a CEO i.e. KMP

22. Turnover rate for permanent employees and workers

	FY 26			FY 25			FY 24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees*	13.51	14.28	13.86	5.55	21.42	9.80	11.42	11.76	11.65
Permanent Workers	Not Applicable								

*The employee turnover data for FY 2024-25 and FY 2023-24 has been restated to align with the reporting methodology adopted for the current reporting period. The revised figures include only permanent employees (excluding employees on deputation)to ensure consistency and comparability across the reporting periods.

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

23. 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.	Punjab National Bank	Holding Company	PNB, having shareholding of 74.07% in the company	No

The Company, being a RBI regulated Primary Dealer, is prohibited to form any subsidiary.

VI. CSR Details

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

Yes. The company has allocated an amount of ₹142.36 lacs for various projects to be implemented by selected implementing agencies. This includes transfer of ₹ 7.08 lacs in the Schedule VII accounts.

(ii) Turnover (in ₹) : ₹ 49,50,13,92,74,560.45

(iii) Net worth (in ₹): ₹ 17,08,44,59,564.34

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 in place (Yes/No)	FY 26			FY 25		
	(If Yes, then provide web-link for grievance redress policy)	Number of Complaint-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	No	0	0		0	0	
Investors (other than shareholders)	Yes https://www.pnbgilts.com/uploads/disclosures/Grievance-Redressal-Mechanism.pdf	0	0		0	0	
Shareholders	Yes https://www.pnbgilts.com/uploads/disclosures/Grievance-Redressal-Mechanism.pdf	8	0	Resolved within TAT	28	0	Resolved within TAT

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place in place (Yes/No)	FY 26			FY 25		
	(If Yes, then provide web-link for grievance redress policy)	Number of Complaint-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
Employees and workers	Yes*	0	0		0	0	
Customers	Yes https://www.pnbgilts.com/uploads/disclosures/Grievance-Redressal-Mechanism.pdf	0	0		0	0	
Value chain partners	No	0	0		0	0	
Others	No	0	0		0	0	

*The grievance redressal mechanism for employees is available in the intranet and hence cannot be published in the public domain. There are no workers in the company.

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

26. 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

While the company will undertake more substantial material assessment of ESG issues in due course of time, the company has identified some pertinent material issues which are detailed here.

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	Climate risk	R&O	i) Physical risks can affect macroeconomic stability and inflation dynamics, impacting real interest rates. Transition risks arising from a country's climate exposure, energy mix and policy response may affect the fiscal position and sovereign credit profile. ii) Physical risks (extreme weather events) and transition risks (policy, technology and market shifts affecting carbon-intensive issuers) can increase financial stress on investee entities and affect their repayment capacity. iii) Physical risks such as extreme weather events, rising sea levels and flooding can cause damage to assets, particularly in high-risk locations. Transition risks may render existing assets less efficient or redundant. iv) Physical risks (heat, flooding, storms) can disrupt IT infrastructure. Transition risks may arise from the need to shift to more energy-efficient systems. The growing market for green, sovereign green and sustainability-linked bonds offers avenues for portfolio diversification aligned with the Company's core dealing expertise, and positions the Company to participate in the evolving sustainable finance ecosystem.	i Conduct regular risk assessments, assessing portfolio and account level exposure, and develop risk management plans and infrastructure resilience. ii Positive screening for green and sustainable instruments (subject to risk-reward analysis) and building of capability in the green and ESG-labelled fixed-income segment.	Positive: New revenue streams, portfolio diversification and enhanced market positioning. Negative: i) Potential adverse impact on interest rates and market valuation of the investment portfolio. ii) Write-offs, higher repair & maintenance costs, and early retirement of assets. iii) Potential operational disruption and additional capital expenditure on upgradation.
2	Social: Data Privacy and Protection of Stakeholder Information	Risk	The Company holds sensitive personal and financial information of its counterparties, investors and employees. Failure to safeguard this data — whether through a breach or misuse — could compromise stakeholder privacy, erode trust and affect the Company's obligations under applicable data protection norms.	A Board-approved framework for information security and data protection, aligned with RBI and SEBI mandates and applicable data-privacy regulations, with access controls, continuous monitoring and staff awareness initiatives to safeguard stakeholder data.	Negative: Potential erosion of stakeholder trust, regulatory implications and reputational impact.

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)
3	Social: Employee Well-being, Diversity and Skills	Risk	A healthy, inclusive and skilled workforce is central to the Company's responsible conduct and long-term resilience. Gaps in employee well-being, diversity and inclusion, or in preparedness for evolving sustainability requirements, could affect workforce engagement and the Company's ability to meet its ESG commitments. Transition to a lower-carbon economy may also require upskilling of employees.	Employee well-being, engagement and diversity & inclusion initiatives, supported by training and skill development. Climate and sustainability awareness forms part of the operational measures under the Carbon Neutrality Plan.	Reduced workforce engagement and productivity, with associated cost implications.
4	Governance: Regulatory Compliance & Conduct	Opportunity	Strong governance and compliance are essential to establish trust with its stakeholders.	NA	Compliance with the regulatory measures will help promote sound practices and long-term resilience.
5	Resource Efficiency and Green Operations	Opportunity	Adoption of energy-efficient practices, digitization and green-energy measures across the Company's operations supports the transition to a lower-carbon footprint while optimizing operating costs.	Progressive adoption of energy-efficient and green-energy measures, digitization to reduce paper consumption, and responsible disposal of e-waste, in line with the Carbon Neutrality Plan.	Positive: Operational cost Optimization and reduced environmental footprint.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No	y	*See NOTE below	y	y	y	y	y	y	y
b. Has the policy been approved by the Board? (Yes/No)	y		y	y	y	y	y	y	y

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
c. Web Link of the Policies, if available	All the policies will be appropriately communicated within the Company across all level and shall also be disclosed on the Company's website https://www.pnbgilts.com/uploads/corporate_governance/BRSR_Policy.pdf								
2. Whether the entity has translated the policy into procedures. (Yes / No)	y	*See NOTE below	y	y	y	y	y	y	y
3. Do the enlisted policies extend to your value chain partners? (Yes/ No)**	N		N	N	N	N	N	N	N
4. Name of the national and international codes/ certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Responsible business conduct is embedded in our governance framework and day-to-day operations. For our workforce, we champion an inclusive, hazard-free environment driven by strong DEI practices, robust employee benefits, and strict anti-harassment safeguards that empower professional growth. Our standard operational policies—from our Code of Conduct to Grievance Redressal—meet all national statutory requirements and promote exemplary ethical standards. We extend this commitment to our customers by upholding their fundamental rights to privacy, fair disclosure, and product suitability. Although the Company has not sought formal alignment with specific external NGRBC-mapped national or international certifications during this reporting window, our internal policies consistently mirror these sustainable development goals.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company aims to move towards carbon neutrality by FY 2031. Towards this objective, it intends to progressively reduce its emissions through a combination of measures such as transition towards cleaner vehicle options, improvement in energy efficiency, greater use of green energy sources, and other operational initiatives. Residual emissions, where required, are proposed to be addressed through suitable offset mechanisms. The Carbon neutrality Plan provides framework for gradual reduction of exposure in carbon-intensive sectors in non-Government Securities portfolio, along with a measured increase in investment in green and sustainable bonds, subject to risk-return considerations. In addition, adoption of energy-efficient equipment and CSR activities focused on environmental sustainability are other operational measures defined for achieving carbon neutrality by 2031. These measures will be reviewed periodically by an Internal Committee, under the oversight of the Risk Management Committee and the Board.								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The Company is committed to create long-term value for all its stakeholders, including shareholders, customers, employees and regulators. It recognizes that responsible business practices are fundamental to maintaining stakeholder trust, strengthening business resilience and delivering sustainable financial performance. In line with its sustainability commitments, the Company has adopted a Carbon Neutrality Plan, duly approved by the Board of Directors, with the objective of achieving carbon neutrality for Scope 1 and Scope 2 emissions by FY2031. The Company remains committed to integrating sustainability considerations into its governance framework, business strategy and operations while periodically reviewing progress towards its environmental, social and governance (ESG) objectives. As the defined commitments are long-term in nature with milestones extending up to FY 2031 and beyond, no interim targets were due during the reporting period. Accordingly, no deviations from the approved commitments have been observed, and progress will continue to be monitored and reported periodically through the established governance mechanism.	*See NOTE below	The Company is committed to create long-term value for all its stakeholders, including shareholders, customers, employees and regulators. It recognizes that responsible business practices are fundamental to maintaining stakeholder trust, strengthening business resilience and delivering sustainable financial performance. In line with its sustainability commitments, the Company has adopted a Carbon Neutrality Plan, duly approved by the Board of Directors, with the objective of achieving carbon neutrality for Scope 1 and Scope 2 emissions by FY2031. The Company remains committed to integrating sustainability considerations into its governance framework, business strategy and operations while periodically reviewing progress towards its environmental, social and governance (ESG) objectives. As the defined commitments are long-term in nature with milestones extending up to FY 2031 and beyond, no interim targets were due during the reporting period. Accordingly, no deviations from the approved commitments have been observed, and progress will continue to be monitored and reported periodically through the established governance mechanism.						

*The Company is a Non-Banking Financial Company and is not engaged in a business concerning design of products and related activities that could raise economic risks and opportunities. Accordingly, keeping in view the business of the Company, the Company is not required to undertake product life cycle sustainability.

Policies	Principle
Dividend distribution policy	P1 Ethics & transparency, P7 Public Policy Advocacy
Policy on determination of Materiality of events or information	P1 Ethics and transparency
Remuneration policy	P3 Wellbeing of employees, P5 Respect for Human Rights
Web archival Policy	P1 Ethics and transparency
Eligibility Criteria of Directors and Policy on Board Diversity	P8 Inclusive Growth, P5 Respect for Human Rights
Human Resources policy	P1 Ethics & transparency, P3 wellbeing of employees, P7 Public Policy Advocacy
A policy for performance evaluation of Board of its own performance	P1 Ethics & transparency, P3 wellbeing of employees, P7 Public Policy Advocacy
CSR policy	P4 Responsive to stakeholders, particularly the marginalized, P6 Protecting the environment, P5 Respect for Human Rights, P8 Inclusive Growth
Whistle blower policy	P3 wellbeing of employees, P1 Ethics & transparency, P5 Respect for Human Rights
Policy on Related party Transactions	P1 Ethics& transparency
Sexual harassment of Women at Workplace	P3 Wellbeing of employees, P1 Ethics & transparency, P5 Respect for Human Rights
Directors' Fit and Proper Policy	P1 Ethics & transparency, P7 Public Policy Advocacy
Policy on cyber security	P9 valuing the consumers in a responsible manner, P1 Ethics& transparency,
Code of Conduct for Directors and Senior Management	P1 Ethics & transparency, P9 Valuing the consumers in a responsible manner
Climate Risk Policy	P8 Inclusive Growth
KYC and AML Policy	P1 Ethics & transparency

Governance, leadership, and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements

At PNB Gilts, we recognize that sustainable business growth is intrinsically linked to responsible environmental, social, and governance (ESG) practices. As a financial institution, we are committed to integrating ESG considerations into our operations, risk management framework and business decision-making processes.

During the year, the Company continued to strengthen its ESG journey through enhanced governance mechanisms, including the implementation of a Climate Risk Management Policy aligned with the principles of the Task Force on Climate-related Financial Disclosures (TCFD) and sustainability disclosure standards issued by the International Sustainability Standards Board (ISSB). We also remained focused on reducing our environmental impact through prudent resource utilization and operational efficiency measures.

As part of our climate commitments, the Board has approved a Carbon Neutrality Plan with a target to achieve carbon neutrality for Scope 1 and Scope 2 emissions by FY 2031. We continue to focus on improving resource efficiency, strengthening climate risk management and reducing our environmental footprint.

Our social responsibility extends beyond our workplace through initiatives that support healthcare, education, environmental sustainability, and community development under our CSR programmes. We remain committed to fostering an inclusive, diverse, and employee-centric work environment built on respect, well-being, and equal opportunity. Climate risk management remains an evolving area. The steps taken so far provide a structured starting point. The Company will continue to refine its approach, data capabilities and scenario analysis over the coming years in line with regulatory expectations and internal risk management requirements.	
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Pareed Sunil Managing Director and CEO DIN: 11001150
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 detail.	Yes. The Company has established a governance framework for overseeing sustainability-related matters. An internal BRSR Committee, comprising the Managing Director & CEO, Company Secretary (designated as the BRSR Head), and Functional Heads – SEVP/CXOs are responsible for coordinating, monitoring, and reporting sustainability-related disclosures in accordance with the Business Responsibility and Sustainability Reporting (BRSR) framework. At the Board level, the Risk Management Committee (RMC) has been entrusted with the responsibility of overseeing, monitoring, and reviewing sustainability and climate-related risks and opportunities. The Committee periodically assesses the potential impact of such risks on the Company's business and provides recommendations to the Board. The Board of Directors retains overall responsibility for sustainability-related matters and approves significant sustainability-related policies, strategies, and initiatives based on the recommendations and inputs of the Risk Management Committee and the management team.

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)**								
	P1	**P2***	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**	**P1**	**P2***	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
Performance against above policies and follow up action	Annually, or as and when required reviewed by the respective board level Committees and thereafter approved by the Board. The necessary changes in policy are implemented post review.																	

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)								
	P1	P2*	P3	P4	P5	P6	P7	P8	P9	P1	P2*	P3	P4	P5	P6	P7	P8	P9
Compliance with statutory requirements of relevance to the principles, &, rectification of any non-compliances	The Company has necessary procedures in place to ensure the compliance with all relevant regulations.																	

* P2 not applicable.

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

Information Security (IS) Audit for FY 2025-26 has been carried out by an external IS auditor, A3S Tech & Company and KYC Gap Assessment and MLTF Risk Assessment for FY 2025-26 has been carried out by an external auditor, PricewaterCoopers LLP.

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	Refer to Section B, question 1column P2(NOTE)	NA	NA	NA	NA	NA	NA	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)	NA		NA	NA	NA	NA	NA	NA	NA
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	NA		NA	NA	NA	NA	NA	NA	NA
It is planned to be done in the next financial year (Yes/No)	NA		NA	NA	NA	NA	NA	NA	NA
Any other reason (please specify)	NA		NA	NA	NA	NA	NA	NA	NA

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURES

Principle 1: Business should conduct and govern themselves with ethics transparency and accountability

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	% of persons in respective category covered by the awareness program
Board of Directors	1	Familiarisation Programme of Independent Directors on roles and responsibilities of Audit Committee and risk management committee, regulatory requirement fulfillment-gaps-overlaps-expectations, future Boards, Growth-Governance Equation, importance of regulations etc.	83.33*
Key Managerial Personnel	5	Programmes on Corporate Governance, AI awareness and Responsible usage workshop, POSH, Fire Safety Awareness, and Cyber Security.	100
Employees other than BoD and KMPs	25	Various programmes like Strategic Communication, Emotional Intelligence, AI awareness and Responsible usage workshop, Advance Excel, Cyber Security Awareness, KYC and AML,	100
	3	POSH, Fire Safety Awareness, Fire safety for fire wardens and health talk	100
Workers	NA		

*During FY 2025–26, a Familiarization Programme was conducted in November 2025. The programme was attended by all four Independent Directors and the Managing Director. As the programme was primarily designed to familiarize Independent Directors, the Non-Independent Directors did not participate. Accordingly, out of the six members on the Board as of November 2025, five Directors attended the programme.

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 Obligations) Regulations, 2015 and as disclosed on the entity's website):**

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	Nil				
Settlement	Nil				
Non-Monetary					

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)**
Imprisonment	Nil				
Punishment					

Note: During FY 2025-26, AMC Repo Clearing Limited (ARCL), a market infrastructure institution, imposed a penalty of ₹17,25,771.68 inclusive of GST on 13.06.2025 which was waived off on 04.07.2025 based on the representation submitted by the Company.

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
NA	NA

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 is committed to conducting business by following the highest ethical standards. All forms of bribery and corruption are prohibited. The Company conducts its business in adherence to all statutory and regulatory requirements. The Code of Conduct for Directors and Senior Management of the Company has been posted at the Company's website. https://www.pnbgilts.com/uploads/corporate_governance/Code_of_Conduct_for_Directors_and_Senior_Management.pdf The company has conduct & discipline rules as part of its HR Policy, which include do's and don'ts for employees, while being in employment of the company. Additionally, the Company is also having whistle Blower Policy wherein the directors and employees have resort to intimate their concerns on unethical practices, corruption malpractices etc. and the said policy is available at company's website https://www.pnbgilts.com/uploads/corporate_governance/Whistle_Blower_Policy.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:

Particulars	FY '26	FY '25
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	NA	NA

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

Particulars	FY '26	FY '25
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil
Number of complaints received in relation to issues of Conflict of interest of the KMPs		

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:**

Particulars	FY '26	FY '25
Number of days of accounts payables	50	43

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 and investments with related parties, in the following format:

Particulars	Metrics	FY 26	FY 25
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	Not Applicable*	Not Applicable*
	b. Number of trading houses where purchases are made from	Not Applicable*	Not Applicable*
	c. Purchases from top 10 trading houses as % of total purchases from trading houses.	Not Applicable*	Not Applicable*
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	Not Applicable**	Not Applicable**
	b. Number of dealers /distributors to whom sales are made	Not Applicable**	Not Applicable**
	c. Sales to top 10 dealers / d. distributors as % of total sales to dealers / distribution	Not Applicable**	Not Applicable**

Particulars	Metrics	FY 26	FY 25
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	0.38%	0.87%
	b. Sales (Sales to related parties / Total Sales)	1.56%	1.55%
	c. Loans and advances (Loans & Advances given to related parties / Total loans and advances)	0.45%	NIL
	d. Investments (Investments in related parties / Total Investments made)	0	0

*Company considers that being a Primary Dealer, above disclosure for purchases of raw materials from trading houses is not applicable given the nature of the business.

**Company considers that being a Primary Dealer, above disclosure for sales of products to dealers/distributors is not applicable given the nature of the business.

Note: Restatement of previous year figures have been done as per the additional guidance provided by Industry Standards Forum on reporting of BRSR Core as per SEBI circular dated December 20, 2024.

Leadership Indicators

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

Total number of awareness programs held	Topics / principles covered	% of value chain program (by value of business done with such partners) under the awareness program
NIL		

The code of conduct is applicable to Board of Directors (BoD) and employees, which is communicated to them via company's internal systems. This Code of Conduct is available on the Company's website or though internal systems. The Company expects all the third parties to be transparent and ethical in all their dealings.

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.**

The Company has adopted a Code of Conduct for Directors and Senior Management Personnel in compliance with Regulation 17(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Code lays down ethical standards and principles governing professional conduct, integrity, accountability, and the management of conflicts of interest for Directors and designated Senior Management Personnel.

Board members are required to disclose their interests, if any, at Board and Committee meetings, and all Directors and Senior Management Personnel annually affirm compliance with the Code. The Code is applicable to Directors, Chief Executive Officer (if not a Director), Deputy CEO, Chief Financial Officer, Company Secretary, Chief Compliance Officer, Chief Risk Officer, Chief Technical Officer, officers in the Senior Executive Vice President cadre, and the Head of Internal Audit.

During FY 2025-26, the Company did not enter into any material transactions with its Directors or their relatives that could give rise to a conflict of interest, other than transactions undertaken in the ordinary course of business, if any. Further, all Board of Directors and Senior Management Personnel have confirmed compliance with the applicable Code during the reporting period.

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

The Company is a Non-Banking Financial Company and is not engaged in a business concerning design of products and related activities that could raise economic risks and opportunities. Accordingly, keeping in view the business of the Company, the Company is not required to undertake product life cycle sustainability.

Principle 3: Business should promote the well-being of all employees

Essential Indicators

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

Category	% of employees covered by										
	Total (A)	Health insurance		Accident Insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	37	37	100	37	100	N/A	N/A	37	100	0	0
Female	14	14	100	14	100	14	100	N/A	N/A	0	0
Total	51	51	100	51	100	14	100	37	100	0	0
Other than permanent employees											
Male	3	3	100	0	0	N/A	N/A	3	100	0	0
Female	3	3	100	0	0	3	100	N/A	N/A	0	0
Total	6	6	100	0	0	3	100	3	100	0	0

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

Category	% of employees covered by											
	Total (A)	Health insurance		Accident Insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	Not Applicable										
Female											
Total											
Non-permanent workers											
Male	Not Applicable										
Female											
Total											

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

Particulars	FY 2026	FY 2025
Cost incurred on well-being measures as a % of total revenue of the company	0.04%	0.04%

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Particulars	FY 2026			FY2025		
	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	94.74%	NA	Y	96.23%*	NA	Y
Gratuity	100%	NA	Y	100%	NA	Y
ESI	NA	NA	N.A.	N.A.	NA	N.A.
Others - NPS	5.26%	NA	N.A.	3.77%*	NA	N.A.

*Restated the data for FY 2025 as PF – 96.23% and Other-NPS as 3.77% as per the Industry Standard Note on BRSR Core.

3. **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 providing an inclusive and accessible workplace for all employees and stakeholders. The Company's offices located in Delhi, Ahmedabad, Bengaluru, Mumbai, Kolkatta and Chennai have been designed or adapted to facilitate access for differently abled persons. Key accessibility features available across these locations include ramps, elevators/lifts, appropriately sized doorways (approximately 32–34 inches wide), and directional/signage support to enable smooth movement within the premises.

   The Company also endeavors to provide a safe and comfortable work environment by ensuring unobstructed access to common areas, meeting rooms, washrooms, and emergency exits, wherever feasible. Accessibility requirements are considered during office infrastructure upgrades and maintenance activities. The Company remains committed to continuously assess and strengthen its facilities to enhance accessibility and promote equal opportunities for persons with disabilities, in line with the provisions and objectives of the Rights of Persons with Disabilities Act, 2016.

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.**

   The company policies are equal for all the employees, without any deviation of rights of persons with disabilities. The Company has Code of Conduct under Regulation 17(5) of the SEBI Listing Regulations regarding Corporate Governance. The policy suggests that the Directors and Senior Management Personnel to be scrupulous in avoiding 'conflicts of interest' with the company https://www.pnbgilts.com/uploads/corporate_governance/Code_of_Conduct_for_Directors_and_Senior_Management.pdf. In case there is chance of conflict of interest, the Senior Management Personnel are expected to make full disclosure of all facts and circumstances to the Managing Director. Also, a prior written approval is expected to be obtained. For Managing Directors/Executive Directors, the policy suggests that he/she should make full disclosure of all facts and circumstances to the Chairman of the Board. The Chairman and any Director of the Board in like circumstances should make full disclosures to the Board.

   Apart from Code of Conduct, other policies like Eligibility Criteria of Directors and Board Diversity Policy, and measures on inclusivity and employee benefits are in place. These policies strongly upholds the values of diversity and inclusivity in its organizational culture, and encourages employees to express their true selves at work and utilize their unique skills, expertise, and perspectives to deliver unparalleled benefits to all stakeholders.

   The Company is free from any bias and encourages all applicants to exhibit their true potential. This approach ensures that the Company has a sufficient range of diverse thoughts within the organization, which is crucial in creating products and services that provide the Company with a competitive edge in the marketplace. The Company is steadfast in its commitment to recruiting and nurturing talent from diverse backgrounds and in fostering a work environment that values every individual for their unique skills, experiences, and perspectives.

   The Company has a firm stance against any type of discrimination or harassment of its employees in the workplace. The Company fosters a culture of open communication where employees can confidently share their concerns with their Superiors or HR Manager regarding their well-being. The Company offers various communication channels to its employees to discuss and resolve any issues.

During FY 2025-26, the company did not partake in any noteworthy dealings with its directors or their immediate family members that had the potential to generate a conflict of interest between the company and those individuals, except for transactions that were performed as a part of routine operations.

Furthermore, all members of the Board of Directors have attested to their adherence to the applicable Codes throughout FY 2025-26.

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

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

*Note: The retention rate has been reported with reference to the SEBI Guidance Note on BRSR, the retention rate reported for FY25-26 is based on employees whose parental leave ended in FY 2024-25 and who remained employed with the company for the subsequent 12 month period.

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	NA
Other than Permanent Workers	NA
Permanent Employees	As stated below
Other than Permanent Employees	As stated below

Yes, All the employees have access to raise if they have any complaint or grievance to the management/ HODs. For this, the due confirmation is also obtained from various departments and put up to the Company Secretary quarterly, and then to the holding company.

Our company's growth strategy includes diversity and inclusiveness. We have measures in place on diversity and Inclusion, and human rights for wellbeing of our employees. It is our commitment to address every grievance from our employees fairly and impartially. We provide various channels for redressal and ensure that employees are protected from any form of victimization. The company has also implemented a Whistle-Blower Policy for reporting unethical behavior, fraud, or violations of our Code of Business Conduct and Ethics.

We have a zero-tolerance policy for sexual harassment in the workplace, and we comply with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013, by establishing an Internal Complaints Committee.

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

Gender	FY 26			FY 25		
	Total employees / workers in respective category (A)	No. of employees/ Workers in respective category, who are part of association (s)/ Union (B)	% (B / A)	Total employees/ workers in respective category (A)	No. of employees/ Workers in respective category, who are part of association (s)/ Union (B)	% (B / A)
Total Permanent employees	51	0	0	50*	0	0
Male	37	0	0	36*	0	0
Female	14	0	0	14*	0	0
Total Permanent Workers	NA					
Female						
Male						

*The FY 2024-25 employee data has been restated to ensure consistency with the current year's reporting methodology. Accordingly, the permanent employees e has been revised to 50. The permanent employees comprises 33 male and 14 female employees.

8. Details of training given to employees and workers:

Category	FY 26					FY 25				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	40	40	100	40	100	39	34	87.18	26	66.67
Female	17	17	100	17	100	14	14	100	7	50
Total	57	57	100	57	100	53	48	90.57	33	62.26
Workers										
Male	NA									
Female										
Total										

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

Category	FY 26			FY 25		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	40	40	100	39	39	100
Female	17	17	100	14	14	100
Total	57	57	100	53	53	100
Workers						
Male	NA					
Female						
Total						

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. The Company has implemented occupational health and safety measures covering all its employees across locations. Considering the nature of its business operations, occupational health and safety risks are limited; however, the Company has established systems and practices to ensure a safe, healthy, and secure workplace.

The coverage of these measures includes fire and emergency preparedness, workplace safety awareness, employee health and well-being, and ethical workplace practices. Regular training and awareness programmes on fire safety, use of fire-fighting equipment, and emergency evacuation procedures are conducted. Fire extinguishers, smoke detectors, fire alarm systems, emergency exits, assembly points, and evacuation plans are maintained across office premises.

To support employee well-being, the Company provides medical insurance coverage, term insurance, accidental insurance, preventive annual health check-ups, and periodic in-house physician and physiotherapy consultation services. During FY 2025-26, the Company also conducted awareness sessions on healthy lifestyle practices and mental well-being. Flexible work arrangements, including work-from-home options wherever appropriate, further contribute to employee health and business continuity.

The Company also promotes a safe and respectful workplace through compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and implementation of a Whistle-Blower Policy for reporting unethical conduct and workplace concerns.

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

Given the nature of the Company's business operations, occupational health and safety risks are relatively limited. Nevertheless, the Company follows preventive measures to identify and mitigate workplace risks on an ongoing basis. Regular inspections of office premises, fire safety systems, and emergency preparedness arrangements are undertaken. Periodic fire drills and safety awareness programmes are conducted to familiarize employees with emergency response procedures, evacuation protocols, and the use of fire-fighting equipment. The Company

also issues advisories and communications on safety-related matters, including fire safety, severe weather conditions, and other potential risks, as and when required.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Not Applicable. The Company operates in the financial services sector and does not employ workers as defined under the applicable reporting framework.

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

Yes. The Company provides access to non-occupational healthcare services and wellness benefits for its employees. These include Group Mediclaim, Group Term Life Insurance coverage, Accidental Insurance, Annual health check-ups, and periodic in-house physician and physiotherapy consultation services. Employees are informed about these benefits during induction and through internal communication channels. The Company also undertakes wellness and health awareness initiatives to support the overall physical and mental well-being of its employees.

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

Safety Incident/Number	Category	FY 26	FY 25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NA	
	Workers		
Total recordable work-related injuries	Employees		
	Workers		
No. of fatalities	Employees		
	Workers		
High consequence work-related injury or ill-health (excluding fatalities)	Employees		
	Workers		

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

The Company is committed to providing a safe, healthy, and secure workplace for all employees. To ensure workplace safety and employee well-being, the following measures have been implemented across its offices and branches:

- Periodic inspection, testing, and maintenance of office infrastructure and critical equipment, including air-conditioning systems, UPS units, fire alarm systems, smoke detectors, and fire-fighting equipment.
- Installation and maintenance of fire extinguishers, smoke detectors, and fire alarm systems to ensure preparedness for emergency situations.
- Regular fire drills and emergency response training programmes to familiarize employees with evacuation procedures and the use of fire-fighting equipment.
- Display of floor plans, emergency exits, assembly points, and contact details of emergency services such as hospitals, police authorities, and fire brigade at prominent locations.

- CCTV surveillance systems installed across office premises to enhance security, monitor workplace safety, and safeguard employees and assets.
- Provision of annual health check-ups, insurance coverage, and periodic consultations with an in-house physician and physiotherapist.

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

Category	FY 26			FY 25		
	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	Nil					
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	The Company periodically reviews and evaluates the effectiveness of its occupational health and safety measures, workplace infrastructure, and working conditions across all its office locations, covering 100% of its employees. These reviews help ensure that the Company's health, safety, and well-being practices remain effective and aligned with operational requirements.
Working Conditions	During the reporting period, no assessment of the Company's occupational health and safety practices was carried out by any statutory authority or external third party

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 and safety practices and working conditions.

Although the question is not directly applicable to our business, the response is covered in point no 12. There have been no safety-related incidents reported within the past 5 years, and the company's periodic review of its health and safety practices did not reveal any significant concerns.

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).

The Company extends life insurance and compensatory benefits to all employees in the event of death. While no such unfortunate incident has occurred during the reporting period, the Company has established comprehensive financial protection measures for employees and their families.

These include Group Term Insurance, Group Personal Accident Insurance, and statutory retirement and social security benefits such as Provident Fund, Gratuity, and the Employees' Deposit Linked Insurance (EDLI) Scheme. These benefits are available to all employees and are designed to provide financial security and support to their dependents in the event of an unforeseen contingency.

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

   Not Applicable.

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 are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	FY 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**
	FY 26	**FY 25**	**FY 26**	**FY 25**
Employees	Nil			
Workers				

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)**

   Yes, at board's discretion. The Company is committed to providing its employees with opportunities to develop their domain-specific knowledge, skills, and leadership abilities through various training programs. The specific decisions are taken by the board of directors of the company, if they so desire.

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

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Although the company works in financial sector, we expect our partners to comply with government policies related to health and safety & working condition. However no assessment of value chain partners has been conducted, as the same is not applicable.
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 due to the reason stated above.

Principle 4: Business should respect the interest of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

Essential Indicators

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

   Stakeholders are identified by considering the extent of their influence on the business, as well as the effect that the business has on them. The initial recognition was done through focused group discussion of the senior management people. Impact was assessed based on the categories. Significant categories are customers, employees, shareholders, suppliers and regulatory agencies.

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

Stakeholder groups	Whether identified as vulnerable & marginalised (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, others)	Frequency of engagement (Annually/Half yearly/ Quarterly/others- please specify)	Purpose and scope of engagement including key topics raised during such engagements
Employees	No	Email, internal meetings	The Company values the support of all its stakeholders and respects their interest and concerns. The Company has continuous engagement with its various stakeholders to understand their concerns, assess their requirements and respond to their needs in an effective manner. Based on the requirement, the frequency changes. It could be monthly, or more frequent communications with some of the stakeholders like employees, customers etc	Evaluating employee performance and offering incentives, providing opportunities for professional growth and skill enhancement, and implementing measures to promote employee health and safety.
Customers	No	Email, SMS, Website, Phone, Meetings		Providing excellent customer service throughout the entire customer journey and ensuring continuous awareness of product features, advantages, and potential drawbacks.
Shareholders & Investors	No	Email, newspapers, Meetings, Noticeboard, Website, Phone		To stay up-to-date with the latest developments within the company and its industry, monitor the performance of the company,
Suppliers	No	Email, newspapers, Meetings, Noticeboard, Website, Phone		Ensuring the quality and support of products and services, negotiating commercial and technical terms and conditions in contracts, providing custodial services, and adhering to statutory compliances.
Regulatory agencies	No	In-person meeting, email, their portals		Conversations regarding various approvals, circulars, guidelines, recommendations, modifications, and other related topics, reports and filings.

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.**

   The company emphasizes continuous and proactive interaction with its stakeholders in order to enhance the communication of its strategies and achievements. Enabling frequent communication between the board and various stakeholders and community members on social matters has been instrumental in reinforcing our dedication to social responsibility.

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.**

   Yes. Our CSR initiatives are intentionally designed to create a positive impact on the lives of underprivileged communities and on the environment. We have prepared our CSR operational manual on the basis of inputs received from CSR consultants and receivers and it has been approved by the board. We analyze customer complaints/interactions to improve our services and acknowledge the need for continuous learning. Stakeholder interactions and insights from consultants and experts help us understand and meet expectations. We have put in place the BRSR committee, which analyzes the developments on the ESG front in the regulatory space.

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

   The Company through its CSR activities has partnered with implementing agencies towards projects aimed at underprivileged and marginalised sections of the society. The company supports CSR activities under 3 main pillars; Health and Sanitisation, Education & Environment. The organization maintains constant communication with CSR implementing agencies to address the needs of vulnerable and marginalized stakeholder groups. Through its CSR initiatives, the Company is committed to design and implement projects that work towards socio-economic upliftment of underprivileged and marginalized sections of the society. In FY 26, the company has extended its support towards enhancing the affordability and accessibility of the dialysis service for underserved population by strengthening the capacity of dialysis unit in Kalawati Sharan Children's Hospital and by transforming The National Institute of Tuberculosis and Respiratory diseases into Zero Waste to landfill Institute which mainly caters to the vulnerable/marginalized stakeholders.

Principle 5: Business 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	FY_26			FY_25		
	(A) Total	(B) (Number of employees)	% (B/A)	(C) Total	(D) (Number of employees)	% (D/C)
Employees						
Permanent	51	42	82.35	50	33*	66
Other than permanent	6	6	100	3	0	0
Total	57	48	84.21	53	33	62.26
Workers						
Permanent	NA					
Other than permanent						
Total						

*The training on human rights data for FY 25 has been restated to align with the reporting methodology adopted for the current Reporting period. The revised figures include only permanent employees to ensure consistency and consistency across the reporting periods.

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

Category	FY_26					FY_25				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanant	51	-	-	51	100	50	-	-	50	100
Male	37	-	-	37	100	36	-	-	36	100
Female	14	-	-	14	100	14	-	-	14	100
Other than Permanant	6	-	-	6	100	3	-	-	3	100
Male	3	-	-	3	100	3	-	-	3	100
Female	3	-	-	3	100	0	-	-	0	100
Workers										
Permanant	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Other than Permanant	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-

3. **Details of remuneration/salary/wages, in the following format**

a. Median remuneration / wages:

	Male		Female	
	Number	**Median remuneration/ salary/ wages of respective category (₹ lacs)**	**Number**	**Median remuneration/ salary/ wages of respective category (₹ lacs)**
Board of Directors (BoD)	3	15.15	1	16.20
Key Managerial Personnel	1	32.98	2	39.88
Employees other than BoD and KMP	39	22.29	15	18.80
Workers	-	-	-	-

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

	FY 26 Current Financial Year	**FY 25 Previous Financial Year**
Gross wages paid to females as % of total wages	27.78%	24.45%*

*Restated the gross wages data of FY 25 based on the guidance of ISN

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. The Company has constituted a BRSR Committee that oversees matters relating to Environmental, Social and Governance (ESG) principles, including diversity, inclusion, employee welfare, and human rights. The Committee is responsible for monitoring compliance with applicable laws, policies, and sustainable business practices. The Company also has an Internal Complaints Committee (ICC) constituted under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and a Whistle Blower Policy to facilitate the reporting and redressal of concerns in a fair and transparent manner.

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

The Company places great importance on upholding and respecting human rights, which are considered fundamental and core values. We strive to ensure that all business and employment practices are conducted fairly and ethically, while also promoting and protecting human rights. To maintain transparency and accountability, we review the position of the redressal of complaints/ grievances received from our employees, vendors, or customers on a quarterly basis. We have implemented policies and committees to handle human rights-related issues effectively. The Company has a zero-tolerance policy for all forms of physical, sexual, psychological, or verbal abuse.

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

	FY 26			FY 25		
	Filed during the year	**Pending resolution, the end of year**	**Remarks**	**Filed during the year**	**Pending resolution at the end of year**	**Remarks**
Sexual Harassment	Nil					
Discrimination at workplace						
Child Labour						
Forced Labour/ Involuntary Labour						
Wages						
Other human rights related issues						

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

	FY 26	FY 26
Total complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	NIL	NIL
Complaints on POSH as a % of female employees / workers	NIL	NIL
Complaints on POSH upheld	NIL	NIL

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

   The Company is committed to providing a safe, respectful, and inclusive workplace for all employees, irrespective of caste, religion, gender, ethnicity, or background. To safeguard complainants from any form of retaliation, victimization, or discrimination, the Company has established robust grievance redressal mechanisms, including an Internal Committee constituted under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and a Whistle Blower Policy.

   All complaints are handled with strict confidentiality, impartiality, and sensitivity. The Company follows a zero-tolerance approach towards retaliation against complainants, witnesses, or individuals participating in investigations. Regular awareness and sensitization programmes are conducted to promote respectful workplace behaviour, prevent harassment and discrimination, and strengthen understanding of human rights and ethical conduct across the organization.

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

   Yes, the company endeavors to include clauses related to human rights in its business contracts and agreements, where appropriate.

10. **Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties
Sexual Harassment	100% through our internal policies & assessment
Discrimination at workplace	
Child Labour	Not applicable as PNB Gilts is a financial organisation
Forced Labour/ Involuntary Labour	
Wages	
Others – please specify	

11. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

Not Applicable

Leadership Indicators

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

No human rights related complaints have been received by the company in FY 2025-2026. The company is open to make any required changes, based on complaints, if any. The Company prioritizes a safe and inclusive workplace for all, regardless of their caste, class, religion and background. We promote human rights and ethical business practices and have policies and committees in place. For instance, we have Internal Committee under the Sexual Harassment of Women at Workplace Act. We also have Whistle Blower Policy. Moreover, regular employee awareness sessions are conducted to prevent sexual harassment and other human rights related issue.

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

Nil

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?**

Yes, the Company is committed to providing an inclusive and accessible workplace for all employees and stakeholders. The Company's offices located in Delhi, Ahmedabad, Bengaluru, Mumbai, Kolkatta and Chennai have been designed or adapted to facilitate access for differently abled persons. Key accessibility features available across these locations include ramps, elevators/lifts, appropriately sized doorways (approximately 32–34 inches wide), and directional/signage support to enable smooth movement within the premises.

The Company also endeavors to provide a safe and comfortable work environment by ensuring unobstructed access to common areas, meeting rooms, washrooms, and emergency exits, wherever feasible. Accessibility requirements are considered during office infrastructure upgrades and maintenance activities. The Company remains committed to continuously assess and strengthen its facilities to enhance accessibility and promote equal opportunities for persons with disabilities, in line with the provisions and objectives of the Rights of Persons with Disabilities Act, 2016.

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	We expect our partners to abide by the highest standards of business ethics and principles. However no assessment of value chain partners has been conducted, as the same is not applicable.
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

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: Business should respect, protect and make efforts to restore the environment.

Essential Indicators

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

Parameter	FY_26	FY_25
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) (Kilojoules)	841679892	929695767.1
Total fuel consumption (E) (Kilojoules)	251806075	332505503.8
Energy consumption through other sources (F)	0	0

Parameter	FY_26	FY_25
Total energy consumed from non-renewable sources (D+E+F) Kilojoules	1093485967.02	1262201270.9
Total energy consumed (A+B+C+D+E+F), Gigajoules	1093.48	1262.20
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	0.06	0.08
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP*) (Total energy consumed / Revenue from operations adjusted for PPP)	0.06	0.08
Energy intensity in terms of physical output (Total energy consumed / Full Time Employees)	19.18	23.82
Energy intensity (optional) – the relevant metric may be selected by entity	-	-

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, the company has not sought any external or 3rd party assurance for the above metrics. However, company intends to do so as and when the regulation gets applicable.

*PPP conversion rate is used as published by the World Bank for India, for FY 2025-26: 20.42 Rs/USD (year 2024). Weblink: https://data.worldbank.org/indicator/PA.NUS.PPP?name_desc=false

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.**

   Not Applicable

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

Parameter	FY_26	FY_25*
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others (Drinking Water) (kiloliters)	607.905	567.63
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	607.905	567.63
Total volume of water consumption (in kiloliters)	607.905	567.63
Water intensity per rupee of turnover (Water consumed / Revenue from operations)	0.000000373	0.000000339

Parameter	FY_26	FY_25*
Water withdrawal by source (in kilolitres)		
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.000000373	0.000000339
Water intensity in terms of physical output (Liters/FTE)	NA	NA
Water intensity (optional) – (Total water consumption/No. of full time employees)	10.66	10.71

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, the company has not sought any external or 3rd party assurance for the above metrics. However, company intends to do so as and when the regulation gets applicable.

*The water consumption data for FY 2024-25 is recalculated in accordance with reporting methodology adopted for current reporting period according to the guidelines of Industry Standard Note.

4. Provide the following details related to water discharged:

Parameter	FY_26	FY_25
Water withdrawal by source (in kilolitres)		
Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface water	Not applicable as the organization is a primary dealer & thus works in financial sector.	
- 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 kiloliters)		

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, the company has not sought any external or 3rd party assurance for the above metrices. However, company intends to do so as and when the regulation gets applicable.

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

The company's operations are primarily office based and do not involve manufacturing or industrial processes that generate significant liquid effluents requiring a Zero Liquid Discharge mechanism. Wastewater generated from domestic use is managed in accordance with applicable local regulations.

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

Parameter	Please specify unit	FY_26	FY_25
NOx	The company's focus is on providing financial services, therefore, any emissions from air that are not related to greenhouse gases are not considered significant by the company.		
SOx			
Particulate matter (PM)			
Persistent organic			
pollutants (POP)			
Volatile organic			
compounds (VOC)			
Hazardous air pollutants			
(HAP)			
Others–please specify			

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, the company has not sought any external or 3rd party assurance for the above metrices. However, company intends to do so as and when the regulation gets applicable.

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

Parameter	Unit (Metric Tonnes of CO2e)	FY_26	FY_25
Total Scope 1 emissions	tonnes CO2e	19.33	24.54
(Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tonnes CO2e	(CO2: 17.08, methane:0.018, N2O: 0.09, Refrigerants: 2.13)	(CO2: 22.51, methane:0.02, N2O: 0.13, Refrigerants: 1.87)
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tonnes CO2e	165.99	187.75

Parameter	Unit (Metric Tonnes of CO2e)	FY_26	FY_25
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emission / Revenue from operations)	Gram/₹	0.0000000114	0.0000000127
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchase Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP*)		0.0000000114	0.0000000127
Total Scope 1 and Scope 2 emission intensity in terms of physical output		NA	NA**
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	tonnes CO2e/FTE	3.25	4.01**

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, the company has not sought any external or 3rd party assurance for the above metrices. However company intends to do so as and when the regulation gets applicable

*PPP conversion rate is used as published by the World Bank for India, for FY 2025-26: 20.42 Rs/ USD (year 2024). Weblink: https://data.worldbank.org/indicator/PA.NUS.PPP?name_desc=false

** Restated the data of FY 25 in Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity

Scope 1 greenhouse gas emissions arise from direct sources owned or controlled by the organization. These include i) fuel combustion in company owned vehicles ii) fugitive emissions from refrigerant leaks in air conditioning systems. Qualitative data is used to arrive at the liters of fuel consumed. Emission factor for petrol has been sourced from GHG Protocal. GWP factor of refrigerants is sourced from Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report,2021.

Scope 2 greenhouse gas (GHG) emissions arise from the consumption of purchased electricity for the operation of its offices. Qualitative data on electricity is used to arrive at the units of electricity consumed. Emission factor per unit of electricity is taken from the Central Electricity Authority in its report "CO2 Baseline Database for Indian Power Sector, User Guide-Version 21.0 of November 2025).

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

Yes. As part of its commitment to environmental sustainability and reducing greenhouse gas (GHG) emissions, the Company has undertaken several initiatives aimed at improving resource efficiency and promoting responsible waste management.

The Company has upgraded its office infrastructure by installing energy-efficient LED lighting and motion-sensor lighting in low-traffic areas to optimize electricity consumption.

To encourage circular economy practices, the Company organized a "Recycle Mela" during the year, wherein employees collectively contributed 399.5 kg of recyclable waste, including e-waste, paper, plastic, and used clothing. The collected waste was subsequently channelled for recycling and reuse through authorized recyclers.

Further, on the occasion of the Company's 29th Foundation Day, a plantation drive was undertaken to promote environmental conservation and contribute towards carbon sequestration. These initiatives reflect the Company's continued efforts to minimize its environmental footprint and support climate action.

Parameter	**FY_26**	**FY_25**
Total Waste generated (in metric tonnes)		
Plastic waste (A)	-	-
E-waste* (B)	0.08	0.08
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	0	0
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	0	0
Other Non-hazardous waste generated (H). Please specify, if any.	0	0
(Break-up by composition i.e. by materials relevant to the sector)		
Total (A+B + C + D + E + F + G+ H)	0.08	0.08
Water intensity per rupee of turnover (Total waste generated / Revenue from operations)	-	-
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	NA	NA
Water intensity in terms of physical output	NA	NA
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	0.39	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-

Parameter	FY_26	FY_25
Total Waste generated (in metric tonnes)		
Total	0.39	-
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	-	-
Total	-	-

*E-Waste is an estimate figure.

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, the company has not sought any external or 3rd party assurance for the above metrices. However company intends to do so and when the regulation gets applicable

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.

As a financial services company operating in the fixed income market, PNB Gilts Limited has a relatively low environmental footprint, with resource consumption primarily limited to electricity, paper, and electronic equipment used in its day-to-day operations. The Company is committed to minimizing waste generation and promoting sustainable resource utilization through various initiatives.

To reduce paper consumption, the Company has increasingly adopted digital processes and platforms, including the DESS Portal, thereby minimizing reliance on physical documentation. The Company also promotes a plastic-free workplace through the use of reusable glass bottles and washable cups.

The Company's waste management practices focus on the responsible handling and disposal of electronic waste generated from computers, servers, scanners, UPS systems, batteries, and air-conditioning units. E-waste is disposed of only through authorized recyclers and vendors in compliance with the applicable provisions of the E-Waste (Management) Rules and other relevant regulatory requirements.

Given the nature of its operations, the Company does not use hazardous or toxic chemicals in its products or processes. Consequently, no hazardous or toxic waste is generated from its business activities. The Company remains committed to ensuring that all waste generated from its operations is managed and disposed of in an environmentally responsible manner and in compliance with applicable laws and regulations.

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:

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval /clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not applicable because PNB Gilts operates from rented offices, making the question regarding offices in ecologically sensitive areas not applicable to the company. Additionally, it is important to note that PNB Gilts does not have any offices located in ecologically sensitive areas.			

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:

The Company adheres to relevant environmental regulations.

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 kiloliters):

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

(i) Name of the area: Delhi, Kolkata, Mumbai, Chennai, Bangalore, Ahmedabad

(ii) Nature of operations: PNB Gilts is a primary dealer & thus works in financial sector

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

Parameter	FY_26	FY_25*
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others (Liters)	607905	567630
Total volume of water withdrawal (in kiloliters)	607.905	567.63
Total volume of water consumption (in kiloliters)	607.905	567.63
Water intensity per rupee of turnover	3.73	3.38
Water intensity (optional) – the relevant metric may be selected by the entity	10.66	10.71
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	Not applicable as the organization is a primary dealer & thus works in financial sector.	
- 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, the company has not sought any external or 3rd party assurance for the above metrices. However company intends to do so as and when the regulation gets applicable.

*The water consumption data for FY 2024-25 is recalculated in accordance with reporting methodology adopted for current reporting period according to the guidelines of Industry Standard Note.

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

Assessment of scope 3 emission is not conducted, as the same is not applicable.

Parameter	Unit	FY_26	FY_25
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	-	-
Total Scope 3 emissions per rupee of turnover		-	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

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, the company has not sought any external or 3rd party assurance for the above metrices. However company intends to do so as and when the regulation gets applicable.

3. With respect to the ecologically sensitive areas reported at Question 10 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
1. Installation of low consumption, energy-efficient fittings, etc. 2. Replacing plastic water bottles with glass/steel bottles. 3. Moving to DESS-portal to reduce paper waste 4. All AC installed in the office premises which uses R-32 variant (better coolant gas that doesn't contribute to ozone depletion) 5. Conducted recycle mela and collected 399.5 kgs of dry recyclables like paper, e-waste, plastic, card board, clothes and iron.			

Low-consumption and energy-efficient fittings reduce the energy consumed, contributing to resource conservation. Energy-efficient measures also has led to significant cost savings for the company in terms of reduced energy bills.

Replacing plastic water bottles with glass or steel bottles helps in reducing plastic waste. By promoting reusable alternatives, the company decreases its environmental footprint and contributes to mitigating plastic pollution. Moreover, transitioning to reusable bottles eliminates the need for continuous purchases of single-use plastic bottles.

The use of DESS portal has also reduced the need for paperwork leading to lessening of paper waste.

Overall, these measures contribute to resource efficiency, waste reduction, cost savings, and the company's environmental stewardship. By implementing these changes, PNB Gilts demonstrates its dedication to sustainable practices and sets a positive example for others to follow.

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

   Yes. The Company's Business Continuity Plan (BCP) and Disaster Recovery Management framework form part of its Board-approved risk and IT governance architecture. The Risk Management Committee's risk framework includes a Business Continuity Plan, while the IT Strategy Committee reviews, annually, the adequacy and effectiveness of BCP and Disaster Recovery Management, and recommends related policies to the Board for approval. The IT Steering Committee oversees the operational processes for business continuity and disaster recovery.

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?**

   a. By the listed entity: NIL

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

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

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

   The Company was a member of three trade and industry chambers/ associations during FY 26.

   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	Primary Dealers Association of India (PDAI)	National
2	The Fixed Income Money Market & Derivatives Association of India (FIMMDA)	National

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
3	Foreign Exchange Dealers Association of India (FEDAI)	National

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

Name of authority	Brief of the case	Corrective action taken
The company was compliant and it did not receive any orders from regulatory authorities that would have required it to take action against any anti-competitive behavior, indicating that there were no instances of such behavior during FY2026.		

Leadership Indicators

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

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
There is no direct representation made, but participation happened through Industry Associations of which PNB Gilts is the member. Also there are some advocacy positions which are confidential and hence cannot be disclosed in public domain. Moreover, we have given our suggestions to RBI on industry matters through PDAI.					

Principle 8: Business should support 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 & brief/ details of the 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.**

   This statement may not apply to our operations due to the nature of the business. Nevertheless, it is important to mention that we engage various implementing agencies to carry out our CSR initiatives and address concerns of the community via them.

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

	FY 26	FY 25
Directly sourced from MSMEs/ small producers	N.A.	N.A.
Sourced directly from within the district and neighboring districts	100%	100%

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

	FY 26	FY 25
Rural	NIL	NIL
Semi – urban	NIL	NIL
Urban	NIL	NIL
Metropolitan	100%	100%

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
Not Applicable	

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)
The Company undertakes Corporate Social Responsibility (CSR) initiatives in accordance with the provisions of the Companies Act, 2013 and its CSR Policy, with a focus on creating meaningful social and environmental impact. The selection of CSR projects is based on identified community needs, alignment with the Company's CSR objectives, and the expertise of implementing partners. During the reporting period, while the Company implemented various CSR initiatives across different geographies, none of the projects were specifically located in districts designated as Aspirational Districts by the Government of India. Nevertheless, the Company remains committed to supporting inclusive and sustainable development and will continue to explore opportunities for undertaking impactful interventions in underserved and priority regions, including Aspirational Districts, where feasible and aligned with its CSR strategy.			

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

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

   (c) What percentage of total procurement (by value) does it constitute?

   No

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

   Being a primary dealer, PNB Gilts is not involved in the utilization of traditional knowledge or the generation of intellectual properties associated with traditional knowledge. Hence this is 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.**

   Being a primary dealer, PNB Gilts is not involved in the utilization of traditional knowledge or the generation of intellectual properties associated with traditional knowledge. Hence this is 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	The Company partnered with Adharshila to implement the project of "Adharshila Renal Care Project" Under this project, Adharshila aimed to enhance the affordability and accessibility of the dialysis service for underserved population by strengthening the capacity of dialysis unit in Kalawati Sharan Children's Hospital	The Company's CSR projects are designed to create inclusive community impact and benefit diverse sections of society. As the initiatives are community-oriented in nature, a separate demographic classification of beneficiaries, including the percentage of vulnerable and marginalized groups, is not maintained. The Company remains committed to ensuring that its CSR interventions are inclusive and accessible to underserved communities.	
2	The Company collaborated with "Why Waste Wednesday Foundation" to convert the National Institute of Tuberculosis and Respiratory Diseases into Zero Waste to Landfill by installation of decentralized wet waste processing systems along with creation of a dedicated Dry Waste Resource Centre.		

Principle 9: Business should engage with and provide value to their customers and consumers in a responsible manner.

Essential Indicators

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

   The Company is a Primary Dealer, duly registered with Reserve Bank of India. The Company is permitted to maintain Constituent Subsidiary General Ledger account (CSGL account) with Reserve Bank of India for its clients. The transactions on behalf of constituents and the operations in the CSGL accounts are conducted in accordance with the guidelines issued by RBI on CSGL accounts. However, the Company provides Updates/statements in accordance with RBI guidelines to all its CSGL account holders.

   Our workforce is committed towards the protection of the interest of the stakeholders viz., creditors, investors, customers, employees, etc. Our policies consistently undergo improvements keeping in mind our goal i.e., maximization of value of all the stakeholders. The Company values the support of all its stakeholders and respects their interest and concerns. The Company has continuous engagement with its various stakeholders to understand their concerns, assess their requirements and respond to their needs in an effective manner.

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 to our products and services
Safe and responsible usage	
Recycling and/or safe disposal	

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

	FY26		**Remarks**	**FY25**		**Remarks**
	Received during the year	**Pending resolution at end of year**		**Received during the year**	**Pending resolution at end of year**	
Data privacy	0	0		0	0	
Advertising	0	0		0	0	
Cyber-security	0	0		0	0	

	FY26		Remarks	FY25		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Other	0	0		0	0	

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

CSR Project	Number	Reasons for recall
Voluntary Recalls	Not Applicable	
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. PNB Gilts has a dedicated IT Strategy committee that inter-alia looks after implementation of cyber security policy duly approved by the Board. The cybersecurity policy is confidential and is available on intranet, hence cannot be published.

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

Not Applicable

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches

b. Percentage of data breaches involving personally identifiable information of customers

c. Impact, if any, of the data breaches

No such instance occurred last year.

Leadership Indicators

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

All the Information are available on website. https://www.pnbgilts.com/goverment-securities

https://www.pnbgilts.com/gilts-account

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

   PNB Gilts complies with the SEBI and RBI guidelines on Corporate Governance. We have documented our internal code on Corporate Governance in compliance of SEBI and RBI guidelines. All the Information is regularly updated on website. Also, regular email, SMS and Notifications are sent to the clients and counterparties.

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

   We don't have a mechanism to inform consumers of any risk of disruption/discontinuation.

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. 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)**

   Yes, product information on the website of PNB Gilts is displayed, as mandated under local laws. The Company is a Primary Dealer, duly registered with Reserve Bank of India. The Company is permitted to maintain Constituent Subsidiary General Ledger account (CSGL account) with Reserve Bank of India for its clients, which is different from its own SGL account and used exclusively for maintaining Government securities of its constituents in dematerialized form. The transactions on behalf of constituents and the operations in the CSGL accounts are conducted in accordance with the guidelines issued by RBI on CSGL accounts. However, the Company provides Updates/statements in accordance with RBI guidelines to all its CSGL account holders. The Company does not sell any physical product; hence it is not required to carry out any consumer satisfaction survey. However, the Company complies with all regulatory requirements relating to its business.

On behalf of Board of Directors

	(Pareed Sunil)	**(Tejendra Mohan Bhasin)**
Date: August 7, 2026	Managing Director & CEO	Independent Director
Place: New Delhi	DIN: 11001150	DIN: 03091429

FINANCIAL REVIEW

INDEPENDENT AUDITOR'S REPORT

M/s K Venkatachalam Aiyer & Co.
Chartered Accountants
821, DLF Tower A,
Jasola Vihar,
New Delhi -110025

M/s Raj Har Gopal & Co.
Chartered Accountants
26-Upper Ground Floor
Nirmal Tower, Connaught Place,
New Delhi-110001

To

The Members of PNB Gilts Limited

Opinion

We have audited the accompanying financial statements of PNB Gilts Ltd. ("the Company"), which comprise the Balance Sheet as at 31st March 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the financial statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2026, its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No	Key Audit Matter	How the Key Audit matter was addressed in our audit
1.	**Classification and Valuation of Financial Instruments** The Company holds a portfolio of financial instruments including Government Securities, Bonds, Debentures, Shares, derivative assets and liabilities and other assets and liabilities, which are measured at fair value.	Our audit approach / procedures included the following: • Understanding and considering the company's accounting policies for classification and valuation of financial instruments and assessing compliance with the requirements of applicable accounting standards.

S. No	Key Audit Matter	How the Key Audit matter was addressed in our audit
	We identified valuation of these financial instruments to be a key audit matter considering the materiality of the balances involved and the complexity associated with determining fair values. The determination of fair value involves the use of various valuation techniques that rely on both observable market data and valuation models. For financial instruments classified under Level 1 and Level 2 of the fair value hierarchy, valuations are primarily derived from quoted market prices and other observable inputs. However, where such observable data is not available, as in the case of Level 3 financial instruments, fair value depend significantly on management's judgement, assumptions, and estimates.	• Understanding, evaluation and testing the design and operating effectiveness of management's key internal controls over the valuation process, valuation model and inputs of financial instruments including derivatives. • On sample basis, reperformance of the valuation of 'level 1', 'level 2' and 'level 3' trading securities, which are primarily government and corporate debt securities, by comparing the observable inputs, including quoted prices, to independently sourced market data. • Assessing the appropriateness, accuracy and adequacy of the related presentation and disclosures in the financial statements as per the applicable accounting standards.
2.	**Information Technology (IT) systems and controls** IT systems and controls followed by the company are material from a financial reporting perspective, as large volume of transactions are processed through IT systems and reliance is placed on automated and IT dependent manual controls. On account of these factors, there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being materially misstated. Itis necessary that appropriate IT general controls and application controls are operating effectively to ensure that such IT systems are able to process the data, as required, completely, accurately, and consistently for reliable financial reporting. Due to the pervasive nature and complexity of the IT environment as well as its importance in relation to accurate and timely financial reporting, we have ascertained IT systems and controls as a Key Audit Matter.	Our approach of testing IT General Controls (ITGC) and IT Application Controls (ITAC) is risk based and business centric: • Obtained an understanding of the Company's IT applications, databases and operating systems relevant to financial reporting and the control environment. • For testing ITGC, we reviewed on sample basis control areas such as User Management, Change Management, interface testing, Incident management, Physical & Environmental Security, Backup and restoration and Business continuity and Disaster Recovery. • For ITAC, tested on sample basis, the design and operating effectiveness of certain automated controls that were considered as key internal system controls over financial reporting using various techniques such as inquiry, review of documentation / record / reports, observation, and re-performance. • Obtained management representation which included Information Systems audit report, report of internal auditor on testing of automated internal financial controls and also matching of the business logic with the system logic.

S. No	Key Audit Matter	How the Key Audit matter was addressed in our audit
3.	**Evaluation of uncertain income tax positions:** The Company has material uncertain income tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. Refer Note 38 to the Financial Statements	Our audit approach / procedures included the following: • Obtained summary of tax demand for various assessment years, from the management and tax retainers of the Company, for reason of such demand of Income Tax, mitigation measures taken by the Company and result thereof. • We reviewed underlying assumptions of the management and the company's income tax consultant in estimating the tax provision and the possible outcome of the disputes.

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report comprising the Board's Report including Annexures to Board's Report, Business Responsibility & Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and those charged with Governance for the Financial Statements

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

In preparing the financial statements, management and board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as

applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The company's Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The comparative financial statements of the Company for the year ended March 31, 2025, were audited by Batra Deepak & Associates, Chartered Accountants, whose report dated May 02, 2025 expressed an unmodified opinion on those financial statements.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

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

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

c. The books of accounts and proper returns of the company are maintained at head office. Hence, there is no separate branch audit report by any other auditor of any branch office. The audit of the company is conducted at head office only.

d. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account and returns.

e. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Companies {Indian Accounting Standards) Rules, 2015, as amended.

f. We do not have any observation or comment on the financial transactions or matters which have any adverse effect on the functioning of the company.

g. On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

h. We do not have any qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected herewith.

i. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A".** Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to the financial statements.

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

(i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements. - Refer note 38 of the financial statements.

(ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts. Refer note 18 of the financial statements.

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

(iv)

a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf ofthe company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) The management has represented, that, to the best of it's knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the company from any person(s} or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries and

c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, performed by us, nothing has come to our notice that has caused to believe that the representations under subclause (i) and (ii) of Rule 11(e) oftheAct, as provided under (a) and (b) above, contain any material misstatement.

(v) The dividend declared and paid during the year by the company is in compliance with Section 123 of the Act, as applicable.

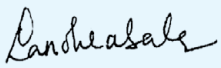
(vi) Based on our examinations which included test checks, the company has used an accounting software for maintaining its books of account for the financial year ended 31st March 2026, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit, basis the data received and verified on test check basis, we did not come across any instance of audit trail feature being tampered with and also that the audit trail has been preserved by the company as per the statutory requirements for record retention.

2. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

3. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in **Annexure "B",** a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

4. As required by the Comptroller and Auditor General of India through directions issued, we also enclose our report as per 143(5) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us by the management, in **Annexure "C".**

For K Venkatachalam Aiyer and Co.
Chartered Accountants
Firm's Registration Number: 004610S



CA Chandhrabala P.
Partner
Membership No. 235978
UDIN: 26235978EXTSGT2634

Place: Delhi
Date: 20th April 2026

For Raj Har Gopal and Co.
Chartered Accountants
Firm's Registration Number: 002074N

CA Gopal Krishan
Partner
Membership No. 081085
UDIN: 26081085ERMTVS1134

Place: Delhi
Date: 20th April 2026

"Annexure-A" to the Independent Auditor's Report

(Referred to in paragraph 1(i) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of PNB Gilts Limited of even date)

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of PNB Gilts Ltd. ("the Company") as of 31st March, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria approved by the Company's Board, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For K Venkatachalam Aiyer and Co.
Chartered Accountants
Firm's Registration Number: 004610S

CA Chandhrabala P.
Partner
Membership No. 235978
UDIN: 26235978EXTSGT2634

Place: Delhi
Date: 20th April 2026

For Raj Har Gopal and Co.
Chartered Accountants
Firm's Registration Number: 002074N

CA Gopal Krishan
Partner
Membership No. 081085
UDIN: 26081085ERMTVS1134

Place: Delhi
Date: 20th April 2026

"Annexure-B" to the Independent Auditor's Report

(Referred to in paragraph 3 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of PNB Gilts Limited of even date

Based upon the information and explanations furnished to us and the books and records examined by us in the normal course of our audit, we report that:

(i)

a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and relevant details of Right of Use assets;(B) The Company has maintained proper records showing full particulars of intangible assets;

b) According to the information and explanations given to us and as represented by the management, the Property, Plant and Equipment were physically verified during the year in regular intervals by the company which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed or reported on such verification.

c) According to the information and explanations given to us and based on our examination of the records of the Company, the title deeds of all the immovable properties disclosed in the financial statements are held in the name of the Company.

d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable.

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

(ii)

a) The Company is primarily dealing in financial securities i.e financial instruments which are not covered under the definition of Inventory under Ind AS 2. The traded securities held as investments and in the custody of the Company have been verified by the Management with the statement of holdings provided by Custodian for Corporate Bonds, the Reserve Bank of India ("RBI") and Clearing Corporation of India Limited ("CCIL"), for Government Securities, Treasury bills and Separate Trading of Registered Interest and Principal of Securities ("STRIPS") in Subsidiary General Ledger (SGL) with the RBI or collateral with CCIL. Such verification of securities conducted by the Management at regular intervals and in our opinion the coverage and the procedures of such verification is appropriate.

b) The Company has a working capital limit of ₹ 2,50,000 Lacs from Punjab National Bank against pledge of securities having market value of ₹25,237Lacs as on 31.03.2026. No returns or statements is required to be submitted to bank, hence no question of our verification of the Information submitted arises.

(iii) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that since the Company is in the business of Primary Dealership which involves making investments including granting loans in the normal course of its business and further, as it has not provided any guarantee or security to companies, firms, limited liability partnerships or any other parties, the provisions of paragraph 3(iii) (a) to (f) are not applicable.

(iv) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not

provided any loans, investments, guarantees, and security during the year under Section 185 and 186 of the Act.

(v) According to the information and explanations given to us and based on our examination, the Company has not accepted any deposits from the public within the meaning of Section 73 to 76 of the Companies Act, 2013 or any other relevant provisions of the Companies Act, 2013 and rules framed there under.

(vi) According to the information and explanations given to us and as per our understanding, maintenance of the cost records for the products/services/activities of the Company has not been prescribed by the Central Government under Section 148 (1) of the Companies Act, 2013.

(vii)

a) According to the information and explanations given to us and based on our examination, the Company is regular in depositing undisputed statutory dues including Goods and Services Tax, Provident fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues to the appropriate authorities.

b) According to the information and explanations given to us and based on our examination, the Company has some disputes which have resulted into demands under the Income Tax Act, 1961 which have not been deposited. The details of which are given below:

Name of the Statute	Nature of Dues	Amount (₹ in Lakhs)	Period to which, the amount relates (Assessment Year)	Forum where dispute is pending	Remarks, If any
Income Tax Act, 1961 Officer	*Fringe benefit tax	1.62	2007-08	Jurisdictional Assessing	
Income Tax Act, 1961	Fringe benefit tax	0.001	2008-09	Jurisdictional Assessing Officer	
Income Tax Act, 1961	*Income Tax	131.80	2016-17	Commissioner of (Appeals) Income Tax	Amount paid under protest ₹ 131.80 Lakhs
Income Tax Act, 1961	Income Tax	36.09	2017-18	Commissioner of (Appeals) Income Tax	Amount paid under protest ₹ 36.09 Lakhs
Income Tax Act, 1961	Income Tax	66.76	2018-19	Commissioner of (Appeals) Income Tax	Amount paid under protest ₹ 66.76 Lakhs
Income Tax Act, 1961	Income Tax	498.82	2020-21	Jurisdictional Assessing Officer	Rectification filed by the company

* The term Fringe benefit tax and Income tax includes the amount of income/fringe benefit tax, and interest.

(viii) According to the information/explanations given to us and based on our examination, no transaction has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix)

a) According to the information and explanations given to us and based on our examination, the Company has not defaulted in repayment of loan or other borrowing or in payment of interest there on to any lender.

b) According to the information and explanations given to us and based on our examination, the Company is not declared willful defaulter by any bank or financial institution or other lender;

c) Term loans raised by the Company, were applied for the purposes for which those are raised.

d) The Company is RBI approved primary dealer of Gilts securities. As its principal line of business, company borrows funds from call money market, bankers, financial institution etc on overnight and short-term basis to invest in securities held for trading as well as long term investments. As at the close of the year, the company has long-term investment held at amortised cost amounting to ₹ 72,658.96 Lacs.

e) According to the Information and explanations given to us and based on our examination, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

f) The Company has not raised any loan during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x)

a) According to the information and explanations given to us and based on our examination, the Company has not raised any money out of initial public offer or further public offer (including debt instruments) during the period under audit.

b) According to the information and explanations given to us and based on our examination, the Company has not made any preferential allotment or private placement of shares or convertible debentures during the year under audit.

(xi)

a) According to the information and explanations given to us and based on our examination, we have neither come across any instance of fraud on or by the company noticed or reported during the year nor have we been informed of such case by the management during the course of our audit.

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

c) According to the information and explanations given to us and based on our examination, there were no whistle blower complaint received by the company during the company.

(xii) The company is not a Nidhi Company, accordingly, the reporting under para 3{xii) of the Order is not applicable to the company.

(xiii) According to the information and explanations given to us and based on our examination, the Company has complied with requirements of section 177 of the Companies Act, 2013 and Section 188 of the Companies Act, 2013 in relation to the related parties. The company has also disclosed the requirements as laid down in the applicable accounting standards in the relation to the related parties in the financial statements in the Note no. 35A & 35B Related Party Information.

(xiv)

a) The Company has an adequate Internal audit system commensurate with the size and nature of its business.

b) The Internal audit reports of the company issued till the date of audit report, for the period under audit have been considered by us.

(xv) According to the information and explanations given to us and based on our examination, the Company has not entered into any non-cash transactions with the Directors or persons connected with it during the year under review.

(xvi)

a) According to the information and explanations given to us, the Company is a NBFI duly registered under section 45

I-A of the Reserve Bank of India Act, 1934.

b) The Company has a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

d) There is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Accordingly, the reporting under para 3(xvi) (d) of the Order is not applicable

(xvii) The Company has not incurred cash losses during the current financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. However, during the year, there has been change in the statutory auditors pursuant to appointment by the Comptroller and Auditor General of India (C&AG).

(xix) On the basis of the information provided, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx)

a) The Company, in respect of other than on-going project, has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the second proviso to sub-section (5) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

b) As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act in respect of ongoing project. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable.

For K Venkatachalam Aiyer and Co.
Chartered Accountants
Firm's Registration Number: 004610S

CA Chandhrabala P.
Partner
Membership No. 235978
UDIN: 26235978EXTSGT2634

Place: Delhi
Date: 20th April 2026

For Raj Har Gopal and Co.
Chartered Accountants
Firm's Registration Number: 002074N

CA Gopal Krishan
Partner
Membership No. 081085
UDIN: 26081085ERMTVS1134

Place: Delhi
Date: 20th April 2026

Annexure 'C' to the Independent Auditor's Report

(Referred to in paragraph 4 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of PNB Gilts Limited of even date

Directions indicating the areas to be examined by the Statutory Auditors during the course of Audit of annual accounts of PNB Gilts Limited for the year 2025-26 as issued by the Comptroller & Auditor General of India under Secfion 143(5) of the Companies Act, 2013.

Sl. No	Area Examined	Observations/Findings
1.	Assess the fair valuation of all the investments, both quoted and unquoted, made directly by the Company or through Trusts, for Post retirement benefits of the employees which includes valuation methodologies and consistency with Ind AS.	• The company accounts for its post-retirement benefit obligations (Gratuity, Leave Liability and Post-Retirement Medical Benefits) as defined benefit plans in accordance with Ind AS 19. • The valuation of these obligations is carried out using the Projected Unit Credit Method, supported by actuarial valuation reports obtained at each reporting date. • Gratuity is funded through a separate trust namely the PNB Gilts Limited Employees Group Gratuity Scheme administered by LIC, whereas Leave Encashment and Post-Retirement Medical Benefits are unfunded liabilities valued by an independent actuary.
2.	Whether the Company has a system in place to process all the accounting transactions through IT system? If yes, whether review of this system and controls that are significant to the Companies' financial reporting process as well as cyber security has been done and material discrepancies found, if any, have been suitably reported? The implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications may also be reported.	• The company has system of processing of accounting transactions partially through IT system and partially with manual intervention. • The review of the system is critical and controls are significant to the financial reporting process of the company as all major operations of the company for trading in securities as well as borrowings are undertaken through the IT systems and software. • The management has represented that they consistently act on the alerts received from CERT-IN as well as Cyber Security and IT Risk (CSITE) Group of Reserve Bank of India for mitigating all the Cyber Security threats intimated to them. • Based on the information and explanations given to us no material discrepancies have been found that were required to be reported.

Sl. No	Area Examined	Observations/Findings
		• However, nothing has come to our notice to challenge the integrity of the accounts of the company. There are no financial implications on account of the accounting entries not passed through the IT systems in place.
3.	Whether funds (grants/ subsidy etc.) received/ receivable for specific schemes from Central/ State Government or its agencies were properly accounted for as per the applicable accounting standards or norms and whether the received funds were utilised as per its terms and conditions? Whether accounting of interest earned on grants received has been done as per terms and conditions of the Grant. List the cases of deviation.	The company has not received any grant/ subsidy.
4.	Whether the Company has identified the key Risk areas? If yes, whether the Company has formulated any Risk Management Policy to mitigate these risks? If yes, (a) whether the Risk Management Policy has been formulated considering global best practices? b) whether the Company has identified its data assets and whether it has been valued appropriately?	• The company has identified Key Risk Areas and has in place a Board approved Risk Management policy. All the risks are defined as per the global best practices and mitigation strategies have been dealt with accordingly. • Key risks covered are Credit Risk, Market Risk and aspects of Operational risk. • According to the information and explanations given to us by the management, the company has no data assets that have been recognised in the financial statements in accordance with the applicable financial reporting framework and consequently these are not subject to valuation.
5.	Whether the Company is complying with the • Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI	• The company is a NBFC registered with the Ministry of Corporate affairs. The company has a AD Category III registration with Reserve Bank of India. It is listed on the National Stock Exchange of India Limited as well as the BSE Limited. It is also a registered stock broker with SEBI

Sl. No	Area Examined	Observations/Findings
	• Department of Investment and Public Asset Management • Ministry of Corporate Affairs • Department of Public Enterprises • Reserve Bank of India • Telecom Regulatory Authority of India • CERT-IN • Ministry of Electronics and Information Technology and National Payments Corporation of India wherever applicable? If not, the cases of deviation may be highlighted.	• Based on the information and explanations given to us, secretarial audit report of the company and audit procedures carried out by us, the company is complying with the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Reserve Bank of India, Ministry of Corporate Affairs, CERT-IN and Ministry of Electronics and Information Technology, Department of Investment and Public Asset Management, Department of Public Enterprises, Telecom Regulatory Authority of India and National Payments Corporation of India wherever applicable.

For K Venkatachalam Aiyer and Co.
Chartered Accountants
Firm's Registration Number: 004610S

CA Chandhrabala P.
Partner
Membership No. 235978
UDIN: 26235978EXTSGT2634

Place: Delhi
Date: 20th April 2026

For Raj Har Gopal and Co.
Chartered Accountants
Firm's Registration Number: 002074N

CA Gopal Krishan
Partner
Membership No. 081085
UDIN: 26081085ERMTVS1134

Place: Delhi
Date: 20th April 2026

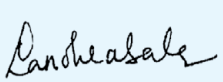
NON-BANKING FINANCIAL COMPANIES AUDITOR'S REPORT FOR THE YEAR ENDED MARCH 31, 2026

To
The Board of Directors
PNB Gilts Limited
5, Sansad Marg, New Delhi-110001

In terms of Reserve Bank of India, Master Direction-Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 dated September 29, 2016 we report that-

- The Company is engaged in the business of Non-Banking Financial Institution as Primary Dealer (PD). The Company has received Registration Certificate No. 14.00007, as provided in Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) from Reserve Bank of India on February 10, 1998. The Company is entitled to continue to hold Certificate of Registration in terms of its Principal Business criteria (financial asset/income pattern) as on March 31, 2026.
- The Company is meeting the required net owned fund required in terms of Master Direction - Reserve Bank of India (Non-Banking Financial Companies - Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025. A resolution for non-acceptance of any public deposits was passed in the meeting of the Board held on April 22, 2025 and the Company has not accepted any public deposits during the year ended March 31, 2026.
- The Company has complied with the prudential norms relating to income recognition, accounting standards, assets classification and provisioning for bad and doubtful debts as applicable to it in terms of Master Direction - Reserve Bank of India (Non-Banking Financial Companies - Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025.
- There is no requirement to file form NBS-7 for the year under review. Hence, we are unable to comment on that.

For K Venkatachalam Aiyer and Co.
Chartered Accountants
Firm's Registration Number: 004610S



CA Chandhrabala P.
Partner
Membership No. 235978
UDIN: 26235978EXTSGT2634

Place: Delhi
Date: 20th April 2026

For Raj Har Gopal and Co.
Chartered Accountants
Firm's Registration Number: 002074N

CA Gopal Krishan
Partner
Membership No. 081085
UDIN: 26081085ERMTVS1134

Place: Delhi
Date: 20th April 2026

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कार्यालय प्रधान निदेशक लेखापरीक्षा,
उद्योग एवं कॉर्पोरेट कार्य
ए.जी.सी.आर. भवन, आई.पी. एस्टेट,
नई दिल्ली-110 002

OFFICE OF THE PRINCIPAL DIRECTOR OF AUDIT,
INDUSTRY AND CORPORATE AFFAIRS
A.G.C.R. BUILDING, I.P. ESTATE,
NEW DELHI-110 002

संख्या: एएमजी-II/ वार्षिक लेखापरीक्षा
PNB Gilts (2025-26)/26-27/143-144
दिनांक: 08 JUL 2026

सेवा में

प्रबंध निदेशक एवं मुख्य कार्यकारी अधिकारी,
पी एन बी गिल्ट्स लिमिटेड
5, संसद मार्ग,
नई दिल्ली – 110 001

विषय: **कंपनी अधिनियम 2013 की धारा 143(6) (b) के अंतर्गत 31 मार्च 2026 को समाप्त वर्ष के लिए पी एन बी गिल्ट्स लिमिटेड के वार्षिक लेखों पर भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ।**

महोदय,

कंपनी अधिनियम 2013 की धारा 143(6) (b) के अंतर्गत 31 मार्च 2026 को समाप्त वर्ष के लिए लिए पी एन बी गिल्ट्स लिमिटेड के वार्षिक लेखों पर उपरोक्त विषय संबंधित संलगन पत्र अग्रेषित है।

भवदीय,

पवन
8/7/26

(डॉ पवन कुमार कोंडा)
प्रधान निदेशक लेखा परीक्षा
(उद्योग एवं कारपोरेट कार्य)
नई दिल्ली

संलग्नक:- यथोपरि

दूरभाष / Phone : +91-11-23702357, फैक्स / Fax : +91-11-23702359, E-mail : pdaica@cag.gov.in

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF PNB GILTS LIMITED FOR THE YEAR ENDED 31 MARCH 2026

The preparation of financial statements of PNB Gilts Limited for the year ended 31 March 2026 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 20 April 2026.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of PNB Gilts Limited for the year ended 31 March 2026 under Section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditor and is limited primarily to inquiries of the Statutory Auditor and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under Section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report:

A. Comment on Profitability

A.I Statement of Profit and Loss for the year ended 31st March 2026
Other Expenses: ₹2,393.35 lakh (Note 30)
Royalty Expense: ₹985.09 lakh
Employee Benefit Expenses: ₹2,612.02 lakh (Note 29)
Salaries and Allowances: ₹2,254.85 lakh

a) The Company was booking the royalty fees payable to the Punjab National Bank for a financial year in the succeeding financial year in contravention to the provisions ofInd AS 37. After being pointed during the supplementary audit of the financial statements for the year 2024-25, the Company has started recognizing (2025-26) the payable royalty fees in the financial year itself.

The Company has charged Royalty Expenses amounting to ₹985.09 lakh in the current year which includes ₹549.95 lakh for the year 2024-25 and ₹435.14 lakh for the year 2025-26. Since the royalty fees of ₹549.95 lakh pertained to the year 2024-25 and was erroneously not recognised in that year, the same being a material prior period error should have been corrected retrospectively, as per the provisions of Ind AS 8 as well as the Company's own accounting policy on prior period items.

b) Similarly, Performance Linked Incentive (PLI) of ₹593.48 lakh pertaining to the year 2024-25 has been booked in year 2025-26 along with the PLI of ₹350.67 lakh pertaining to the year 2025-26. The same should also have been corrected retrospectively, being a material prior period error.

The above has resulted in understatement of Profit and overstatement of opening balance of Retained Earnings (under Other Equity) by ₹1,143.43 lakh each, besides non-compliance to the provisions of Ind AS 8 and the accounting policy of the Company.

For and on behalf of the
Comptroller & Auditor General of India

(Dr. Pawan Kumar Konda)
Principal Director of Audit
(Industry & Corporate Affairs)
New Delhi

Place: New Delhi
Date: 08 July, 2026

BALANCE SHEET

(Amounts in ₹ Lakhs, unless otherwise stated)

Balance Sheet as at 31st March, 2026

Particulars	Notes	As at 31 March 2026	As at 31 March 2025
ASSETS			
Financial assets			
Cash and cash equivalents	3	44.48	6,228.67
Bank balance other than above	4	55,129.99	20,141.30
Derivative financial instruments	5	46,188.07	66,499.71
Receivables	6		
(i) Trade receivables		6.97	36.15
(ii) Other receivables		16.93	9.63
Loans	7	2,05,198.32	5,543.52
Investments	8	23,31,421.17	23,16,500.54
Other financial assets	9	63,754.70	53,814.35
		27,01,760.63	**24,68,773.86**
Non- financial assets			
Current tax assets (net)	10	3,182.04	572.99
Deferred tax assets (net)	11	-	120.68
Property, plant and equipment	12A	233.05	268.73
Other Intangible assets	12B	0.28	3.63
Right of Use asset	12C	355.60	229.79
Other non-financial assets	13	512.65	280.91
		4,283.62	**1,476.73**
Total Assets		**27,06,044.25**	**24,70,250.59**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Derivative financial instruments	5	42,159.09	67,284.56
Payables	14		
Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		111.33	85.24
Other payables			

(Amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Notes	As at 31 March 2026	As at 31 March 2025
(i) total outstanding dues of micro enterprises and small enterprises		27.64	14.31
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		546.57	319.93
Borrowings (other than debt securities)	15	24,88,029.29	22,38,145.55
Lease Liability	12C(i)	361.88	254.90
Other financial liabilities	16	2,096.47	9,219.72
		25,33,332.27	**23,15,324.21**
Non financial liabilities			
Current tax liabilities (net)	17	1.79	126.94
Provisions	18	824.94	198.13
Deferred tax liabilities (net)	11	809.82	-
Other non-financial liabilities	19	118.00	81.44
		1,754.55	**406.51**
Equity			
Equity share capital	20	18,001.01	18,001.01
Other equity	21	1,52,956.42	1,36,518.85
		1,70,957.43	**1,54,519.87**
Total Liabilities and Equity		**27,06,044.25**	**24,70,250.59**

Material accounting policies information and notes to accounts 1 to 64 are an integral part of these financial statements.

For and on behalf of the Board
PNB Gilts Limited

(Bibhu Prasad Mahapatra)
Director
DIN: 08756848

(Raj Kamal Verma)
Director
DIN: 07847454

(Rekha Jain)
Director
DIN: 01586688

(Pareed Sunil)
Managing Director & CEO
DIN: 11001150

(Kishkanda Garg)
Chief Financial Officer
Membership No: 521493

(Monika Kochar)
Company Secretary
Membership No: F6514

In terms of our report of even date
For K Venkatachalam Aiyer and Co.
Chartered Accountants
Firm's Registration Number: 004610S

CA Chandhrabala P.
Partner
Membership No. 235978
UDIN: 26235978EXTSGT2634

For Raj Har Gopal and Co.
Chartered Accountants
Firm's Registration Number: 002074N

CA Gopal Krishan
Partner
Membership No. 081085
UDIN: 26081085ERMTVS1134

Date: April 20, 2026
Place: New Delhi

PROFIT AND LOSS

(Amounts in ₹ Lakhs, unless otherwise stated)

Statement of Profit and Loss for the year ended 31st March, 2026

Particulars	Notes	Year ended 31 March 2026	Year ended 31 March 2025
Revenue from operations			
Interest income	22	1,68,903.34	1,51,190.07
Dividend income	23	18.35	12.57
Fees and commission income	24	954.47	919.76
Net gain on securities (Realised & Unrealised)	25	-	15,475.97
Total revenue from operations		**1,69,876.16**	**1,67,598.37**
Other income	26	29.82	29.52
Total income		**1,69,905.98**	**1,67,627.90**
Expenses			
Finance cost	27	1,31,245.54	1,31,240.93
Fees and commission expense	28	2,324.32	2,054.04
Net loss on securities (Realised & Unrealised)	25	7,069.47	-
Employee benefit expenses	29	2,612.02	1,610.24
Depreciation, amortization and impairment	12,A,B,C	277.38	341.86
Other expenses	30	2,393.35	1,505.31
Total expenses		**1,45,922.08**	**1,36,752.38**
Profit/(loss) before exceptional items and tax		**23,983.90**	**30,875.51**
Exceptional items- Expense / (Income)	31	(175.84)	(219.95)
Profit/(loss) before tax		**24,159.74**	**31,095.46**
Tax expense/(credit):			
(1) Current tax	11	5,218.45	6,407.55
(2) Deferred tax		904.90	1,358.07
(3) Earlier year taxes	17	(125.16)	26.77
Total Tax Expenses		**5,998.19**	**7,792.40**
Profit/ (loss) for the year		**18,161.55**	**23,303.06**
Other comprehensive income			

(Amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Notes	Year ended 31 March 2026	Year ended 31 March 2025
(i) Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plan		101.72	55.11
(ii) Income tax relating to items that will not be reclassified to profit or loss		(25.60)	(13.87)
Other comprehensive income		**76.12**	**41.24**
Total comprehensive income/ (loss) for the year (comprising profit/ (loss) and other comprehensive income for the year)		**18,237.67**	**23,344.31**
Earnings per equity share (EPS)	32		
Basic (₹)		10.09	12.95
Diluted (₹)		10.09	12.95

Material accounting policies information and notes to accounts 1 to 64 are an integral part of these financial statements.

For and on behalf of the Board
PNB Gilts Limited

(Bibhu Prasad Mahapatra)
Director
DIN: 08756848

(Raj Kamal Verma)
Director
DIN: 07847454

(Rekha Jain)
Director
DIN: 01586688

(Pareed Sunil)
Managing Director & CEO
DIN: 11001150

(Kishkanda Garg)
Chief Financial Officer
Membership No: 521493

(Monika Kochar)
Company Secretary
Membership No: F6514

In terms of our report of even date
For K Venkatachalam Aiyer and Co.
Chartered Accountants
Firm's Registration Number: 004610S

CA Chandhrabala P.
Partner
Membership No. 235978
UDIN: 26235978EXTSGT2634

For Raj Har Gopal and Co.
Chartered Accountants
Firm's Registration Number: 002074N

CA Gopal Krishan
Partner
Membership No. 081085
UDIN: 26081085ERMTVS1134

Date: April 20, 2026
Place: New Delhi

CASH FLOWS

(Amounts in ₹ Lakhs, unless otherwise stated)

Statement of Cash Flows for the year ended 31st March, 2026

	Year ended 31 March 2026	Year ended 31 March 2025
Profit before tax	**24,159.74**	**31,095.46**
Adjustments for		
Add: Depreciation and amortisation expense	277.38	341.86
Changes in provisions	728.53	(159.97)
Loss/(profit) on sale of property, plant and equipment	(0.34)	(0.96)
Interest expense on leased liability	24.42	29.02
Interest paid	1,31,221.12	1,31,211.91
Less: Discount and interest received	(1,68,903.34)	(1,51,190.07)
Dividend received	(18.35)	(12.57)
Operating Profit/(loss) before changes in operating activities	**(12,510.82)**	**11,314.68**
Cash flow from operating activities		
Add: Discount and interest received	1,68,903.34	1,51,190.07
Dividend received	18.35	12.57
Interest paid	(1,31,221.12)	(1,31,211.91)
Adjustment for changes in operating activities		
Changes in investments in FDR	(34,988.69)	(19,966.15)
Changes in investments at fair value through profit and loss	(19,734.46)	(15,090.47)
Changes in financial assets and non-financial assets	(2,09,853.40)	10,807.74
Changes in financial liability and non-financial liabilities	(6,809.36)	(19,886.94)
Cash used in operations	**(2,46,196.16)**	**(12,830.40)**
Less: Net taxes paid	(7,779.44)	(6,857.93)
(A) Net cash used in operating activities	**(2,53,975.60)**	**(19,688.33)**
Cash flow from investing activities		
Adjustment for changes in investing activities		
Sale proceeds of property, plant and equipment	0.63	1.27
Purchase of property, plant and equipment	(86.42)	(98.74)
(B) Net cash used in investing activities	**(85.79)**	**(97.48)**
Cash flow from financing activities		
Adjustment for changes in financing activities		

(Amounts in ₹ Lakhs, unless otherwise stated)

	Year ended 31 March 2026	Year ended 31 March 2025
Changes in borrowings and debt securities (net) (Refer Note 37)	2,49,883.74	(1,755.74)
Lease Accounting Adjustment	(195.12)	(207.91)
Dividend paid	(1,800.10)	(1,800.10)
Changes in unclaimed dividends and bonus fractional entitlement (net)	(11.31)	(25.04)
(C) Net cash flow from financing activities	**2,47,877.21**	**(3,788.79)**
Net Increase/ (Decrease) in cash and cash equivalents (A+B+C)	**(6,184.19)**	**(23,574.60)**
Cash and cash equivalent at the beginning of the year	6,228.67	29,803.27
Cash and cash equivalent at the end of the year	**44.48**	**6,228.67**
Balances with banks		
Balances with Reserve Bank of India	30.09	6,166.04
Balances with PNB Current Accounts	14.39	62.63
	44.48	**6,228.67**

(1) The above statement of cash flows has been prepared under the 'Indirect Method' as set out in Ind AS-7- Statement of Cash Flows notified under Section 133 of the Companies Act, 2013.

(2) Cash and Cash equivalents comprises of balances with scheduled banks and RBI

Material accounting policies information and notes to accounts 1 to 64 are an integral part of these financial statements.

For and on behalf of the Board
PNB Gilts Limited

(Bibhu Prasad Mahapatra)
Director
DIN: 08756848

(Raj Kamal Verma)
Director
DIN: 07847454

(Rekha Jain)
Director
DIN: 01586688

(Pareed Sunil)
Managing Director & CEO
DIN: 11001150

(Kishkanda Garg)
Chief Financial Officer
Membership No: 521493

(Monika Kochar)
Company Secretary
Membership No: F6514

In terms of our report of even date
For K Venkatachalam Aiyer and Co.
Chartered Accountants
Firm's Registration Number: 004610S

CA Chandhrabala P.
Partner
Membership No. 235978
UDIN: 26235978EXTSGT2634

For Raj Har Gopal and Co.
Chartered Accountants
Firm's Registration Number: 002074N

CA Gopal Krishan
Partner
Membership No. 081085
UDIN: 26081085ERMTVS1134

Date: April 20, 2026
Place: New Delhi

(Amounts in ₹ Lakhs, unless otherwise stated)

Statement of Changes in Equity for the year ended 31st March, 2026

a. Equity share capital

(1) Current Reporting Period

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated Balance at the beginning of the current reporting period	Changes in Equity Share capital during the current year	Balance at the end of the current reporting period.
18,001.01	-	18,001.01	-	18,001.01

(2) Previous Reporting period

Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated Balance at the beginning of the previous reporting period	Changes in Equity Share capital during the previous year	Balance at the end of the previous reporting period.
18,001.01	-	18,001.01	-	18,001.01

b. Other equity

(1) Current Reporting Period

Particulars	Reserves and surplus						Total
	Statutory reserve	Securities premium	General reserve	Market fluctuation reserve	Capital reserve	Retained earning	
Balance as at 31st March, 2025	**47,327.18**	**2,501.27**	**9,776.54**	**6,300.00**	**6,320.04**	**64,293.81**	**1,36,518.85**
Profit for the year	-	-	-	-	-	18,161.55	18,161.55
Other comprehensive income for the year	-	-	-	-	-	76.12	76.12
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-
Total comprehensive income	**47,327.18**	**2,501.27**	**9,776.54**	**6,300.00**	**6,320.04**	**82,531.48**	**1,54,756.52**

(Amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Reserves and surplus						Total
	Statutory reserve	Securities premium	General reserve	Market fluctuation reserve	Capital reserve	Retained earning	
Transactions with owners in their capacity as owners:							
Dividends	-	-	-	-	-	(1,800.10)	(1,800.10)
Transferred from retained earnings	3,632.31	-	-	-	-	-	3,632.31
Other adjustments						-	-
Transferred to other reserves	-	-	-	-	-	(3,632.31)	(3,632.31)
Balance as at 31st March, 2026	**50,959.49**	**2,501.27**	**9,776.54**	**6,300.00**	**6,320.04**	**77,099.07**	**1,52,956.42**

(2) Previous reporting Period

Particulars	Reserves and surplus						Total
	Statutory reserve	Securities premium	General reserve	Market fluctuation reserve	Capital reserve	Retained earning	
Balance as at 31st March, 2024	**42,666.57**	**2,501.27**	**9,776.54**	**6,300.00**	**6,320.04**	**47,410.22**	**1,14,974.65**
Profit for the year	-	-	-	-	-	23,303.06	23,303.06
Other comprehensive income for the year	-	-	-	-	-	41.24	41.24
Changes in accounting policy/ prior period errors	-	-	-	-	-	-	-
Total comprehensive income	**42,666.57**	**2,501.27**	**9,776.54**	**6,300.00**	**6,320.04**	**70,754.52**	**1,38,318.95**

(Amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Reserves and surplus						Total
	Statutory reserve	Securities premium	General reserve	Market fluctuation reserve	Capital reserve	Retained earning	
Transactions with owners in their capacity as owners:							
Dividends	-	-	-	-	-	(1,800.10)	(1,800.10)
Transferred from retained earnings	4,660.61	-	-	-	-	-	4,660.61
Other adjustments						-	-
Transferred to other reserves	-	-	-	-	-	(4,660.61)	(4,660.61)
Balance as at 31st March, 2025	**47,327.18**	**2,501.27**	**9,776.54**	**6,300.00**	**6,320.04**	**64,293.81**	**1,36,518.85**

Profit of ₹ 76.12 lakhs (P.Y. ₹ 41.24 lakhs) on remeasurement of defined employee benefit plans (net of tax) is recognised as a part of retained earnings for the years ended March 31, 2026 and March 31, 2025 respectively

Material accounting policies information and notes to accounts 1 to 64 are an integral part of these financial statements.

For and on behalf of the Board
PNB Gilts Limited

(Bibhu Prasad Mahapatra)
Director
DIN: 08756848

(Raj Kamal Verma)
Director
DIN: 07847454

(Rekha Jain)
Director
DIN: 01586688

(Pareed Sunil)
Managing Director & CEO
DIN: 11001150

(Kishkanda Garg)
Chief Financial Officer
Membership No: 521493

(Monika Kochar)
Company Secretary
Membership No: F6514

In terms of our report of even date
For K Venkatachalam Aiyer and Co.
Chartered Accountants
Firm's Registration Number: 004610S

CA Chandhrabala P.
Partner
Membership No. 235978
UDIN: 26235978EXTSGT2634

For Raj Har Gopal and Co.
Chartered Accountants
Firm's Registration Number: 002074N

CA Gopal Krishan
Partner
Membership No. 081085
UDIN: 26081085ERMTVS1134

Date: April 20, 2026
Place: New Delhi

Notes to Financial Statements for the year ended 31st March, 2026

Note 1

Corporate information

PNB Gilts Limited is a public limited company domiciled in India and incorporated under the provisions of Companies Act, 1956. The company has been granted the License of NBFC by the Reserve Bank of India and working as a Standalone Primary Dealer .The Company's primary activities entail supporting government borrowing program via underwriting of government securities issuances and trade in a gamut of fixed income instruments such as Government securities, Treasury Bills, State Development Loans, Corporate Bonds, Interest Rate Swaps and various money market instruments such as Certificates of Deposits, Commercial Papers etc. The Company has dedicated trading desk managed by experienced professionals having strong research and market insights. The company is also providing custodian services to its constituents. The Company's registered office is at 5, Sansad Marg, New Delhi, India. The company is also a subsidiary of one of the largest Indian commercial banks Punjab National Bank.

The financial statements are approved for issuance by the company's Board of Directors on 20th April 2026

Basis of preparation

Statement of Compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto and comply with the relevant provisions of the Companies Act 2013 and the Reserve Bank of India guidelines as applicable to the Primary Dealers and NBFC. The financial statements have been prepared in accordance with Division III of Schedule III notified by MCA on 11th October, 2018 as amended from time to time.

Basis of measurement

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (refer accounting policy no I regarding financial instruments) which have been measured at fair value. The income and expense have been accounted on accrual basis.

Functional and presentation Currency

The company's presentation and functional currency is Indian rupees (₹). All amounts in these financial statements, except per share amounts and unless stated as otherwise, have been rounded off to two decimal places and have been presented in lakhs.

New Accounting Standards issued but not effective /Recent Accounting Developments

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. There is no such notification issued till March 31, 2026 which would have been applicable from April 01, 2025 or afterwards.

Presentation of financial statements

The Company presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non–current) is presented in Note no. 40 "Maturity Analysis of assets and liabilities". Financial assets and financial liabilities are generally reported at gross value in the balance sheet. They are only offset and reported at net value when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and/or its counterparties

Derivative assets and liabilities with master netting arrangements are only presented at net values when they satisfy the eligibility of netting for all of the above criteria and not just in the event of default.

Note 2

C. Summary of material accounting policies information

I. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value or transaction price as applicable, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the settlement date.

Classification

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

Those to be measured subsequently at fair value (either through other comprehensive income (FVTOCI), or through profit or loss (FVTPL)) and those to be measured subsequently at amortised cost.

The classification is done depending upon the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets classified as 'measured at fair value', gains and losses will either be recorded in profit or loss or other comprehensive income, as elected.

For assets classified as 'measured at amortised cost', this will depend on the business model and contractual terms of the cash flows.

A financial asset is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

A financial asset is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed
- The expected frequency, value and timing of sales are also important aspects of the Company's assessment

However, this assessment is performed on the basis of scenarios that the Company reasonably expects to occur and not so-called 'worst case' or 'stress case' scenarios

The Company considers sale of Investment (Government Security – SDL) measured at

amortised cost portfolio as consistent with a business model whose objective is to hold financial assets in order to collect contractual cash flows if these sales are:

i. In case of liquidity crisis faced by the company which can hit the funding operations. Company may liquidate the amortised cost portfolio if the funding cost exceeds MIBOR plus 50 bps for three successive working days. The decision to sell under such circumstances shall be taken by the Investment Committee.

ii. Catastrophic scenarios, which could be termed as one off situations (GFC, COVID crisis etc) wherein portfolio liquidation needs to be carried out. However, sale under such scenarios shall only be undertaken post approval from the Risk Management Committee.

The sale window shall however remain open for 30 days from trigger of the stress event.

The Solely Payments of Principal and Interest (SPPI) test

As a second step of its classification process the Company assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI, such financial assets are either classified as fair value through profit and loss account or fair value through other comprehensive income.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

i. Debt Instruments at Amortised cost:

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

ii. Debt instruments at FVTOCI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

iii. Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

Debt instrument at FVTPL: FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity investments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. All other equity instruments are classified as per provisions of relevant Ind AS.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Derivative financial instruments: The Company uses derivative financial

instruments, such as Future contracts, Options, Interest rate Future contracts for trading purpose and interest rate swaps for trading as well as to hedge its interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value and the resulting gain or loss is recognized in statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Impairment of financial assets

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities and deposits.

For recognition of impairment loss on financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss.

Financial liabilities

Initial recognition and measurement

A financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Subsequent measurement

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL, if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit and loss.

Reclassification of financial Instruments

The company did not reclassify any of its financial assets or liabilities subsequent to its initial recognition during the FY 2025-26 and FY 2024-25.

Derecognition of Financial instruments

A financial asset is derecognized only when Company has transferred the rights to receive cash flows from the financial asset. Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized.

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

II. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand, short-term deposits and other highly liquid investments, with an original maturity of three months or less and are readily convertible into known amounts of cash, which are subject to an insignificant risk of changes in value.

For the purpose of the Financial Statements, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts (availed against fixed deposits with banks) as they are

considered an integral part of the Company's cash management.

III. Revenue recognition

i) Interest income:

Interest income, for all debt instruments measured either at amortised cost (Short term lending, Fixed deposits and Government securities) or at fair value through other comprehensive income, is recorded using the effective interest rate (EIR).

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are incrementally directly attributable to the instrument and are an integral part of the EIR, but not future credit losses.

The effective interest rate is established at the time of initial recognition of the financial instrument and is not revised subsequently.

ii) Changes in fair value of securities (realised and unrealised) classified at fair value through profit and loss (FVTPL) (Certificates of Deposit, Commercial Papers, Bills Re-discounted, Treasury Bills (including Cash Management Bills), Zero Coupon Bonds, Government dated securities (including State Development Loan), Corporate bonds and debentures, Equity shares and Mutual funds) shall be taken to Profit and Loss.

iii) The difference between the acquisition cost and maturity value of Certificates of Deposit, Commercial Papers, Bills Re-discounted, Treasury Bills (including Cash Management Bills) and Zero Coupon Bonds is apportioned on time basis. The above is recognised as accrued income.

iv) Interest income on Government Dated Securities and Corporate Bonds and Debentures is recognised at its coupon rate and that of Floating Rate Bonds is recognised on the yield of instruments to which these are linked

v) Dividend income is recognized when the Company's right to receive payment is established by the reporting date.

vi) Underwriting fees: Underwriting fee earned on the government securities is recognised as and when received.

vii) Commission and other fees: Commission and other fees will be recognized as and when the performance obligation is satisfied as per IND AS 115.

viii) Other income received through rent, interest on staff loans, house rent recovery and Misc. Income are accounted for on accrual basis.

IV. Accounting of Expenses

Interest expense is measured and recognised on Effective Interest Rate (EIR) method. Other expenses are accounted for on accrual basis as and when it gets accrued.

V. Accounting for Repo Transactions

Sales / Purchases of Treasury Bills (including Cash Management Bills) and Government Dated Securities, as disclosed in Statement of Profit and Loss do not include Repo/Reverse Repo transactions in accordance with RBI guidelines No. RBI/FMRD/2025-26/142/ FMRD. DIRD.04/ 14.03.038/2025-26 dated November 11, 2025.

In conformity with RBI guidelines, securities sold under Repo transactions are not excluded from the portfolio and the securities purchased under Reverse Repo are not included in the portfolio. Contra heads are used to reflect the transfer of securities.

Repo seller continues to accrue coupon/ discount on securities, as the case may be, even during the repo period while the repo buyer shall not accrue the same.

VI. Fair value measurement

On initial recognition, all the financial instruments are measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the

presumption that the transaction to sell the asset or transfer the liability takes place either:

i. In the principal market for the asset or liability, or

ii. In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 financial instruments - Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments - Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

Level 3 financial instruments - Those that include one or more unobservable input that is significant to the measurement as whole.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

The Company has used the following methods for deriving the fair values:

i. Fair Value of Government dated Securities, Treasury Bills (including Cash Management Bills), State development loans, Interest Rate Swaps, Certificates of Deposit and PSU/Corporate bonds and debentures, is determined by the prices or yield, as applicable, declared by Fixed Income Money Market and Derivatives Association of India (FIMMDA)/Financial Benchmark India Private Limited (FBIL) on last working day of the Financial Year.

ii. In case of Commercial Papers, company shall use market observable spread over T Bill curve and based on that new benchmark (T-Bill + constant spread across the curve) company shall interpolate and calculate CP prices corresponding to the residual maturities.

iii. Fair value of Equity Shares is determined by the closing rates provided by the stock exchanges on last working day of the Financial Year

iv. In case of units of Mutual Fund, valuation is done on the basis of closing NAV declared by the Mutual Fund.

v. In case of Future and Options contracts (i.e IRF, Equity futures and Nifty futures) valuation is done as per the closing prices provided by Stock Holding Corporation of India Limited (SHCIL).

VII. Taxes

Tax expense comprises current and deferred tax.

Current income tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax

Deferred tax is provided using the balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Uncertain Tax Position

Further, the company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation. The company considers whether it is probable that a taxation authority will accept an uncertain tax treatment. If the company concludes, it is probable that the taxation authority will accept an uncertain tax treatment, it determines the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates consistently with the tax treatment used or planned to be used and its income tax filings.

If the company concludes, it is not probable that the taxation authority will accept an uncertain tax treatment, the company reflects the effect of uncertainty in determining the related taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates. The company reflects the effect of uncertain tax positions in the overall measurement of tax expense and or based on the most likely amount or the expected value arrived at by the company, which provides a better prediction of the resolution of uncertainty.

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions. Uncertain tax positions are monitored and updated as and when new information becomes available, typically upon examination or action by taxing authorities or through statute, expiration and judicial precedent.

VIII. Exceptional Items

Exceptional items include income or expense that are considered to be part of ordinary activities, however are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner. Exceptional items are identified by virtue of their size, nature or incidence.

IX. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

X. Event of Default

As per the Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, NBFCs have to comply with IND AS 109 for preparation of financial statements from FY 2018-19 onwards. Amongst its various requirements, it requires entities to define default in a manner consistent with internal risk management policies (IND AS does not explicitly define default). Complying with the requirements of the IND AS 109, the Company has defined default and the accounting treatment of the default asset in the following manner:

1. Definition of Event of Default

Any asset/issuer shall be termed as default if there is any instance of non-receipt of interest and/or principal obligation by an issuer towards any securities/issuance/s in Company's books.

2. Accounting Treatment

Company proposes the following accounting adjustments to be adopted with respect to the securities/issuances that fall under the definition of default.

Accounting Treatment

Cashflow Type	Matured Issuance/ Security	Existing Issuance/ Security
Interest Amount*	Interest accrued but not received will be written off with immediate effect.	• Total interest accrued but not received will be written off in the fourth quarter from the event of default or in the quarter in which maturity falls (whichever is earlier). • Till write off, provision for the same will be made on monthly basis from the event of default.
Book Value of Investment	Book value of investment will be written off with immediate effect.	• Total Book value of investment will be written off in the fourth quarter from the event of default or in the quarter in which maturity falls (whichever is earlier). • Till write off, provision for the same will be made on proportionate basis from the event of default.

*In case of non-receipt of interest amount, any delay of interest payment by the issuer due to technical issues pertaining to transfer of the interest, if timely informed by the issuer, shall not be treated as a case of default.

The number of such defaults and the total amount outstanding and the overdue amounts shall be disclosed in the notes to the financial statements.

In case of recovery of the default asset, if the amount is received before the date of balance sheet signing, the same will be accounted for in the said balance sheet as per the provisions of Ind AS-10 'Events after the Reporting period'.

XI. Provisions, Contingent liabilities and Contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is charged/provided in the statement of profit and loss. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

The Company does not recognize a contingent liability but discloses its existence in the financial statements Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will not be required to settle the obligation
- A present obligation arising from past events, when no reliable estimate is possible
- A possible obligation arising from past events, unless the probability of outflow of resources is remote

Contingent liabilities are reviewed at each reporting date.

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are recognized when the realization of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate. Contingent assets are reviewed at each reporting date. A contingent asset is disclosed where an inflow of economic benefits is probable.

Summary of Other Accounting policies Information

Ia. Property, plant and equipment (PPE) and intangible assets

PPE are stated at cost (including incidental expenses directly attributable to bringing the asset to its working condition for its intended use) less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Subsequent expenditure related to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of item can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the statement of profit and loss when the asset is derecognised.

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

When the use of a property changes from Owner occupied to Investment Property , the property is reclassified as Investment Property at its carrying amount on the date of reclassification.

Ib. Investment Property

The flats classified as Investment Property are

purchased for the staff. However, in view of no requirement by the staff members, they were given to the Parent Bank employees only for a period of 11 months with two/ more extensions.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing cost for long term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

The company depreciates investment property over 60 years from the date of original purchase.

Though the company measures investment property using cost based measurement, the fair value of investment property is disclosed in the Note of the financial statements where applicable.

When the use of a property changes from Investment Property to Owner occupied, the property is reclassified as Property, Plant and Equipment at its carrying amount on the date of reclassification.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in statement of profit or loss in the period of derecognition.

Ic. Depreciation on Property, plant and equipment, Investment Property and Amortization of intangible assets

The depreciation on the Property plant and equipment is calculated on a Written Down Value (WDV) basis using the rates arrived at, based on useful lives estimated by the management, which coincides with the lives prescribed under Schedule II of the Companies Act, 2013. Residual value of Land and Building and Vehicles is taken as 5 percent of the original cost, whereas for assets other than those specified above the residual value is taken as ₹1.

Assets	Estimated Useful life as per Management
Buildings (other than factory buildings) RCC Frame Structure	60 years
Motor buses, motor lorries and motor cars other than those used in a business of running them on hire	8 years
Computers and data processing units [NESD]	
(i) Servers and networks and intangibles	6 years
(ii) End user devices, such as, desktops, laptops, etc	3 years
Office Equipments	10 years
Furniture & Fixtures	5 years
Right of Use Assets	Lease Term

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss. The management has estimated the useful life of intangible assets as 6 years. The residual value of all intangible assets is assumed to be ₹ 1.

II. Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee:

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for

recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the Incremental borrowing rates in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet.

Leases which have expired have not been accounted as per Ind AS 116.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

III. Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or

when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use (i.e. the present value of the future cash flows expected to be derived from an asset or cash generating unit). The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment loss, if any, will be charged to statement of profit and loss, unless the asset is carried at revalued amount in accordance with another standard. Any impairment loss of a revalued asset shall be treated as a revaluation decrease in accordance with that other standard.

IV. Employee Benefit Expenses

Employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc. are recognised in the statement of profit and loss in the period in which the employee renders the related service.

Defined contribution plan

Retirement benefit in the form of provident fund is a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the period when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective fund.

Defined benefit Plan

Leave liability is defined benefit obligation which is unfunded. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each reporting date.

Gratuity under the employee group gratuity cum life insurance scheme of LIC is defined benefit obligation, which is funded, and the cost of providing benefits under the defined benefit plan is determined using the projected unit credit method provided by LIC.

Post-Retirement Medical Benefit expense will be borne by the company for all the superannuated and in service employees along with their spouses who have/will serve the company for a minimum of ten years and have/will superannuated from the company. The cost of providing such benefits is determined using the projected unit credit method with actuarial valuations being carried out at each reporting date.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income (OCI) in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods. Past service costs are recognised in profit or loss on the earlier of:

i. The date of the plan amendment or curtailment, and

ii. The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

i. Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

ii. Net interest expense or income

V. Statement of Cash flow

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effect of transactions of a non cash

nature, any deferral or accruals of past and future operating cash receipts or payments and items of income associated with investing or financing cash flows.

VI. Dividend to share holders

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

VII. Corporate Social Responsibility ('CSR') expenditure

The Company charges its CSR expenditure during the year to the statement of profit and loss.

VIII. Significant Judgement and Estimates

In the preparation of these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may not be in line with these estimates. The estimates and underlying assumptions are under ongoing consideration. Revisions to accounting estimates are recognized prospectively.

Judgements, assumptions and estimation uncertainties

In the process of applying the Company's accounting policies, management has made the following estimates and judgments, which have a significant impact on the carrying amount of assets and liabilities at each balance sheet date.

Business model assessment

Classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest ('SPPI') on the principal amount outstanding. Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance is measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortized cost or fair value through other comprehensive income that are derecognized prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is carried out in establishing fair values. Judgments and estimates take into account liquidity and model inputs associated with such items as credit risk (own and counterparty), funding value adjustments, correlation and volatility.

Impairment of financial instruments:

When determining whether the risk of default

on a financial instrument has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based upon the Company's historical experience and credit assessment and including forward looking information. The Company establishes criteria for determining whether credit risk of the financial assets has increased significantly since initial recognition, determines methodology for incorporating forward looking information into the measurement of expected credit loss ('ECL') and selection of models used to measure ECL.

Effective Interest Rate (EIR) method

The Company's EIR methodology, recognizes interest income/ expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioral life of loans given / taken and recognizes the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges). This estimation, by nature, requires an element of judgement regarding the expected behavior and lifecycle of the instruments, as well expected changes to Company base rate and other fee income/ expense that are integral parts of the instrument.

Measurement of defined benefit obligations: key actuarial assumptions

The measurement of obligations related to defined benefit plans requires to use several statistical and other factors that attempt to anticipate future events. These factors include assumptions about the discount rate, the rate of future compensation increases, withdrawal rate, mortality rates etc. The management has used the past trends and future expectations in determining the assumptions which are used in measurements of obligations.

Recognition of deferred tax assets:

The Company has recognized deferred tax assets/ (liabilities) and concluded that the deferred tax assets will be recoverable using the estimated future taxable income based on the experience and future projections. The Company is expected to generate adequate taxable income for liquidating these assets in due course of time.

Measurement of Provisions and contingencies:

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in statutory litigation in the ordinary course of the Company's business. Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

IX. Prior Period Items

The prior period items are identified as those that result from errors or omissions in the financial statements of previous periods. The material prior period items shall be corrected retrospectively in the financial statements.

An item from the prior period will be considered material if it constitutes 2% of the main expense/ income head respectively as per Statement of Profit & Loss of the last audited financial statements to which it pertains.

X. New Accounting Standards issued but not effective /Recent Accounting Developments

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. There is no such notification issued till March 31, 2025 which would have been applicable from April 01, 2025 or afterwards.

XI. Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available.

(Amounts in ₹ Lakhs, unless otherwise stated)

Notes to Financial Statements as at and for the year ended 31st March, 2026

Note 3: Cash and cash equivalents

	31st March, 2026	31st March, 2025
Balances in current account with:		
- Reserve Bank of India	30.09	6,166.04
- Scheduled Banks	14.39	62.63
Total	**44.48**	**6,228.67**

Note 4: Bank balance other than above

	31st March, 2026	31st March, 2025
Bank deposits (more than 3 months and upto 12 months)^	55,013.00	20,013.00
Balance with scheduled banks (earmarked balances)*	116.99	128.30
Total	**55,129.99**	**20,141.30**
***Earmarked balances with banks**		
Balance with Scheduled Banks earmarked towards Unpaid Dividends	116.99	128.30
Balance with Scheduled Banks earmarked towards Unspent CSR Amount	-	-
Total	116.99	128.30

^ As at 31st March, 2026, ₹ 13.00 lakhs are in the joint name of the company with NSEIL, hence, not freely available for use of the company.

^ As at 31st March, 2025, ₹ 13.00 lakhs are in the joint name of the company with NSEIL and ₹ 20,000 lakhs pledged with PNB against which overdraft facility is taken, hence, not freely available for use of the company.

Note 5: Derivative financial instruments

The company enters into derivatives for risk management purposes and trading purposes. The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk. The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts. For management of risks, see note 41.

(Amounts in ₹ Lakhs, unless otherwise stated)

Particulars	31st March, 2026			31st March, 2025		
	Notional amounts	Fair value assets	Fair value liabilities	Notional amounts	Fair value assets	Fair value liabilities
Interest rate derivatives:						
Interest Rate Swaps (Asset)	55,25,741.09	46,188.07	-	69,38,710.70	66,499.71	-
Interest Rate Swaps (Liability)	48,68,569.87	-	42,159.09	70,52,550.08	-	67,284.56
Interest Rate Futures/ Index Option (equity linked derivatives)	-	-	0.00	85.70	-	0.00
Total derivative financial instruments	**1,03,94,310.96**	**46,188.07**	**42,159.09**	**1,39,91,346.47**	**66,499.71**	**67,284.56**

Note 6: Receivables

	31st March, 2026	31st March, 2025
(i) Trade Receivables		
(a) Receivables considered good- Secured	-	-
(b) Receivables considered good- Unsecured	6.97	36.15
(c) Receivables which have significant increase in credit risk	-	-
(d) Receivables-credit impaired	-	-
Less: Provision for loss allowances	-	-
Total	**6.97**	**36.15**

Trade Receivables Ageing Schedule

2025-26

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables- considered good	-	6.97	-	-	-	-	6.97

(Amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables -credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade Receivables- considered good	-	-	-	-	-	-	-
(V) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(Vi) Disputed trade receivables -credit impaired	-	-	-	-	-	-	-

2024-25

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables- considered good	-	36.15	-	-	-	-	36.15

(Amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables -credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade Receivables- considered good	-	-	-	-	-	-	-
(V) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(Vi) Disputed trade receivables -credit impaired	-	-	-	-	-	-	-

(ii) Other Receivables

	31st March, 2026	31st March, 2025
Amount receivable from SREI Equipment Finance Limited	-	9.10
Miscellaneous amount receivable (Refer Note 6.2)	16.93	0.53
Total	**16.93**	**9.63**

Note 6.1 No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member except as disclosed under note 35(A) Related Party Transactions.

Note 6.2 An amount of ₹ 16.93 lakhs is receivable w.r.t security 8.2378% HDB financial Limited which was sold by the company on 24th March 2026 since the sales consideration was received net of interest amount due to applicability of shut period.

(Amounts in ₹ Lakhs, unless otherwise stated)

Note 7: Loans*

	31st March, 2026	31st March, 2025
A. At amortised Cost		
Others		
Reverse Repo Lending	2,04,836.90	5,226.76
Sub Total	**2,04,836.90**	**5,226.76**
Term loans		
Staff loans	361.42	316.75
Total (A) Gross	**2,05,198.32**	**5,543.52**
Less: Impairment loss allowance	-	-
Total (A) Net	**2,05,198.32**	**5,543.52**
B. Secured/ Unsecured		
Secured by tangible assets#	2,05,192.90	5,535.16
Unsecured	5.42	8.35
Total (B) Gross	**2,05,198.32**	**5,543.52**
Less: Impairment loss allowance	-	-
Total (B) Net	**2,05,198.32**	**5,543.52**
C. Out of Above		
i) Loans in India		
Others (to be specified)		
-Lending under Reverse Repo	2,04,836.90	5,226.76
-Staff loans	361.42	316.75
Total (i) Gross	**2,05,198.32**	**5,543.52**
Less: Impairment loss allowance	-	-
Total (ii) Net	**-**	**-**
Total (C) Net (i)+(ii)	**2,05,198.32**	**5,543.52**

*The company has assessed that there is no risk of default. Hence, no Expected Credit Loss (ECL) is computed on the same.

Secured against hypothecation of vehicles, equitable or registered mortgage of immovable property and pledge of securities etc.

Note 7.1 No loans and advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013) that are repayable on demand or without specifying any terms or period of repayment except as disclosed under Note No. 35 (Related Party Transactions).

Note 7.2 No Loans receivable from private companies in which a director is a director or a member except as disclosed under Note 35 - (Related party transactions).

(Amounts in ₹ Lakhs, unless otherwise stated)

Note 8: Investments

	31st March, 2026	31st March, 2025
Investments At Amortised Cost #		
Government Securities-amortised	72,658.96	1,05,151.30
Investments (Traded Securities) At fair value through profit or loss (FVTPL)		
Government Securities	18,14,949.25	19,48,391.83
Bonds, debentures, Certificate of Deposits (CDs) and Commercial Paper (CPs)	4,43,586.49	2,62,655.10
Equity Instruments	226.47	302.31
Total gross (A)	**23,31,421.17**	**23,16,500.54**
Investments outside India	-	-
Investments in India	23,31,421.17	23,16,500.54
Total (B)	**23,31,421.17**	**23,16,500.54**
Total (A) to tally with (B)	**23,31,421.17**	**23,16,500.54**
Less: Allowance for Impairment loss (C)	-	-
Total Net D = (A) -(C)	**23,31,421.17**	**23,16,500.54**

(#) The Portfolio (Government Security) measured at amortised cost is as per the Company business model to hold Investment in order to collect contractual cash flows as per the contractual terms that give rise on specified dates to cash flows that are solely payment of principal and interest ('SPPI') on the principal amount outstanding.

Accordingly, out of the total investment, the company has classified Government Securities of ₹ 72,658.96 lakhs (PY- 1,05,151.30 lakhs) at amortized cost. The interest accrued included in the amortized cost portfolio as on March 31, 2026 is ₹1,039.23 lakhs (P.Y. 1,932.90 lakhs). If the company would have classified these investments under the fair value through profit and loss (FVTPL) category, the Mark to Market impact on the Statement of Profit and Loss would be loss of ₹ 740.03 lakhs (P.Y gain of ₹ 1,169.52 lakhs).

Note No. 8.1 The Company is providing custodian services to its constituents. The company has total holdings of 79 constituents (PY- 94 constituents)in government securities as at 31st March, 2026. The balance in SGL II Account with RBI as on 31st March, 2026 is ₹ 94,41,645.58 lakhs (PY- ₹ 84,80,594.80 lakhs).

Note No. 8.2 Out of the total investments, securities with a Face Value of ₹ 21,26,207.30 lakhs and Book Value ₹ 21,30,884.28 lakhs as on 31st March, 2026 - (PY- Face Value - ₹ 18,63,874 lakhs and Book value - ₹ 18,53,091.97 lakhs) has been pledged against borrowings. For details, refer Note 15.

Note No. 8.3 Out of the total investments, securities with a Face Value of ₹ 77,000 lakhs and Book Value ₹ 77,150.17 lakhs as on 31st March, 2026 - (PY- Face Value - ₹ 78,500 lakhs and Book value - ₹ 78,358.90 lakhs) has been pledged with Clearing Corporation of India Limited (CCIL).

Note No. 8.4 Out of the total investments, securities with a Face Value of ₹ 900 lakhs and Book Value ₹ 900 lakhs as on 31st March, 2026 - (PY- Face Value - ₹ 2,000 lakhs and Book value - ₹2,000.3 lakhs) has been pledged with Stock Holding Corporation of India Limited (SHCIL).

Note No. 8.5 Out of the total investments, securities with a Face Value of ₹ 700 lakhs and Book Value ₹ 700 lakhs as on 31st March, 2026 - (PY- Face Value - ₹ NIL and Book value - ₹ NIL) has been pledged with Axis Bank.

(Amounts in ₹ Lakhs, unless otherwise stated)

Note 9: Other financial assets

	31st March, 2026	31st March, 2025
Interest accrued but not due on :		
-Government dated and approved securities	31,567.57	34,486.04
-Bonds and debentures	14,743.07	3,746.59
-Reverse Repo Lending	55.85	3.72
-Deposit with Clearing Corporation of India Limited (CCIL)	74.14	86.34
-Fixed deposits with Scheduled Banks	1,817.46	27.03
-Interest on non competitive bids & NNC portfolio	77.45	-
Security deposit		
- with CCIL	14,760.00	14,760.00
- for Future and Options margin money with Stockholding Corporation of India Ltd (SHCIL)	350.62	131.46
- Interest Rate Futures Margin Money with SHCIL and NSE	120.69	386.07
- Peak Margin Money for equity segment with SHCIL	168.75	168.75
- AMC Repo Corporation Limited Deposit	1.00	1.00
-For working as an arranger	11.70	12.70
- For water meters and electricity meters	2.97	2.91
-For Rental/ Lease at Ahmedabad branch	0.80	0.70
-For petrol	0.14	0.14
-For PNG and IGL connection	1.37	0.90
-For others	1.11	-
	63,754.70	53,814.35

Note 10: Current Tax Assets (net)

	31st March, 2026	31st March, 2025
Advance Income Tax & TDS/TCS Receivable	8,400.49	6,980.55
Provision for Income Tax	(5,218.45)	(6,407.55)
Total	**3,182.04**	**572.99**

Note 10.1 Year Wise Details of Income Tax Refundable

FY 2005-06	-	13.71
FY 2006-07 (FBT)	-	1.33
FY 2019-20	-	0.01
FY 2024-25	-	557.95
FY 2025-26	3,182.04	-
Total	**3,182.04**	**572.99**

(Amounts in ₹ Lakhs, unless otherwise stated)

Note 11: Deferred Tax Assets/ Liabilities (Net)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31st March, 2026

Particulars	As at 31 March 2026	As at 31 March 2025
Accounting profit before tax	24,159.74	31,095.46
Enacted Income Tax rate applicable	25.168%	25.168%
At India's statutory income tax rate	6,080.52	7,826.11
Interest under section 234C	-	-
Adjustments in respect of current income tax of prior years	(125.16)	26.77
Deferred tax adjustments		
Fair value of Financial Instruments	-	(116.75)
PLI	-	-
Depreciation as per books	-	-
Provision reversal of 9.60% SREI and its interest accrued	-	-
Valuation of securities	-	-
CSR Expenses	35.83	48.57
Others	7.00	7.70
Income tax expense reported in the statement of profit & loss	**5,998.19**	**7,792.40**

Deferred Tax (liabilities) / assets	31st March, 2026	31st March, 2025
Deferred tax liability		
Fair value of Financial Instruments	(1,233.20)	(871.71)
Right of Use Asset as per Ind AS 116	(89.50)	(57.83)
Staff Loan	(3.03)	-
Gross deferred tax liability	**(1,325.73)**	**(929.55)**
Deferred tax asset		
Provision for Leave liability	26.60	23.98
Provision for gratuity	-	-
Provision for Post Retirement Benefit plan	16.92	25.89
Provision for Lease Liability as per Ind AS 116	91.08	64.15
Difference between tax depreciation and depreciation/ amortization charged for the financial reporting	117.46	156.65
Amortised Loss on Govt Securities	99.75	777.38
Staff loan	-	2.17

(Amounts in ₹ Lakhs, unless otherwise stated)

Deferred Tax (liabilities) / assets	31st March, 2026	31st March, 2025
Deferred tax on Performance Linked Incentive (PLI)	164.10	-
Provision of Investment and I.A. on 9.60% SREI Equipment Finance Limited	-	-
Gross deferred tax asset	**515.91**	**1,050.23**
Net Deferred Tax (Liability)/ Asset	**(809.82)**	**120.68**

The following table shows the changes recorded during the year in the deferred tax expense

2025-26	Income Statement	OCI
Fair value of Financial Instruments	361.49	-
Remeasurements of defined benefit plan	(19.26)	25.60
Difference between tax depreciation and depreciation/ amortization charged for the financial reporting	39.19	-
Discounting of Staff Loans	5.21	-
Deferred tax on Performance Linked Incentive (PLI)	(164.10)	-
Amortised Loss on Govt Securities	677.63	-
Provision of Investment and I.A. on 9.60% SREI Equipment Finance Limited	-	-
Fair valuation of securities	-	-
Lease Liabilities	4.74	-
Taxable loss	-	-
Net Deferred Tax	**904.90**	**25.60**

2024-25	Income Statement	OCI
Fair value of Financial Instruments	871.71	-
Remeasurements of defined benefit plan	(12.04)	13.87
Difference between tax depreciation and depreciation/ amortization charged for the financial reporting	62.22	-
Discounting of Staff Loans	0.25	-
Deferred tax on Performance Linked Incentive (PLI)	-	-
Amortised Loss on Govt Securities	437.23	-
Provision of Investment and I.A. on 9.60% SREI Equipment Finance Limited	-	-
Fair valuation of securities	-	-
Lease Liabilities	(1.30)	-
Taxable loss	-	-
Net Deferred Tax	**1,358.07**	**13.87**

Note 12A: Property, plant and equipment

FY 2025-26

(Amounts in ₹ Lakhs, unless otherwise stated)

S. No.	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Cost as at 1 April 2025	Addition during the year	Adjustments/ Deductions during the year	Total cost as at 31 March 2026	As at 1 April 2025	For the year ended	Adjustments/ Deductions during the year	As at 31 March 2026	As at 31 March 2026	As at 31 March 2025
1	Buildings (Built Up Flats)	589.44	-	-	589.44	418.43	9.71	-	428.14	161.30	171.01
2	Office equipments	133.88	11.16	2.92	142.11	114.13	22.04	2.92	133.26	8.86	19.74
3	Computers	461.02	67.04	1.81	526.25	450.89	46.18	1.81	495.25	30.99	10.14
4	Furnitures and fixtures	148.04	8.22	2.64	153.62	101.60	36.69	2.64	135.65	17.97	46.43
5	Vehicles	71.66	-	-	71.66	50.25	7.48	-	57.74	13.93	21.41
	Total	**1,404.04**	**86.42**	**7.37**	**1,483.08**	**1,135.31**	**122.10**	**7.37**	**1,250.04**	**233.05**	**268.73**

FY 2024-25

(Amounts in ₹ Lakhs, unless otherwise stated)

S. No.	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Cost as at 1st April, 2024	Addition during the year	Adjustments/ Deductions during the year	Total cost as at 31st March, 2025	As at 1st April, 2024	For the year ended	Adjustments/ Deductions during the year	As at 31st March, 2025	As at 31st March, 2025	As at 31st March, 2024
1	Buildings (Built Up Flats)	589.44	-	-	589.44	411.19	7.25	-	418.43	171.01	178.25
2	Office equipments	117.87	31.87	15.87	133.88	109.95	20.03	15.85	114.13	19.74	7.92
3	Computers	470.09	19.53	28.60	461.02	427.95	51.33	28.40	450.89	10.14	42.14
4	Furnitures and fixtures	100.86	49.86	2.68	148.04	94.84	9.44	2.68	101.60	46.43	6.02
5	Vehicles	71.66	-	-	71.66	42.16	8.10	-	50.25	21.41	29.51
	Total	**1,349.92**	**101.26**	**47.14**	**1,404.04**	**1,086.08**	**96.15**	**46.92**	**1,135.31**	**268.73**	**263.84**

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

Note 12B: Other Intangible Assets

FY 2025-26

(Amounts in ₹ Lakhs, unless otherwise stated)

S. No.	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Cost as at 1 April 2025	Addition during the year	Adjustments/ Deductions during the year	Total cost as at 31 March 2026	As at 1 April 2025	For the year ended	Adjustments/ Deductions during the year	As at 31 March 2026	As at 31 March 2026	As at 31 March 2025
1	Software	1,501.38	-	-	1,501.38	1,497.75	3.35	-	1,501.10	0.28	3.63
	Total	**1,501.38**	**-**	**-**	**1,501.38**	**1,497.75**	**3.35**	**-**	**1,501.10**	**0.28**	**3.63**

FY 2024-25

(Amounts in ₹ Lakhs, unless otherwise stated)

S. No.	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Cost as at 1 April 2024	Addition during the year	Adjustments/ Deductions during the year	Total cost as at 31 March 2025	As at 1 April 2024	For the year ended	Adjustments/ Deductions during the year	As at 31 March 2025	As at 31 March 2025	As at 31 March 2024
1	Software	1,504.68	-	3.31	1,501.38	1,439.41	61.65	3.31	1,497.75	3.63	65.28
	Total	**1,504.68**	**-**	**3.31**	**1,501.38**	**1,439.41**	**61.65**	**3.31**	**1,497.75**	**3.63**	**65.28**

i) The Company has not revalued its property, plant and equipment (including Right of Use Assets) or intangible assets during the current or previous year.

Note 12C: Right of Use Asset

FY 2025-26

(Amounts in ₹ Lakhs, unless otherwise stated)

S. No.	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Cost as at 1 April 2025	Addition during the year	Adjustments/ Deductions during the year	Total cost as at 31 March 2026	As at 1 April 2025	For the year ended	Adjustments/ Deductions during the year	As at 31 March 2026	As at 31 March 2026	As at 31 March 2025
1	Right of Use Asset	700.03	315.38	37.63	977.78	470.23	151.94	-	622.18	355.60	229.79
	Total	**700.03**	**315.38**	**37.63**	**977.78**	**470.23**	**151.94**	**-**	**622.18**	**355.60**	**229.79**

FY 2024-25

(Amounts in ₹ Lakhs, unless otherwise stated)

S. No.	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Cost as at 1 April 2024	Addition during the year	Adjustments/ Deductions during the year	Total cost as at 31 March 2025	As at 1 April 2024	For the year ended	Adjustments/ Deductions during the year	As at 31 March 2025	As at 31 March 2025	As at 31 March 2024
1	Right of Use Asset	673.66	26.36	-	700.03	286.17	184.06	-	470.23	229.79	387.49
	Total	**673.66**	**26.36**	**-**	**700.03**	**286.17**	**184.06**	**-**	**470.23**	**229.79**	**387.49**

As per Ind AS 116- Leases applicable from April 01, 2019, the amount of depreciation charged on Right of Use Asset for the financial year ending March 31, 2026 amounts to ₹151.94 lakhs (P.Y. ₹ 184.06 lakhs), amount charged as interest expense on leased liability under the Finance cost amounts to ₹ 24.42 lakhs (P.Y. ₹ 29.02 lakhs) and the actual lease rent reversed from the administrative expenses for the financial year ended 2025-26 amounts to ₹ 195.12 lakhs (P.Y. ₹ 207.91 lakhs). The net credit to the Statement of Profit and Loss comes to ₹ 18.76 lakhs (PY- Net Debit of ₹ 5.17 lakhs). The policy relating to Leases is explained in Note 2 (xiii).

(Amounts in ₹ Lakhs, unless otherwise stated)

Note 12C: Right of Use Asset (contd.)

i. The following is the movement in lease liabilities as at 31st March, 2026:

Particulars	31st March, 2026	31st March, 2025
Opening balance	254.90	407.43
Additions	277.68	26.36
Interest on lease liabilities	24.42	29.02
Payment of lease liabilities	195.12	207.91
Deletion	-	-
Balance	361.88	254.90

ii. Following are the changes in the carrying value of right of use assets as at 31st March, 2026:

Buildings

Particulars	31st March, 2026	31st March, 2025
Opening balance	229.79	387.49
Additions	315.38	26.36
Depreciation	151.94	184.06
Deletion/ Adjustment	37.63	-
Balance	355.60	229.79

iii. The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particular	31st March, 2026	31st March, 2025
Less than one year	165.90	151.50
One to five years	220.81	85.94
More than five years	34.50	55.01
Total undiscounted lease liabilities	421.21	292.45

iv. The table below provides details regarding the maturity analysis of lease liability

Particular	31st March, 2026	31st March, 2025
Within 12 months	140.14	137.14
After 12 months	221.74	117.76
Total	**361.88**	**254.90**

v. Short Term Leases

Lease rentals of ₹ Nil (previous year: ₹ Nil) pertaining to short term leases and low value assets has been charged to Statement of Profit and Loss Account.

(Amounts in ₹ Lakhs, unless otherwise stated)

vi. The lessee's interest rate implicit applied to lease liability is Punjab National Bank's 3 years MCLR rate applicable for the month in which lease is entered. Accordingly, the rates being used are as follows:

Premises at	Discounting Rate
a) Delhi	9.05%
b) Ahmedabad	9.05%
c) Bangalore	9.15%
d) Kolkata	9.25%
e) Chennai	9.25%
f) Mumbai	9.25%

Note 13: Other non financial assets

	31st March, 2026	31st March, 2025
Prepaid expenses	294.88	206.78
Unamortised Expenses towards staff loan	112.84	62.49
Advances for Expenses and Others	58.50	6.30
Balance with Statutory Authorities	46.42	5.33
Total	**512.64**	**280.91**

i) Impairment loss allowance recognised on other non-financial assets is ₹ Nil lakhs (PY- ₹ Nil lakhs).

Note 14: Payables

	31st March, 2026	31st March, 2025
Trade payables		
Total outstanding dues of Micro Enterprises and Small Enterprises	-	-
Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	111.33	85.24
(a)	**111.33**	**85.24**

Other payables*		
Total outstanding dues of Micro Enterprises and Small Enterprises	27.64	14.31
Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	546.57	319.93
(b)	**574.21**	**334.24**
Total (a) + (b)	**685.54**	**419.49**

* Other payables represents the amounts which are unbilled but accruals have been taken on the basis of goods and services received by the company.

(Amounts in ₹ Lakhs, unless otherwise stated)

Payables ageing schedule

2025-26

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	27.64	-	-	-	-	-	27.64
(ii) Others	657.90	-		-	-	-	657.90
(iii) Disputed Dues-MSME	-	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-	-
Total	**685.54**	**-**	**-**	**-**	**-**	**-**	**685.54**

2024-25

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	14.31	-	-	-	14.31
(ii) Others	-	-	405.17	-	-	-	405.17
(iii) Disputed Dues-MSME	-	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-	-
Total	**-**	**-**	**419.48**	**-**	**-**	**-**	**419.48**

(Amounts in ₹ Lakhs, unless otherwise stated)

Note 14.1: Disclosures relating to Micro, Small and Medium Enterprises Development Act, 2006 are as follows:

Particulars	31st March, 2026	31st March, 2025
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year.	27.64	14.31
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, alongwith the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Note 14.2: Dues to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the company.

Note 15: Borrowings (Other than debt securities)

	31st March, 2026	31st March, 2025
At amortised cost		
Secured		
Term loans		
-From Banks		
- from RBI (LAF borrowing, Term LAF and Refinance borrowing) (Refer Note 3 below)	4,13,817.00	5,13,448.00
- Loans from Related Party (Punjab National Bank) (Refer Note 6 below)	12,410.00	54,918.05
-From Other Parties		
TREPS (Tri-Party Repo System) borrowing from CCIL (Refer Note 4 below)	3,93,265.75	4,36,655.95
AMC Repo (Refer Note 8 below)	1,48,902.60	-
- REPO borrowings (Refer Note 5 below)	11,00,343.94	8,60,241.54

(Amounts in ₹ Lakhs, unless otherwise stated)

	31st March, 2026	31st March, 2025
Unsecured		
Term loans		
-From Banks		
- Call short notice and term borrowings (Refer Note 7 below)	4,15,090.00	3,46,615.00
-From Other Parties		
- Inter corporate Borrowing	4,200.00	26,267.00
Total gross (A)	**24,88,029.29**	**22,38,145.55**
Borrowings in India	24,88,029.29	22,38,145.55
Borrowings outside India	-	-
Total gross (B)	**24,88,029.29**	**22,38,145.55**
Total (B) to tally with (A)	**24,88,029.29**	**22,38,145.55**

Terms of Repayment	**At March 31, 2026**		**At March 31, 2025**	
	Maturity Pattern	**Interest Rates**	**Maturity Pattern**	**Interest Rates**
-TREPS from CCIL	1 day	5.5% to 6.55%	1 day	6.25% to 7%
- Repo	1 day	5.20% to 7.75%	1 day	6.50% to 7.50%
- Call and Notice Money Borrowing	1 to 16 days	4.8% to 7.30%	1 to 16 days	5.90% to 7.60%
- Term Borrowing	1 to 16 days	4.8% to 7.30%	1 to 16 days	5.90% to 7.60%
- Loan from related party (PNB)	5 days	8.20%	1 day to 3 days	8.3% to 8.50%
- Refinance Borrowing	72 to 82 days	5.25%	6 to 72 days	6.25%
- RBI Repo	1 to 29 days	5.28% to 5.36%	1 to 6 days	6.30% to 6.70%
- AMC Repo	1 day	7.75% to 8.00%	-	-
- Inter corporate Deposit	12 to 16 days	7.01% to 7.06%	1 day	7.67%

1 All the borrowings are of short term in nature and are repayable within 12 months with a fixed rate of interest. There is no default as on the balance sheet date in repayment of borrowings and interest thereon.

2 During the year, Net Average and Peak borrowings in Call money amounted to ₹ 2,42,454 lakhs and ₹ 3,53,875 lakhs respectively (PY 2024-25 Net Average and Peak borrowings - ₹ 2,27,619 lakhs and ₹ 3,54,665 lakhs respectively). For the year ended 31st March, 2026, average and peak leverage ratio stands at 14.48 and 16.67 respectively (PY 2024-25 average and peak leverage ratio stands at 14.09 and 18.05 respectively).

3 Pledge of Security Face Value for FY ended 31st March, 2026 -₹ 4,24,079 lakhs and Book Value ₹ 4,25,285 lakhs - (Pledge of Security Face Value for PY ended 31st March, 2025 -₹ 5,34,426.80 lakhs and Book value ₹ 5,26,496.23 lakhs).

(Amounts in ₹ Lakhs, unless otherwise stated)

4 Pledge of Security Face Value for FY ended 31st March, 2026- ₹ 4,09,133 lakhs and Book value- ₹ 4,11,019.56 lakhs (Pledge of security Face Value for PY ended 31st March, 2025 -₹4,56,366 lakhs and Book value ₹4,56,903.06 lakhs) .

5 Pledge of Security Face Value for FY ended 31st March, 2026 - ₹ 10,82,158 lakhs and Book value ₹ 10,90,002.60 lakhs (Pledge of security Face Value for PY ended 31st March, 2025 - ₹ 8,47,982.00 lakhs and Book value ₹ 8,44,158.21 lakhs).

6 Pledge of Security Face Value for FY ended 31st March, 2026- ₹ 25,237.80 lakhs and Book Value- ₹ 25,500.89 lakhs(Pledge of security Face Value for PY ended 31st March, 2025 -₹ 25,100 lakhs and Book value ₹ 25,534.47 lakhs). Pledge of Fixed Deposit of ₹ NIL (P.Y.- 20,000 lakhs)

7 During the year, the company has availed an intraday limit of ₹ 2,10,000 lakhs from ICICI Bank Limited against a pledge of securities with face value ₹ 21,100 lakhs and book value ₹ 21,280.61 lakhs. However, the balance as on 31st March, 2026 is ₹ Nil lakhs.

8 Pledge of Security Face Value for FY ended 31st March, 2026- ₹ 1,64,500 lakhs and Book value- ₹ 1,57,795.41 lakhs (Pledge of security Face Value for PY 31st March, 2025 - ₹ NIL and Book value ₹ NIL) .

Note 16: Other financial liabilities

	31st March, 2026	31st March, 2025
Interest accrued but not due on Short term borrowings	1,978.78	2,952.31
Unpaid dividend*	116.99	128.30
Earnest money deposit received from vendor	-	1.04
Amount payable to constituents/ Advance received from constituents	0.00	6,137.41
Others financial liabilities		
- Amounts payable to employees	0.70	0.66
Total	**2,096.47**	**9,219.72**

*Unpaid dividend comprises of the dividend not claimed by the shareholders and it does not include any amount outstanding as on 31st March, 2026 and 31st March, 2025 which are required to be credited to the Investor Education and Protection Fund.

Note 17: Current Tax Liabilities (net)

	31st March, 2026	31st March, 2025
Provision for Income Tax	1.79	126.94
Total	**1.79**	**126.94**
Year Wise Details of Provision for Income Tax		
FY 2007-08	0.40	0.40
FY 2009-10	-	125.16
FY 2015-16	1.12	1.12
FY 2016-17	0.27	0.27
Total	**1.79**	**126.94**

(Amounts in ₹ Lakhs, unless otherwise stated)

Note 18: Provisions

	31st March, 2026	31st March, 2025
Provision for employee benefits		
Leave Liability (Refer Note 33)	105.68	95.26
Post Retirement Medical Benefits (Refer Note 33)	67.25	102.87
Provision for Performance Linked Incentive*	652.01	-
Provision other than employee benefits		
Provision for CSR expenses (Refer Note No. 61)	-	-
Total	**824.94**	**198.13**

***Movement for Provision for Performance Linked Incentive**

Particulars	Amount
(a) The carrying amount at the beginning of the period	-
(b) Additional provisions made in the period, including increase to existing provisions	1,112.51
(c) Amounts used (i.e incurred and charged against the provision) during the period	(292.14)
(d) Unused amounts reversed during the period	(168.36)
(e) The increase during the period in the discounted amount arising from the passage of time and effect of any change in the discount rate	-
Closing Balance	**652.01**

Note 19: Other Non-Financial Liabilities

	31st March, 2026	31st March, 2025
TDS Payable	100.33	58.20
GST Payable	17.67	23.24
Professional Tax Payable	0.00	0.00
Total	**118.00**	**81.44**

Note 20. Equity Share Capital

	At March 31, 2026		At March 31, 2025	
	No. of Shares	Amount	No. of Shares	Amount
Authorised:				
50,00,00,000 Equity shares of ₹ 10/-each	**50,00,00,000**	**50,000.00**	**50,00,00,000**	**50,000.00**

(Amounts in ₹ Lakhs, unless otherwise stated)

	At March 31, 2026		At March 31, 2025	
	No. of Shares	Amount	No. of Shares	Amount
Issued, subscribed and Paid Up	**18,00,10,134**	**18,001.01**	**18,00,10,134**	**18,001.01**
18,00,10,134 Equity shares of ₹10/-each fully paid up				
Promoter:				
Punjab National Bank	**13,33,33,333**	**13,333.33**	**13,33,33,333**	**13,333.33**
13,33,33,333 Equity shares of ₹ 10/-each fully paid up				
Share holding (%)	74.07%	74.07%	74.07%	74.07%
Share holding more than 5% details:				
Punjab National Bank	**13,33,33,333**	**13,333.33**	**13,33,33,333**	**13,333.33**
13,33,33,333 Equity shares of ₹ 10/-each fully paid up				
Share holding (%)	74.07%	74.07%	74.07%	74.07%

Note 20.1 Reconciliation of the number of shares (face value ₹ 10 paid up)

	31st March, 2026	31st March, 2025
Opening number of shares	**18,00,10,134**	**18,00,10,134**
Add: Additions during the year	-	-
Less: Reduction during the year	-	-
Closing number of shares	**18,00,10,134**	**18,00,10,134**

Note 20.2 Shareholding of Holding Company cum Promoter (Punjab National Bank)

2025-26

S. no.	Shares held by Holding company cum Promoter (Punjab National Bank) at the end of the year			% change during the year
	Name	No. Of shares	% of Total Shares	
1.	Punjab National Bank	13,33,33,333	74.07%	Nil

2024-25

S. no.	Shares held by Holding company cum Promoter (Punjab National Bank) at the end of the year			% change during the year
	Name	No. Of shares	% of Total Shares	
1.	Punjab National Bank	13,33,33,333	74.07%	Nil

(Amounts in ₹ Lakhs, unless otherwise stated)

Note 20.3 Rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital:

i) The company has only one class of shares having a par values of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

ii) The dividend proposed by the Board of Directors which is subject to approval of shareholders in the Annual General Meeting shall be in the same proportion as the capital paid upon such equity share.

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

Note 20.4 Shares reserved for issue under options and contracts/commitments for the sale of shares/ disinvestment, including the terms and amounts : NIL (Previous Year : NIL).

Note 20.5 For the periods of five years immediately preceding the date as at which the Balance Sheet is prepared:

a. Aggregate number and class of shares allotted as fully paid pursuant to contracts(s) without payment being received in cash : NIL (Previous year: NIL).

b. Aggregate number and class of shares allotted as fully paid -up by way of bonus shares is:

The Company issued bonus shares in August, 1999 and number of equity shares issued as bonus were 2,50,00,000 and in July, 2013 and the number of equity shares issued as bonus were 4,49,92,534. Aggregate of equity shares issued as bonus shares are 6,99,92,534. During current year, equity shares issued as bonus shares NIL (previous Year: NIL).

c. Aggregate number and class of shares bought back: NIL (Previous year : Nil)

Note 20.6 Terms of any securities convertible into equity shares issued along with the earliest date of conversion in descending order starting from farthest such date: Nil (Previous Year : Nil)

Note 20.7 Calls unpaid (showing aggregate value of calls unpaid by directors and officers): Nil (Previous Year NIL)

Note 20.8 Forfeited Shares (amount originally paid up) : NIL (Previous Year Nil)

Note 20.9 Detailed disclosure on capital management is given in Note 36.

Note 21: Other equity

Reserve and surplus

	31st March, 2026	31st March, 2025
(a) Statutory reserve		
Opening balance	47,327.18	42,666.57
Addition during the year	3,632.31	4,660.61
Closing balance	**50,959.49**	**47,327.18**

(Amounts in ₹ Lakhs, unless otherwise stated)

		31st March, 2026	31st March, 2025
(b)	**Securities premium**		
	Opening balance	2,501.27	2,501.27
	Addition during the year	-	-
	Closing balance	**2,501.27**	**2,501.27**
(c)	**General reserve**		
	Opening balance	9,776.54	9,776.54
	Addition during the year	-	-
	Closing balance	**9,776.54**	**9,776.54**
(d)	**Capital reserve**		
	Opening balance	6,320.04	6,320.04
	Addition during the year	-	-
	Closing balance	**6,320.04**	**6,320.04**
(e)	**Market fluctuation reserve**		
	Opening balance	6,300.00	6,300.00
	Addition during the year	-	-
	Closing balance	**6,300.00**	**6,300.00**
(f)	**Retained earnings**		
	Opening balance	64,293.82	47,410.22
	Addition during the year	18,237.67	23,344.31
	Transferred to other reserves	(3,632.31)	(4,660.61)
	Dividends	(1,800.10)	(1,800.10)
	Closing balance	**77,099.08**	**64,293.82**
	Total	**1,52,956.42**	**1,36,518.85**

- A sum of ₹ 3,632.31 lakhs (P.Y. 2025 ₹4,660.61 lakhs) (20 per cent of Profit After Tax) has been transferred to Statutory Reserve Fund as per RBI Guidelines. The same is not free for distribution of dividend.
- Market Fluctuation Reserve - For the financial year 2025-26, Board of Directors had decided not to appropriate any amount to this reserve and the balance outstanding as on 31st March, 2026 in this reserve is ₹6,300 lakhs (P.Y. 2025 ₹6,300 lakhs). The same is not free for distribution of dividend.
- The Board of Directors have recommended a final dividend of ₹ 2 per equity share(P.Y. Re. 1/share) amounting to ₹ 3,600.20 lakhs for FY 2025-26 (P.Y. ₹ 1,800.10 lakhs) after the balance sheet date. The same is subject to approval by the shareholders at the ensuing Annual General Meeting of the company and therefore proposed final dividend of ₹ 3600.20 lakhs (P.Y. ₹ 1,800.10 lakhs) has not been recognised as a liability as at the balance sheet date.

- Taxation Laws (Amendment), Ordinance 2019, dated 11th December, 2019 (came into force from 20th day of September 2019) provides an option to domestic companies to pay income tax at a concessional rate u/s 115BAA (section 200 of Income Tax Act,2025). The Company has elected to apply the concessional tax rate since FY 2019-20 and the taxes have been computed accordingly.'

Nature and purpose of reserves:

(a) Statutory reserve - Statutory reserve is created pursuant to section 45-IC of Reserve Bank of India Act. 1934. Company shall transfer therein a sum not less than 20% of its net profit every year as disclosed in the Statement of profit and loss and before any dividend is declared. No appropriation of any sum from the reserve fund shall be made by the Company except for the purpose as may be specified by RBI.

(b) Securities premium - Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

(c) General reserve - General reserves are the free reserves of the Company which are kept aside out of company's profits to meet future obligations. General reserves is a free reserve which can be utilised for any purpose after fulfilling certain conditions. No amount has been transferred to general reserve during the year ended 31st March, 2026 and 31st March, 2025. As per companies act, it is not mandatory to transfer profit to general reserve.

(d) Capital reserve - Capital reserve represents the amount of net profit (after tax) through sale of securities from HTM category of investments maintained as per earlier RBI guidelines. The same will be utilized as per the regulatory guidelines and is not free for distribution of dividend.

(e) Market fluctuation reserve - The Board of Directors, in its meeting held on January 9, 2003, had decided to build up Market Fluctuation Reserve over a period of time with the cap equal to paid up capital of the company. At the time of adoption of annual accounts each year, the Board may decide the quantum of amount to be transferred to this Reserve, if necessary. The same is not free for distribution of dividend.

(f) Retained Earnings - These represent the surplus in the statement of profit and loss and is free for distribution of dividend. This amount is utilised as per the provision of Companies Act, 2013.

Note 22: Interest income

	31st March, 2026	31st March, 2025
On financial assets measured at amortised cost		
(a) Interest on loans		
-Short term lending	4,156.98	3,599.02
(b) Interest on deposits with banks	3,612.84	30.63
(c) Interest income from Investments		
-Government securities	7,350.91	13,331.93
(d) Other interest income		
-Deposit with CCIL	353.86	456.17
(I)	**15,474.59**	**17,417.76**

(Amounts in ₹ Lakhs, unless otherwise stated)

	31st March, 2026	31st March, 2025
On financial assets classified at fair value through profit and loss		
(a) Interest income from Investments		
-Government securities and swaps	1,28,445.07	1,14,307.60
-Corporate bonds and debentures	19,558.55	13,612.37
-Commercial papers	15.63	-
-Certificate of deposits	2,234.92	1,685.62
-Zero Coupon Bonds	444.39	217.04
-Treasury bills/cash management bills	2,701.50	3,938.86
(b) Other interest income		
-Interest on non competitive sales	28.69	10.82
(II)	**1,53,428.75**	**1,33,772.32**
Total Interest Income (I+II)	**1,68,903.34**	**1,51,190.07**

Note 23: Dividend income

	31st March, 2026	31st March, 2025
Dividend Income	18.35	12.57
Total	**18.35**	**12.57**

Note 24: Fees and commission income

	31st March, 2026	31st March, 2025
Underwriting fees	451.10	111.04
Commission and other fees		
- Arranger Fees	474.10	778.28
- Income from Constituents and Non Constituents	29.28	30.44
Total	**954.48**	**919.76**

Note 25: Net gain/ (loss) on fair value changes

	31st March, 2026	31st March, 2025
Net gain/ (loss) on financial instruments at fair value through profit or loss		
On trading portfolio		
- Investment	(13,018.78)	15,914.74

(Amounts in ₹ Lakhs, unless otherwise stated)

		31st March, 2026	31st March, 2025
	- Derivatives	5,949.31	(438.77)
	Total net gain/(loss) (Realised and Unrealised)	**(7,069.47)**	**15,475.97**
A.	**Trading Profit/(loss) (Realised)**		
(a)	**Government securities**		
	Sales	4,04,43,062.69	3,60,09,614.67
	Add: Closing stock	17,79,367.05	18,83,707.79
	Less: Purchases	4,03,37,298.69	3,62,44,294.28
	Less: Opening stock	18,83,707.79	16,43,025.24
	Total	**1,423.26**	**6,002.94**
(b)	**T-Bills and CMBs**		
	Sales	59,32,443.32	56,29,946.17
	Add: Closing stock	45,614.20	60,790.67
	Less: Purchases	59,16,970.58	55,08,485.65
	Less: Opening stock	60,790.67	1,82,008.73
	Total	**296.27**	**242.46**
(c)	**Commercial Papers (CPs)**		
	Sales	74,191.66	-
	Add: Closing stock	-	-
	Less: Purchases	74,189.53	-
	Less: Opening stock	-	-
	Total	**2.13**	**-**
(d)	**Certificate of Deposits (CDs)**		
	Sales	2,56,367.79	1,54,272.25
	Add: Closing stock	1,23,989.83	65,555.48
	Less: Purchases	3,14,423.09	1,51,548.13
	Less: Opening stock	65,555.48	68,197.09
	Total	**379.06**	**82.50**
(e)	**Bonds and Debentures**		
	Sales	27,76,604.79	35,70,863.72
	Add: Closing stock	3,22,494.82	1,96,675.33
	Less: Purchases	29,00,766.90	36,02,140.09
	Less: Opening stock	1,96,675.33	1,64,662.46
	Total	**1,657.38**	**736.50**

(Amounts in ₹ Lakhs, unless otherwise stated)

		31st March, 2026	31st March, 2025
(f)	**Equity Shares**		
	Sales	8,705.65	9,345.09
	Add: Closing stock	243.04	299.65
	Less: Purchases	8,167.55	8,877.17
	Less: Opening stock	299.65	241.02
	Total	**481.49**	**526.54**
(g)	**Mutual Funds**		
	Sales	10,016.85	-
	Add: Closing stock	-	-
	Less: Purchases	10,008.17	-
	Less: Opening stock	-	-
	Total	**8.67**	**-**
(h)	**Derivatives**		
	Interest Rate Swaps	132.30	(150.44)
	Interest Rate Futures	64.05	99.74
	Futures and Options	(3.61)	4.80
	Total	**192.74**	**(45.90)**
	Total Trading profit/(loss) (Realised) (a+b+c+d+e+f+g = A)	**4,441.01**	**7,545.04**
B.	**Fair value changes: Unrealised**		
(a)	**Government Securities**		
	Add: Closing Stock	(10,046.06)	3,834.89
	Less: Opening Stock	3,834.89	(4,116.03)
	Total	**(13,880.95)**	**7,950.92**
(b)	**T-Bills and CMBs**		
	Add: Closing Stock	14.06	58.48
	Less: Opening Stock	58.48	110.75
	Total	**(44.42)**	**(52.27)**
(c)	**Certificate of Deposits (CDs)**		
	Add: Closing Stock	(76.10)	153.70
	Less: Opening Stock	153.70	58.35
	Total	**(229.80)**	**95.35**

(Amounts in ₹ Lakhs, unless otherwise stated)

	31st March, 2026	31st March, 2025
(d) Bonds and Debentures		
Add: Closing Stock	(2,822.06)	270.59
Less: Opening Stock	270.59	(53.36)
Total	**(3,092.65)**	**323.95**
(e) Equity Shares		
Add: Closing Stock	(16.57)	2.66
Less: Opening Stock	2.66	(3.19)
Total	**(19.23)**	**5.85**
(f) Derivatives	5,756.57	(392.87)
Total	**5,756.57**	**(392.87)**
Total fair value changes (Unrealised) (a+b+c+d+e+f = B)	**(11,510.48)**	**7,930.93**
Total Net gain/ (loss) on securities (Realised and Unrealised) (A+B)	**(7,069.47)**	**15,475.97**

Note 26: Other income

	31st March, 2026	31st March, 2025
Profit on sale of property, plant and equipment	0.34	0.96
House Rent Recovery from staff	2.10	2.07
Interest on Income Tax Refund	-	-
Interest on Consumer Loan	0.14	0.28
Interest on Housing Loan	13.97	13.84
Interest on Vehicle Loan	3.84	3.62
Staff Loan income on concessional loans as per EIR	9.16	8.29
Other miscellaneous income	0.27	0.46
Total	**29.82**	**29.52**

Note 27: Finance Cost

	31st March, 2026	31st March, 2025
On financial liabilities measured at amortised cost		
Interest on borrowings		
Call and short notice borrowing	24,387.74	21,631.53
TREPS borrowing	20,644.01	10,899.60

(Amounts in ₹ Lakhs, unless otherwise stated)

	31st March, 2026	31st March, 2025
Repo borrowing	74,313.63	83,528.38
RBI borrowing	8,113.06	13,464.02
Overdraft borrowing	163.40	250.78
Interest expense on lease liability	24.42	29.02
Interest expense on AMC Repo	3,000.85	-
ICD borrowing	598.43	1,437.61
Total	**1,31,245.54**	**1,31,240.93**

Note 28: Fee and commission expense

	31st March, 2026	31st March, 2025
Brokerage on securities and financial instruments	15.15	26.19
Financial information services	319.13	228.83
Operating expenses for futures and options	7.33	1.87
Operating expenses for equity	29.73	35.06
Operating expenses for IRF	17.98	23.64
Stamp Duty charges on NSLR stock and OIS	2.97	5.82
Transaction charges		
- CCIL Settlement Charges	1,523.09	1,439.75
- AMC Repo Charges and Others	18.80	20.96
Bank charges and Processing fee	390.14	271.91
Total	**2,324.32**	**2,054.04**

Note 29: Employee benefit expenses

	31st March, 2026	31st March, 2025
Salaries and allowances*	2,254.85	1,222.21
Stipend expenses	-	19.48
Contribution to PF and gratuity fund (Refer Note 33)	83.54	100.66
Staff welfare and other establishment expenses	207.61	221.03
Staff recruitment and training	66.02	46.85
Total	**2,612.02**	**1,610.24**

For related party transactions, refer Note 35.

*The current year expense includes Performance Linked Incentive (PLI) of ₹ 593.48 lakhs for FY 2024-25 and ₹ 350.67 lakhs for FY 2025-26.

(Amounts in ₹ Lakhs, unless otherwise stated)

Note 30: Other expenses

	31st March, 2026	31st March, 2025
Rent on business premises*	206.49	231.02
Less: Rent reversal as per Ind AS 116	(195.12)	(207.91)
Postage, telegram, couriers and telephone	19.59	25.34
Travelling and conveyance and motor car expense	57.29	48.57
Printing and stationery	12.57	9.05
Repairs to building	17.36	64.32
Repairs and maintenance - Others	552.55	403.55
Internal audit fees and expense	24.07	29.10
Legal and professional expense	178.57	108.69
Listing fees	7.85	7.85
Books and periodicals	0.67	0.55
Workshops and business meets	49.51	45.91
Water and electricity expenses	32.25	36.97
Insurance charges	4.18	3.61
Director's sitting fees (incl. GST)	72.17	78.11
Auditors remuneration (refer note a)	47.20	42.48
Adhoc staff expenses	105.87	111.54
Net loss on disposal of property, plant and equipment	0.00	-
Share transfer fees	3.52	3.63
Corporate membership	6.53	6.50
Advertisement, publicity and Sponsorship	30.55	5.11
Board / statutory meeting expenses	5.52	3.64
Miscellaneous expenses	7.54	6.93
Royalty Expense**	985.09	245.71
Bank Charges (other than demat charges)	19.17	2.02
CSR expenses (refer Note 48)	142.36	192.99
Total	**2,393.35**	**1,505.31**

For related party transactions, refer Note Note 35.

*The company has effective lease agreements for Delhi Head Office, Mumbai, Chennai, Ahmedabad, Kolkata and Bengaluru branches. Additionally, the company has appropriately accounted for rental expenses related to premises for which lease agreements were finalized during the year, aligning with the Ind AS 116.

**The current year Royalty Expense includes ₹ 549.95 lakhs for FY 2024-25 and ₹ 435.14 lakhs for FY 2025-26.

(Amounts in ₹ Lakhs, unless otherwise stated)

(a) Payment to Auditors

	31st March, 2026	31st March, 2025
As auditor:		
- Audit fee	31.16	28.03
- Tax audit fee	3.50	3.15
For other services		
- Certification fees	5.34	4.82
Total Auditor fee	**40.00**	**36.00**
Add: GST@18%	7.20	6.48
Total cost to the company	**47.20**	**42.48**

Note 31: Exceptional Items

	31st March, 2026	31st March, 2025
Exceptional Items comprise the following:		
i) Amount received on account of Dewan Housing Finance Limited (#1)	-	(41.66)
ii) Amount received from SREI Equipments Finance Limited (#2)	(70.67)	(78.28)
iii) Amount received on account of Madhavpura Mercantile Coop Bank Ltd(#3)	(70.00)	(100.00)
iv) Amount Received from Reliance Home Finance Limited (#4)	(35.17)	-
Total	**(175.84)**	**(219.95)**

#1 An amount of ₹ Nil lakhs (P.Y. 41.66) was received in the current FY against the security 9.05% Dewan Housing Finance Limited 09/09/2019. This security amounting to ₹5,423.14 lakhs(principal and interest accrued) was written off from the books of accounts in FY 19-20. Till date an amount of ₹ 1,141.44 lakhs received as cash and debentures of ₹ 1,321.29 lakhs

#2 An amount of ₹ 2,667.17 lakhs on account of investment and interest accrued was written off from the books of accounts in respect of 9.60% SREI Equipment Finance Limited DB 25-05-2028 in FY 21-22. However, in the current FY 25-26 an amount of ₹ 70.67 lakhs (P.Y. ₹ 78.28 lakhs) has been received. Till date a total of ₹ 416.55 lakhs has been received.

#3 An amount of ₹ 70.00 lakhs was received during the current FY (P.Y. ₹ 100.00 lakhs) from Madhavpura Mercantile Cooperative Bank Limited (MMCBL) under liquidation proceedings to whom ₹ 1,000.00 lakhs was lent in call money in the year 2001. An amount of ₹ 761.88 lakhs was to be received from MMCBL and the same was written off from the books in the year 2016. Till date the total amount received from MMCBL is ₹ 482.00 lakhs

#4 The company had written off an amount of ₹ 2,698.44 lakhs on account of investment and interest accrued on Reliance Home Finance Limited (RHFL) in the FY 2019-20. In the current FY 2025-26, an amount of ₹ 35.17 lakhs (PY- ₹ Nil lakhs) has been received. Till date the company has received ₹ 727.81 lakhs from RHFL.

Note 32: Earnings Per Equity Share (EPS)

Basic earnings per share is calculated by dividing the net profit for the year attributable to equity holders of Company by the weighted average number of equity shares outstanding during the year.

(Amounts in ₹ Lakhs, unless otherwise stated)

Diluted EPS is calculated by dividing the net profit attributable to equity holders of Company after adjusting for the effect of dilution, by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into equity shares.

The following table shows the income and share data used in the basic and diluted EPS calculations

Particulars	2025-26	2024-25
Net profit from continued operation attributable to equity holders	18,161.55	23,303.06
Net profit from continuing operation attributable to equity holders adjusted for the effect of dilution	18,161.55	23,303.06
Weighted average number of equity shares for basic earnings per share (in Nos)	18,00,10,134	18,00,10,134
Weighted average number of equity shares adjusted for the effect of dilution (in Nos)	18,00,10,134	18,00,10,134
Earnings per equity share (EPS)		
Basic earnings per share (₹)	10.09	12.95
Diluted earnings per share (₹)	10.09	12.95

Note: Basic and diluted EPS are same because there were no diluted potential equity shares outstanding during the year.

Note 33: Post Employment benefit plan

(I) Defined Contribution Plan

The Company makes contributions towards provident fund, in respect of qualifying employees

Particulars	31st March, 2026	31st March, 2025
Employer's contribution to Provident Fund	79.89	74.72

(II) Defined benefit plan

(A) Provision for Leave Liability

The benefit on account of leave liability are provided based on actuarial valuation for the company as a whole..

Key assumption	31st March, 2026	31st March, 2025
Mortality Table	I.A.L-2012-14 ultimate	I.A.L-2012-14 ultimate
Attrition Rate	12.00%p.a.	9.00%p.a.
Imputed Rate of Interest (Discounting)	7.80% p.a.	6.93% p.a.
Imputed Rate of Interest (Interest Cost)	6.93% p.a.	7.23% p.a.
Salary Rise	10.00% p.a.	10.00% p.a.
Return on Plan Assets	N.A.	N.A.
Remaining working life	18.69 years	20.22 years

(Amounts in ₹ Lakhs, unless otherwise stated)

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and amounts recognised in the balance sheet for the respective plans:

Changes in the defined benefit obligation as at 31st March, 2026

Particulars	01-Apr-25	Service cost (a)	Net interest expense (b)	Sub-total included in profit or loss (a+b)	Benefits paid	Remeasurement (gains)/ losses in other comprehensive income	31-Mar-26
	(i)			(ii)	(iii)	(iv)	(v) = (i+ii+iii+iv)
Defined benefit obligation	95.27	146.82	2.81	149.63	(109.47)	(29.74)	105.69

Changes in the defined benefit obligation as at 31st March, 2025

Particulars	01-Apr-24	Service cost (a)	Net interest expense (b)	Sub-total included in profit or loss (a+b)	Benefits paid	Remeasurement (gains)/ losses in other comprehensive income	31-Mar-25
	(i)			(ii)	(iii)	(iv)	(v) = (i+ii+iii+iv)
Defined benefit obligation	111.86	145.45	3.82	149.27	(118.13)	(47.73)	95.27

(B) Provision for Gratuity

The disclosure on account of gratuity are provided based on actuarial valuation for the company as a whole.

Key assumptions	31st March, 2026	31st March, 2025
Mortality Table	I.A.L-2012-14 ultimate	I.A.L-2012-14 ultimate
Attrition Rate	12.00%p.a.	9.00%p.a.
Imputed Rate of Interest (Discounting)	7.80% p.a.	6.93% p.a.
Imputed Rate of Interest (Interest Cost)	6.93% p.a.	7.23% p.a.
Salary Rise	10.00% p.a.	10.00% p.a.
Return on Plan Assets	7.23% p.a.	6.93% p.a.
Remaining working life	18.69 years	20.22 years

(Amounts in ₹ Lakhs, unless otherwise stated)

Changes in the defined benefit obligation and fair value of plan assets as at 31st March, 2026

Particulars	01-Apr-25	Service cost (a)	Net interest expense (b)	Sub-total included in profit or loss (a+b)	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Remeasurement (gains)/ losses in other comprehensive income	Contributions by employer	31-Mar-26
	(i)			(ii)	(iii)	(iv)	(v)	(vi)	(vii)=(i) to (vi)
Defined benefit obligation	318.10	28.08	56.44	84.53	(24.05)	-	(27.18)	-	351.40
Fair value of plan assets	373.18	-	-	-	(24.05)	25.79	2.74	22.09	399.76

Changes in the defined benefit obligation and fair value of plan assets as at 31st March, 2026

Particulars	01-Apr-24	Service cost (a)	Net interest expense (b)	Sub-total included in profit or loss (a+b)	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Remeasurement (gains)/ losses in other comprehensive income	Contributions by employer	31-Mar-25
	(i)			(ii)	(iii)	(iv)	(v)	(vi)	(vii)=(i) to (vi)
Defined benefit obligation	303.92	27.35	21.10	48.45	(24.53)	-	(9.74)	-	318.10
Fair value of plan assets	356.09	-	-	-	(24.53)	25.41	0.83	15.38	373.18

(C) Post Retirement medical Insurance for in service employees and super annuated employees

The disclosure on account of Post retirement medical insurance for in service employees and super annuated employees is given below:

Key assumptions	31st March, 2026	31st March, 2025
Mortality Table	I.A.L-2012-14 ultimate	I.A.L-2012-14 ultimate
Attrition Rate	12% p.a.	9% p.a.
Imputed Rate of Interest (Discounting)	7.91% p.a.	7.07% p.a.
Imputed Rate of Interest (IC)	7.07% p.a.	7.26% p.a.
Premium Inflation	4.00%p.a.	4.00%p.a.
Return on Plan Assets	N.A.	N.A.

(Amounts in ₹ Lakhs, unless otherwise stated)

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and amounts recognised in the balance sheet for the respective plans:

Changes in the defined benefit obligation as at 31st March, 2026

Particulars	01-Apr-25	Service cost (a)	Net interest expense (b)	Sub-total included in profit or loss (a+b)	Benefits paid	Remeasurement (gains)/ losses in other comprehensive income	31-Mar-26
	(i)			(ii)	(iii)	(iv)	(v) = (i+ii+iii+iv)
Defined benefit obligation	**102.87**	**1.35**	**7.20**	**8.55**	**(2.12)**	**(42.06)**	**67.25**

Changes in the present value of Defined Benefit Obligation as at 31st March, 2025

Particulars	01-Apr-24	Service cost (a)	Net interest expense (b)	Sub-total included in profit or loss (a+b)	Benefits paid	Remeasurement (gains)/ losses in other comprehensive income	31-Mar-25
	(i)			(ii)	(iii)	(iv)	(v) = (i+ii+iii+iv)
Defined benefit obligation	93.56	2.29	6.69	8.98	(2.84)	3.17	102.87

(D) Expected payment for future years

(i) Provision for Gratuity

	31st March, 2026	31st March, 2025
Based on past service		
Within the next 12 months (next annual reporting period)	31.87	22.73
Between 2 and 5 years	256.70	137.11
Between 5 and 10 years	128.95	179.13
Beyond 10 years	158.41	221.42
Total expected payments	**575.92**	**560.39**

(Amounts in ₹ Lakhs, unless otherwise stated)

	31st March, 2026	31st March, 2025
Based on terminal service		
Within the next 12 months (next annual reporting period)	33.13	23.64
Between 2 and 5 years	315.29	177.75
Between 5 and 10 years	241.30	278.41
Beyond 10 years	538.03	736.71
Total expected payments	**1,127.75**	**1,216.51**

(ii) Provision for Leave Liability

Based on terminal service	31st March, 2026	31st March, 2025
Within the next 12 months (next annual reporting period)	40.32	31.53
Between 2 and 5 years	43.09	37.67
Between 5 and 10 years	21.14	19.22
Beyond 10 years	33.64	33.88
Total expected payments	**138.19**	**122.30**

(iii) Post Retirement Medical Insurance

Expected payouts	31st March, 2026	31st March, 2025
Within the next 12 months (next annual reporting period)	2.20	2.95
Between 2 and 5 years	10.13	12.28
Between 5 and 10 years	24.67	30.71
Beyond 10 years	256.84	399.19
Total expected payments	**293.84**	**445.13**

(E) Sensitivity analysis

(i) Provision for Gratuity

(Amounts in ₹ Lakhs, unless otherwise stated)

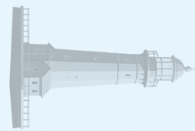
Assumptions	31st March, 2026		31st March, 2025		31st March, 2026		31st March, 2025		31st March, 2026		31st March, 2025	
	Discount rate				Future salary increases				Attrition Rate			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	(8.99)	9.43	(10.52)	11.15	9.19	(8.86)	10.78	(10.29)	(3.03)	1.10	(1.84)	1.95

(ii) Provision for Leave Liability

Assumptions	31st March, 2026		31st March, 2025		31st March, 2026		31st March, 2025		31st March, 2026		31st March, 2025	
	Discount rate				Future salary increases				Attrition Rate			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	(0.86)	0.91	(0.68)	0.72	0.88	(0.85)	0.70	(0.66)	(2.25)	0.82	(1.28)	1.35

(iii) Post retirement Medical Insurance

Assumptions	31st March, 2026		31st March, 2025		31st March, 2026		31st March, 2025		31st March, 2026		31st March, 2025	
	Discount rate				Premium Inflation				Attrition Rate			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	(4.36)	4.84	(7.55)	8.47	1.04	(0.98)	1.66	(1.55)	(0.93)	0.99	(2.04)	2.20



Note 34: Basis of Valuation

1. FVTPL financial assets

Ind AS requires FVTPL investments to be measured at fair value and account for both depreciation and appreciation in fair value.

2. Derivative adjustment

Under Ind AS all the Derivatives contracts (Hedging as well as Trading purpose) are measured at Fair value and both depreciation as well as appreciation will be accounted for.

Also, Credit Value Adjustment has been recorded under Ind AS for outstanding derivative liabilities under Ind AS.

3 Fair value of Staff loans

Under Ind AS loans are fair valued and the difference between Fair value and nominal value is recognized as employee cost. This benefit is passed over the tenure of the loan and not on origination, so employee cost would be deferred over the tenure of the loan/ remaining service period whichever is shorter . Also interest income is redetermined by the market rate and the differential amount is charged under Interest income.

4 Defined benefit liabilities

Under Ind AS, remeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

5. Amortised Cost Financial Assets

Under this category, Ind AS requires it to be measured as per Effective Interest Rate Method and no mark to market needs to be done.

6. Company's consultants:

Tax Consultant- KYSB and Associates

Actuary-Sodhi Tripathi Actuaries and Consultants LLP

GST Consultant- A.K. Batra and Associates

Note 35A: Related party disclosures

1.1 List of Related Parties

Particulars	Relationship
Punjab National Bank	Parent
Punjab National Bank (International) Ltd.	Subsidiary of Parent
PNB Investment Services Ltd.	Subsidiary of Parent
PNB Cards & Services Limited	Subsidiary of Parent
Druk PNB Bank Ltd.	Subsidiary of Parent
PNB Insurance Broking Pvt. Limited	Subsidiary of Parent
Bihar Gramin Bank (Formerly known as Dakshin Bihar Gramin Bank)	Associates of Parent
Sarva Haryana Gramin Bank	Associates of Parent
Himachal Pradesh Gramin Bank	Associates of Parent
Punjab Gramin Bank	Associates of Parent
Prathama UP Gramin Bank	Associates of Parent
PNB Housing Finance Ltd.	Associates of Parent
PNB Metlife India Insurance Co. Ltd.	Associates of Parent
JSC Tengri Bank,Kazakhstan	Associates of Parent
Everest Bank Ltd.	Associates of Parent
India SME Asset Reconstruction Company Limited (Till 17-06-2025)	Associates of Parent
Assam Gramin Vikash Bank	Associates of Parent
West Bengal Gramin Bank (Formerly known as Bangiya Gramin Vikash Bank)	Associates of Parent
Tripura Gramin Bank	Associates of Parent
Manipur Rural Bank	Associates of Parent
Canara HSBC Life Insurance Company Limited (Till 14-10-2025)	Associates of Parent
Pehel Foundation	Subsidiary of PNB Housing Finance Ltd.
PHFL Home Loans & Services Ltd.	Subsidiary of PNB Housing Finance Ltd.
PNB Employees Pension Fund	Post Employment benefit plan of Parent
PNB Employees PF Trust	Post Employment benefit plan of Parent
PNB Employees Gratuity Fund	Post Employment benefit plan of Parent

Particulars	Relationship
PNB Gilts Limited Employees Group Gratuity Scheme	Post Employment benefit plan of the Reporting Entity
Assam Gramin Vikash Bank Employees Pension Fund	Post Employment benefit plan of Related Party
Bangiya Gramin Vikash Bank (Employees) Provident Fund Trust	Post Employment benefit plan of Related Party
Dakshin Bihar Gramin Bank Provident Fund Trust	Post Employment benefit plan of Related Party
Sarva Haryana Gramin Bank Employee Provident Fund	Post Employment benefit plan of Related Party
Prathama UP Gramin Bank (Employees) Provident Fund	Post Employment benefit plan of Related Party
Punjab Gramin Bank Employees Provident Fund Trust	Post Employment benefit plan of Related Party
Mr. Bibhu Prasad Mahapatra (Chairman) (w.e.f 29-01-2026)	Key Managerial Personnel
Mr. Kalyan Kumar (Ex-Chairman) (Till 30-09-2025)	Key Managerial Personnel
Ms. Anju Mittal (Non-Executive & Non Independent Director) (w.e.f 16-03-2026)	Key Managerial Personnel
Mr. Vikas Goel (Ex-Managing Director & CEO) (Till 23-12-2024)	Key Managerial Personnel
Mr. Pareed Sunil (Managing Director and CEO) (w.e.f 19-06-2025)	Key Managerial Personnel
Dr. Tejendra Mohan Bhasin (Non-Executive & Independent Director)	Key Managerial Personnel
Mr. Gopal Singh Gusain (Non-Executive & Independent Director)	Key Managerial Personnel
Mr. Raj Kamal Verma (Non-Executive & Independent Director)	Key Managerial Personnel
Dr. Rekha Jain (Non-Executive & Independent Director)	Key Managerial Personnel
Ms. Kishkanda Garg (CFO) (w.e.f 17-01-2026)	Key Managerial Personnel
Mr. Amit Srivastava (Ex-Non Executive & Non Independent Director) (Till 25-11-2025)	Key Managerial Personnel
Mr. Chandra Prakash (Ex-Chief Financial Officer) (Till 28-11-2025)	Key Managerial Personnel
Mrs. Monika Kochar (Company Secretary)	Key Managerial Personnel

1.2 Compensation of key management personnel of the Company

Key management personnel are those individuals who have the authority and responsibility for planning and exercising power to directly or indirectly control the activities of the Company and its employees. The Company considers the members of the Board of Directors which include

(Amounts in ₹ Lakhs, unless otherwise stated)

independent directors (and its sub-committees) and Executive Committee to be key management personnel for the purposes of IND AS 24 Related Party Disclosures.

	2025-26	2024-25
Short–term employee benefits		
- Mr. Vikas Goel (Ex-MD and CEO)	-	118.25
- Mr. Pareed Sunil (MD and CEO)	30.25	-
- Mrs. Monika Kochar (Company Secretary)	38.37	38.14
- Mr. Chandra Prakash (Ex-CFO)	17.30	26.11
- Mrs. Kishkanda Garg (CFO)	7.90	-
- Sitting Fee to Non-Executive Directors	60.15	67.20
Post–retirement medical and other benefits		
Termination benefits		
- Mr. Vikas Goel (Ex-MD and CEO)	-	5.15
- Mr. Pareed Sunil (MD and CEO)	1.59	-
- Mrs. Monika Kochar (Company Secretary)	2.38	2.18
- Mr. Chandra Prakash (Ex-CFO)	1.76	2.46
- Mrs. Kishkanda Garg (CFO)	0.59	-
TOTAL	**160.29**	**259.49**

Apart from above, benefit on account of leave encashment and gratuity which are provided based on actuarial valuation for the company as a whole, is also available.

1.3 Transactions with other related parties

All the transactions with related parties are at arm's length prices.

		2025-26	2024-25
1	**Punjab National Bank**		
	Reverse Repo Lending	94,809.50	-
	Fixed Deposits made during the year	30,000.00	20,000.00
	Fixed Deposits matured during the year	20,000.00	-
	Overdraft facility repaid	2,28,672.34	1,91,650.43
	Security Sale	4,35,040.14	3,08,750.90
	Interest Income on Fixed Deposits	1,725.09	29.73
	Interest Income on Reverse Repo	0.85	-
	Security Purchase	87,472.97	46,811.09
	Dividend Paid	1,333.33	1,333.33
	Royalty Fee expense*	985.09	245.71
	Processing Fees paid on LOC	306.80	245.31
	Rent expense for office premises	208.41	226.52

(Amounts in ₹ Lakhs, unless otherwise stated)

		2025-26	2024-25
	Line of Credit (OD/WCDL) & Intra Day facility Availed	2,40,924.52	2,11,603.65
	Interest expense on Line of Credit (OD/WCDL) & Intra Day facility	163.40	250.78
	Power ,Fuel & Water expense	23.90	29.01
	Sponsorship Fee Expense	23.60	-
	Payment to PNB Employees on Deputation (excluding KMP)	22.72	-
	Bank Charges expenses	21.82	28.09

*The current year Royalty Expense includes ₹ 549.95 lakhs for FY 2024-25 and ₹ 435.14 lakhs for FY 2025-26.

2	**Bihar Gramin Bank (Formerly known as Dakshin Bihar Gramin Bank)**		
	Security Cover Purchase Against Short Sale	-	75,795.50
	Security Sale	31,681.92	1,25,448.36
	Fee Income	2.50	2.31
	Security Purchase	32,695.77	16,540.24
3	**Sarva Haryana Gramin Bank**		
	Security Cover Purchase Against Short Sale	-	1,007.30
	Security Sale	-	9,217.20
	Fee Income	2.48	2.99
	Security Purchase	-	24,366.44
4	**Himachal Pradesh Gramin Bank**		
	Security Sale	5,016.23	-
	Fee Income	3.64	3.00
	Security Purchase	1,999.11	13,584.36
5	**Punjab Gramin Bank**		
	Security Cover Purchase Against Short Sale	-	2,535.62
	Security Sale	6,974.47	11,166.37
	Fee Income	3.40	3.72
	Security Purchase	21,288.27	45,210.59
6	**Prathama UP Gramin Bank**		
	Fee Income	0.50	2.55
	Security Purchase	-	17,193.53
7	**PNB Housing Finance Ltd.**		
	Fee Income	0.43	0.40
	Security Purchase	-	9,982.01

(Amounts in ₹ Lakhs, unless otherwise stated)

		2025-26	2024-25
8	**PNB Metlife India Insurance Co. Ltd.**		
	Security Sale	26,377.73	25,762.85
	Security Purchase	501.36	-
	Term Insurance premium expenses	6.67	6.67
9	**Assam Gramin Vikash Bank**		
	Security Sale	-	2,000.80
	Fee Income	1.75	1.10
	Security Purchase	5,062.50	15,324.01
10	**West Bengal Gramin Bank (Formerly known as Bangiya Gramin Vikash Bank)**		
	Security Cover Purchase Against Short Sale	-	4,089.20
	Borrowing of Call,Notice & Term Money	1,06,100.00	5,65,600.00
	Security Sale	1,14,008.88	9,010.33
	Fee Income	2.73	2.03
	Security Purchase	6,803.10	53,254.68
	Interest expense on Borrowing of Call, Notice & Term Money	34.20	531.93
11	**Tripura Gramin Bank**		
	Security Sale	1,040.15	1,043.80
	Fee Income	1.79	2.67
12	**Manipur Rural Bank**		
	Fee Income	0.04	0.06
13	**PNB Employees Pension Fund**		
	Security Sale	-	68,863.42
	Fee Income	1.10	1.11
14	**PNB Employees PF Trust**		
	Security Sale	8,552.06	9,092.55
	Fee Income	0.99	1.01
15	**PNB Employees Gratuity Fund**		
	Security Sale	-	6,075.62
	Fee Income	0.26	0.23
16	**Assam Gramin Vikash Bank Employees Pension Fund**		
	Fee Income	0.04	0.05
17	**Dakshin Bihar Gramin Bank Provident Fund Trust**		
	Fee Income	0.08	0.09

(Amounts in ₹ Lakhs, unless otherwise stated)

		2025-26	2024-25
18	**Sarva Haryana Gramin Bank Employees Provident Fund**		
	Fee Income	0.10	0.12
19	**Punjab Gramin Bank Employees Provident Fund Trust**		
	Security Sale	-	41.14
	Fee Income	0.03	0.02
	Security Purchase	1,008.90	-
20	**Prathama UP Gramin Bank Employees Provident Fund**		
	Fee Income	-	0.04
21	**PNB Gilts Limited Employees Group Gratuity Scheme**		
	Contribution to gratuity scheme	22.52	15.38

1.4 Closing Balance as on reporting date

		31st March, 2026	31st March, 2025
1	**Punjab National Bank***		
	Fixed Deposits	30,000.00	20,000.00
	Interest Accrued on Fixed Deposit	102.55	26.76
	Interest payable on Line of Credit (OD/WCDL) & Intra Day facility	2.79	12.69
	Power ,Fuel & Water charges payable	3.92	0.84
	Bank Charges payable	5.31	3.08
	Royalty Fee Payable	398.26	-
	Sponsorship Fee Payable	11.60	-
	Outstanding Line of Credit (OD/WCDL) & Intra Day facility	12,410.00	54,918.05
	Bank Balance with PNB including Dividend and CSR Accounts	131.28	190.93

*For details of pledge of securities with Punjab National Bank, refer Note no. 15.

Note 35B: Related Party

(Amounts in ₹ Lakhs, unless otherwise stated)

Items	Related Party													
	Parent (as per ownership or control)		Subsidiaries		Associates/Joint Ventures		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Borrowings#	12,410.00/ 59,000.00	54,918.05/ 59,000.00	-	-	-	-	-	-	-	-	0/ 4900	0/ 78,000	12,410.00/ 63,900	54,918.05/ 1,37,000.00
Lending #	0/ 30,388.30	0/0	-	-	-	-	-	-	-	-	0/0	0/0	0/ 30.388.30	0/0
Deposits#	0/0	0/0	-	-	-	-	-	-	-	-	0/0	0/0	0/0	0/0
Placement of Deposits#	0/0	0/0	-	-	-	-	-	-	-	-	0/0	0/0	0/0	0/0
Advances#	0/0	0/0	-	-	-	-	-	-	-	-	0/0	0/0	0/0	0/0
Investments (FD)#	30,000.00/ 20,000.00	20,000.00/ 20,000.00	-	-	-	-	-	-	-	-	0/0	0/0	30,000.00/ 20,000	20,000.00/ 20,000.00
Purchase of Fixed/Other Assets (Security)	87,472.97	46,811.09	-	-	-	-	-	-	-	-	69,359.01	2,78,883.48	1,56,831.98	3,25,694.57
Sale of Fixed/ Other Assets (Security)	4,35,040.14	3,08,750.90	-	-	-	-	-	-	-	-	1,93,651.44	2,67,722.44	6,28,691.58	5,76,473.34
Interest Paid (expensed)	163.40	250.78	-	-	-	-	-	-	-	-	34.20	531.94	197.60	782.72
Interest Received (income)	1,461.14	29.73	-	-	-	-	-	-	-	-	-	-	1,461.14	29.73
Royalty Expense	999.91	245.71	-	-	-	-	-	-	-	-	-	-	1,015.47	245.71
Dividend Paid	1,333.33	1,333.33	-	-	-	-	-	-	-	-	-	-	1,333.33	1,333.33
Others - Expense	584.53	528.93	-	-	-	-	100.14	192.29	-	-	29.17	6.67	713.84	727.89
Others - Income	-	-	-	-	-	-	-	-	-	-	21.83	23.49	21.83	23.49

(Outstanding/Maximum)

(Amounts in ₹ Lakhs, unless otherwise stated)

Note 36: Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a capital adequacy ratio, which is weighted assets divided by total capital derived as per the RBI requirements. As per the RBI guidelines, Company being a Non Banking Finance Company has to maintain 15% of capital adequacy ratio. Further, the guidelines as applicable to NBFCs require a minimum Tier 1 capital adequacy ratio of 10%.

The actual Capital Adequacy Ratio is as under:

Particulars	At March 31, 2026	At March 31, 2025
a. Capital required for credit risk	21,200.78	13,748.15
b. Capital required for market risk	27,101.80	39,652.34
Total capital requirement (a + b)	**48,302.58**	**53,400.49**
Total capital funds of the Company	1,69,644.24	1,51,940.56
Total risk weighted assets	3,22,017.22	3,56,009.92
Capital Adequacy Ratio	**52.68%**	**42.68%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2026 and 31st March, 2025. For the purpose of calculation of capital adequacy ratio, Company has excluded Amortised Cost Portfolio as this portfolio is non marked to market portfolio.

Note 37: Change in liabilities arising from financing activities

(Amounts in ₹ Lakhs, unless otherwise stated)

Particulars	01-Apr-25	Cash Flows	Changes in fair values	Exchange difference	Other	31-Mar-26
Changes in Borrowings and debt securities	22,38,145.55	2,49,883.74	-	-	-	24,88,029.29
Lease Accounting Adjustment	254.90	(195.12)	-	-	302.10	361.88
Dividend Paid	-	(1,800.10)	-	-	-	(1,800.10)
Changes in unclaimed dividend	128.30	(11.31)	-	-	-	116.99

(Amounts in ₹ Lakhs, unless otherwise stated)

Particulars	01-Apr-24	Cash Flows	Changes in fair values	Exchange difference	Other	31-Mar-25
Changes in Borrowings and debt securities	22,39,901.28	(1,755.74)	-	-	-	22,38,145.55
Lease Accounting Adjustment	407.43	(207.91)	-	-	55.38	254.90
Dividend Paid	-	(1,800.10)	-	-	-	(1,800.10)
Changes in unclaimed dividend	153.35	(25.04)	-	-	-	128.30

Note 38: Contingent Liabilities and Capital Commitments (to the extent not provided for)

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

Contingent Liabilities (to the extent not provided for)

Claims against the Company not acknowledged as debts

Under the Income Tax Act, the following amounts are under dispute, the details of which are as under:

Assessment year	31st March, 2026	31st March, 2025	Forum where pending	Remarks
2007-08 under section 143(3) of the Income Tax Act, 1961	1.62	-	Assessing Officer (AO)	The demand pertains to Fringe benefit Tax
2008-09 under section 143(3) of the Income Tax Act, 1961	0.00	-	Assessing Officer (AO)	The demand pertains to Fringe benefit Tax
2012-13 under section 143(3) of the Income Tax Act, 1961	-	357.00	ITAT	ITAT order dated 25.03.2026 received in the favour of company
2013-14 under section 143(3) of the Income Tax Act, 1961	-	424.00	ITAT	ITAT order dated 25.03.2026 received in the favour of company
2016-17 under section 143(3) of the Income Tax Act, 1961	131.80	-	CIT(A)	Amount paid under protest ₹ 131.80 lakhs

(Amounts in ₹ Lakhs, unless otherwise stated)

Assessment year	31st March, 2026	31st March, 2025	Forum where pending	Remarks
2017-18 under section 143 (3) of the Income Tax Act, 1961	36.09	-	CIT(A)	Amount paid under protest ₹ 36.09 lakhs
2018-19 under section 143 (3) of the Income Tax Act, 1961	66.76	-	CIT(A)	Amount paid under protest ₹ 66.76 lakhs
2020-21 under section 143 (1) of the Income Tax Act, 1961	498.82	328.17	Assessing Officer (Rectification petition u/s 154 of the Income Tax Act pending)	
Total	**735.09**	**1,109.17**		

The above contingent liabilities includes income tax, interest payable for delay in payment. However, the amount of penalty if any to be levied is not quantifiable.

The company has assessed the uncertain tax positions and concluded that there is no any such position which requires disclosure as a contingent liability.

Capital Commitments

Capital commitments of the company comprises of commitments for procurement of IT assets amounting to ₹ 364.95 lakhs plus taxes.

Note 39: Segment information

The company has been granted the License of NBFC by the Reserve Bank of India and working as a Standalone Primary Dealer. The Company's primary activities entail supporting government borrowing program via underwriting of government securities issuances and trade in a gamut of fixed income instruments such as Government securities, Treasury Bills, State Development Loans, Corporate Bonds, Interest Rate Swaps and various money market instruments such as Certificates of Deposits, Commercial Papers etc. This is the only activity performed and is thus also the main source of risks and returns. The Company's segments as reviewed by the Chief Operating Decision Maker (CODM)/ Management, does not result into identification of different ways/ sources into which they see the performance of the Company. Accordingly, the company has a single reportable and geographical segment i.e. Treasury operations and operating in India respectively. Hence, the relevant disclosures as per Ind AS 108, Operating Segments are not applicable to the company.

Particulars	2025-26	2024-25
Segment Revenue from Treasury operations	1,69,905.98	1,67,627.90
Segment Revenue from India Operations	1,69,905.98	1,67,627.90
Non current Assets	1,101.58	777.72

(Amounts in ₹ Lakhs, unless otherwise stated)

Note 40: Maturity analysis of assets and liabilities

	31-Mar-26			31-Mar-25		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	44.48	-	44.48	6,228.67	-	6,228.67
Bank balance other than above	55,013.00	116.99	55,129.99	20,013.00	128.30	20,141.30
Derivative financial instruments	46,188.07	-	46,188.07	66,499.71	-	66,499.71
Receivables	-	-	-	-	-	-
(i) Trade Receivables	6.97	-	6.97	36.15	-	36.15
(ii) Other receivables	16.93	-	16.93	9.63	-	9.63
Loans	2,04,842.32	356.00	2,05,198.32	5,232.22	311.29	5,543.52
Investments	22,70,552.69	60,868.49	23,31,421.17	23,07,268.71	9,231.82	23,16,500.54
Other financial assets	48,258.09	15,496.61	63,754.70	38,349.73	15,464.62	53,814.35
Non- financial assets						-
Current tax assets (net)	-	3,182.04	3,182.04	578.33	-	578.33
Deferred tax assets (net)	-	-	-	-	120.68	120.68
Property, plant and equipment	-	233.05	233.05	-	268.73	268.73
Right of Use Asset	-	355.60	355.60	-	229.79	229.79
Other Intangible assets	-	0.28	0.28	-	3.63	3.63
Other non- financial assets	-	-	-	199.32	76.25	275.57
Total Assets	**26,24,922.54**	**80,609.06**	**27,05,531.60**	**24,44,415.47**	**25,835.11**	**24,70,250.59**
Liabilities						
Financial liabilities						
Derivative financial instruments	42,159.09	-	42,159.09	67,284.56	-	67,284.56
Trade Payables (other than MSME)	111.33	-	111.33	85.24	-	85.24
Other payables (MSME)	27.64	-	27.64	14.31	-	14.31

(Amounts in ₹ Lakhs, unless otherwise stated)

	31-Mar-26			31-Mar-25		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Other payables (other than MSME)	546.57	-	546.57	319.93	-	319.93
Debt Securities	-	-	-	-	-	-
Borrowing (other than debt securities)	24,88,029.29	-	24,88,029.29	22,38,145.55	-	22,38,145.55
Lease Liability	140.14	221.74	361.88	-	254.90	254.90
Other financial liabilities	1,978.78	117.69	2,096.47	9,090.38	129.34	9,219.72
Non financial liabilities						
Current tax liabilities (net)	1.79	-	1.79	126.94	-	126.94
Provisions	824.94	-	822.94	34.41	163.72	198.13
Deferred tax liabilities (net)	-	809.82	809.82	-	-	-
Other Non financial liabilities	118.00	-	118.00	81.44	-	81.44
Total Liabilities	**25,33,937.57**	**1,149.25**	**25,35,086.82**	**23,15,182.76**	**547.96**	**23,15,730.72**

Note 41: Risk Management

Introduction and risk profile

The company is primarily a dealer in debt and money market instruments. In view of the intrinsic nature of operations, the company is exposed to a variety of risks, which can be broadly classified into credit risk, market risk and liquidity risk. It is also subject to various regulatory risks and operational risks. Well-established systems and procedures provide adequate defence against the regulatory and operational risk.

Risk management structure and policies

In terms of RBI guidelines for NBFCs, the Risk Management Committee, has been entrusted with the responsibility by the Board in laying down procedures for risk assessment and minimization of risks. The Committee also reviews these procedures periodically to ensure that executive management is implementing and controlling the risks through means of a properly defined risk framework. Risk Management Policy is reviewed by the Risk Management Committee and on the basis of the Committee's recommendation, the Board approves the same. PVBP (Price value of a basis point) limit on the entire marked to market portfolio stands at 0.50% of audited NOF or quarter end NOF (whichever is lower) . The one day VaR limit stands at 7.5% of audited NOF or quarter end NOF (whichever is lower) on the entire marked to market portfolio. Leverage limit stands at 20 times quarter end Board approved NOF, while Non banker borrowing limit stands at ₹ 30,000 crore (PY- ₹ 25,000 crore).

(A) Liquidity risk

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity

(Amounts in ₹ Lakhs, unless otherwise stated)

risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances.

Liquidity risk management:

The Company manages its liquidity requirement by analysing the maturity pattern of Company's cash flows of financial assets and financial liabilities. The Asset Liability Management of the Company is periodically reviewed by the Board.

Liquidity requirements are predominantly met through short-term sources, including repo borrowings from the market and the RBI, alongside other money market instruments like Call/Notice and Term money. Company also benefits from the Standing Liquidity Facility (SLF) provided by the RBI. Backed with highest credit ratings for its short-term borrowing programmes, the Company possesses the capability to mobilize funding at short notice through diverse channels, including the commercial paper and Inter-Corporate Deposits (ICD). Further, Company has intra-day line of credits as contingency plan for any liquidity needs.

The Liquidity Coverage Ratio (LCR) as on 31st March, 2026 is 23.86 (P.Y. 62.66). This ratio is not applicable on Primary Dealers. The LCR is calculated by dividing High-Quality Liquid assets (HQLA) by its total net cash flows over a 30 day stress period.

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial liabilities as at 31st March, 2026:

31st March 2026	1 day to one month	Over one month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to one year	Over 1year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Borrowings from Banks	8,77,037.01		1,15,764.64	-	-	-	-	-	**9,92,801.65**
Market Borrowing	14,98,683.39			-	-	-	-	-	**14,98,683.39**
Total	**23,75,720.40**	-	**1,15,764.64**	-	-	-	-	-	**24,91,485.04**

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial liabilities as at 31st March, 2025:

31st March 2025	1 day to one month	Over one month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to one year	Over 1year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Borrowings from Banks	8,18,449.71	99,078.00	-	-	-	-	-	-	**9,17,527.71**
Market Borrowing	13,24,457.76	-	-	-	-	-	-	-	**13,24,457.76**
Total	**21,42,907.47**	**99,078.00**	**-**	**-**	**-**	**-**	**-**	**-**	**22,41,985.47**

(Amounts in ₹ Lakhs, unless otherwise stated)

(B) Credit Risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. Counterparty exposure limits and instrument-wise exposure limits are the primary tools used for managing the credit risk in the business. The company uses the Current Exposure (CE) method for calculating credit exposure on derivative transactions as mentioned in RBI's capital adequacy guidelines for Primary Dealer's.

Policies and processes

To mitigate credit risk inherent in its business activities, the Company establishes specific exposure limits for all issuer counterparties and investment instruments. These limits encompass a broad range of products, including commercial paper, bonds, debentures, certificates of deposit, fixed deposits, short-term lending, and interest rate derivatives, as well as mutual funds, equity and equity derivatives.

All credit risk limits are subject to formal approval by the Risk Management Committee (RMC) and the Board of Directors.

Analysis of risk concentration

In terms of Reserve Bank of India (Standalone Primary Dealers) Directions, 2025 dated 28 November 2025, all the non-deposit taking non-banking financial companies shall adhere to the specific regulations limiting concentration in credit / investment to a single borrower or group of borrowers in a company. However, these concentration/ceilings would not be applicable where principal and interest are fully guaranteed by the Government of India. The maximum credit exposure, to any single borrower or counterparty was ₹ 34,500.00 lakhs (P.Y. 2025 ₹31,500.00 lakhs) and to single group of borrower or counterparty was ₹57,900.00 lakhs (P.Y. 2025 ₹ 45,570.00 lakhs), before and after taking into account collateral or other credit enhancements.

There has not been any breach in extant exposure norms limit in terms with Reserve Bank of India (Standalone Primary Dealers) Directions, 2025.

(C) Market Risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates and equity prices.

Value-at-Risk (VaR), Price Value of a Basis Point (PVBP) limits, sensitivity analysis and cut-loss policies form the core of market risk management system. Impact of interest rate movements on the business and earnings profile, is mitigated by operating within a well-defined proactive stop loss limit and value-at-risk (VaR) limit. The company also conducts sensitivity analysis of its portfolio to assess impact of parallel and non-parallel shifts in the yield curve on its earnings profile. Risk concentrations are restricted with specific limits mentioned above.

The Company's exposure to market risk is segregated into trading and non–trading portfolios:

	31st March 2026			31st March 2025			
	Carrying amount	**Traded risk**	**Non-traded risk**	**Carrying amount**	**Traded risk**	**Non-traded risk**	**Primary risk sensitivity**
ASSETS							
Financial assets							
Cash and cash equivalents	44.48	-	44.48	6,228.67	-	6,228.67	Interest rate

(Amounts in ₹ Lakhs, unless otherwise stated)

	31st March 2026			31st March 2025			
	Carrying amount	**Traded risk**	**Non-traded risk**	**Carrying amount**	**Traded risk**	**Non-traded risk**	**Primary risk sensitivity**
Bank balance other than above	55,129.99	-	55,129.99	20,141.30	-	20,141.30	Interest rate
Derivative financial instruments	46,188.07	46,188.07	-	66,499.71	66,499.71	-	Interest rate
Receivables	-						
(i) Trade Receivables	6.97	-	6.97	36.15	-	36.15	
(ii) Other receivables	16.93	-	16.93	9.63	-	9.63	
Loans	2,05,198.32	-	2,05,198.32	5,543.52	-	5,543.52	Interest rate
Investments	23,31,421.17	22,58,762.21	72,658.96	23,16,500.54	22,11,349.24	1,05,151.30	Interest rate
Other financial assets	63,754.70	-	63,754.70	53,814.35	-	53,814.35	
Total	**27,01,760.63**	**23,04,950.28**	**3,96,810.35**	**24,68,773.87**	**22,77,848.95**	**1,90,924.92**	
LIABILITIES							
Financial liabilities							
Derivative financial instruments	42,159.09	42,159.09	-	67,284.56	67,284.56	-	Interest rate
Trade Payables	-						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	

(Amounts in ₹ Lakhs, unless otherwise stated)

	31st March 2026			31st March 2025			
	Carrying amount	Traded risk	Non-traded risk	Carrying amount	Traded risk	Non-traded risk	Primary risk sensitivity
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	111.33	-	111.33	85.24	-	85.24	
Other payables	-	-	-	-	-	-	
(i) total outstanding dues of micro enterprises and small enterprises	27.64	-	27.64	14.31	-	14.31	
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	546.57	-	546.57	319.93	-	319.93	
Debt Securities	-			-			
Borrowing (other than debt securities)	24,88,029.29	-	24,88,029.29	22,38,145.55	-	22,38,145.55	Interest rate
Lease Liability	361.88	-	361.88	254.90	-	254.90	
Other financial liabilities	2,096.47	-	2,096.47	9,219.72	-	9,219.72	
Total	**25,33,332.27**	**42,159.09**	**24,91,173.19**	**23,15,324.22**	**67,284.56**	**22,48,039.65**	

(Amounts in ₹ Lakhs, unless otherwise stated)

Market risk – trading

Internal Value-At-Risk model (VaR model) is performed to compute the market risk of trading portfolio. For computing market risk, the Company uses the historical simulation non-parametric approach. Under this approach, the risk measure is an estimate of the amount that could be lost on trading portfolio in a 1 day holding period due to general market movements such as Interest rate risk, Spread risk, price risk etc over 250 trading days, at 99% confidence level.

Objective

Historical Simulation is the procedure for predicting value at risk (VaR) by "simulating" or constructing the cumulative distribution function of asset returns over time. It does not require any statistical assumption beyond stationarity of the distribution of returns or, in particular, their volatility.

Limitation:

The limitation of the historical simulation lies in its I.I.D. (independent, identically distributed) assumption of returns. From empirical evidence, it is known that asset returns are clearly not independent as they exhibit certain patterns such as volatility clustering. Unfortunately historical Simulation does not take into account such patterns.

I. Random chance (a very low probability event).

II. Markets moved by more than the likely prediction of the model (i.e. volatility was significantly higher than expected).

III. Markets did not move together as expected (i.e. correlations were significantly different than what was assumed by the model).

Assumptions:

This approach requires fewer statistical assumptions for underlying market factors:.

- A horizon of 1 trading day
- A 99% confidence interval
- An observation period based on at least 500 Days of historical data

	Interest Rate Risk	Equity and Equity FandO	Other*
2025-26 -31st March	1,722.79	7.04	-
2025-26 -Average	1,689.72	18.95	6.01
2025-26- Maximum	2,397.14	40.07	61.53
2025-26 -Minimum	1,086.72	-	-

	Interest Rate Risk	Equity and Equity FandO	Other*
2024-25 -31st March	1,193.89	8.97	0.29
2024-25 -Average	1,903.98	16.92	33.49
2024-25- Maximum	4,044.29	198.52	138.95
2024-25 -Minimum	1,034.00	3.98	0.02

*Other includes Currency Derivative and IRF

Back testing

It is the Company's policy to perform regular back–testing to validate the Company's VaR calculations. When back–testing, the Company compares daily profits and losses with the estimates derived from the Company's VaR model. The Company presents the results of back–testing to the RBI quarterly.

During 2025-26, the Company recorded two back–testing exceptions (2024-25: two exception), when hypothetical losses exceeded one day VaR limit and no back testing exceptions on comparison of actual losses with one day VaR.

Market risk – Non trading

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The Company have fixed rate bank deposits, non traded govt securities and borrowings and hence not exposed to interest rate risk as far as these financial instruments are concerned.

(D) Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, and systems, or from external events. This includes risks arising from fraud, human error, system failures, process deficiencies, and disruptions due to external factors. It also encompasses legal risk, including exposure to fines, penalties, or damages arising from non-compliance with applicable laws and regulations. However, operational risk excludes strategic risk and reputational risk.

The company recognizes that operational risk arises from various factors, including unauthorized actions, inadequate documentation, security breaches, system failures, fraud, and human error. To mitigate these exposures, management maintains a robust framework of internal controls, continuous transaction monitoring, comprehensive back-up protocols, and rigorous contingency planning.

Operational controls and procedures

The Company maintains a comprehensive internal control framework designed to minimize errors, prevent fraud, and provide early-warning signals. Key measures include the segregation of duties between front office and support functions, automated control procedures, a well-defined code of conduct for dealers, and rigorous reconciliations of all trades and accounts. To mitigate contractual risk, deal negotiations are recorded via a voice system. Operational controls, including deal validation, independent confirmation, and limits monitoring, are strictly managed, with a formal escalation mechanism to senior management for any settlement or confirmation delays. Furthermore, concurrent and internal auditors conduct regular and independent audits of all treasury operations.

Note 42: Fair value measurement

Note 42.1 Valuation principles

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

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

(Amounts in ₹ Lakhs, unless otherwise stated)

Note 42.2 Valuation governance

The Company's fair value methodology and the governance over its models includes a number of controls and other procedures to ensure appropriate safeguards are in place to ensure its quality and adequacy. All new product initiatives (including their valuation methodologies) are subject to approvals by the management. The responsibility of ongoing measurement resides with the risk department.

The Risk department validates fair value estimates by:

- Benchmarking prices against observable market prices given by Financial Benchmark India Private Limited (FBIL) or other independent sources
- Re-performing model calculations
- Evaluating and validating input parameters.

Note 42.3 Assets and liabilities by fair value hierarchy

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

Particulars	31st March, 2026					31st March, 2025				
	Carrying Value	Level 1	Level 2	Level 3	Total	Carrying Value	Level 1	Level 2	Level 3	Total
Assets measured at fair value										
Derivative financial instruments										
Interest rate swaps	46,188.07	-	46,188.07		**46,188.07**	66,499.71	-	66,499.71		**66,499.71**
Total derivative financial instruments	46,188.07	-	46,188.07	-	**46,188.07**	66,499.71	-	66,499.71	-	**66,499.71**
Financial investment held for trading										
Government Securities	18,14,949.25	-	18,14,949.25	-	**18,14,949.25**	19,48,391.83	-	-	-	**19,48,391.83**
Debt Securities	4,43,586.49	–	4,43,586.49	–	**4,43,586.49**	2,62,655.10	–	2,62,655.10	–	**2,62,655.10**
Equity instruments	226.47	226.47	-	-	**226.47**	302.31	-	-	-	**302.31**
Total financial investment held for trading	**22,58,762.21**	**226.47**	**22,58,535.74**	-	**22,58,762.21**	**22,11,349.23**	**302.31**	**22,11,046.92**	-	**22,11,349.23**
Total assets measured at fair value	**23,04,950.28**	**226.47**	**23,04,723.81**	-	**23,04,950.28**	**22,77,848.95**	**302.31**	**22,77,546.64**	-	**22,77,848.95**
Liabilities measured at fair value										

(Amounts in ₹ Lakhs, unless otherwise stated)

Particulars	31st March, 2026					31st March, 2025				
	Carrying Value	Level 1	Level 2	Level 3	Total	Carrying Value	Level 1	Level 2	Level 3	Total
Derivative financial instruments										
Interest rate swaps/IRF	42,159.09	-	42,159.09	-	**42,159.09**	67,284.56	-	67,284.56	-	**67,284.56**
Liabilities measured at fair value	**42,159.09**	**-**	**42,159.09**	-	**42,159.09**	**67,284.56**	**-**	**67,284.56**	-	**67,284.56**

Note 42.4 Valuation techniques

Government Securities (Central Government Securities and State Government Securities)

Government securities are financial instruments issued by Central and State Governments. The valuation under this category is done on the basis of prices provided by Financial Benchmarks India Private Limited (FBIL) and hence classified as level 2.

Treasury Bills (T-Bills)

Treasury Bills are short-term financial instruments issued by sovereign governments. FBIL has developed the FBIL-TBILL, a benchmark for the money market based on Treasury bills traded in the market. FBIL-TBILL is announced for fourteen tenors of 7 days, 14 days, 1 month, 2 months, 3 months, 4 month, 5 months, 6 months, 7 months, 8 months, 9 months, 10 months, 11 months and 12 months. FBIL-TBILL is calculated on the basis of secondary market trades executed. For Valuation, company use FBIL-TBILL benchmark and based on that benchmark company interpolate and calculate T-Bills prices corresponding to there residual maturities and are classified as Level 2.

Certificate of Deposits (CD)

Certificate of Deposits are short-term financial instruments issued by Banks. FBIL has developed the FBIL- CD, a new benchmark for the money market based on traded CDs reported on the FIMMDA Trade Reporting and Confirmation System (FTRAC) platform of CCIL. FBIL-CD is announced for seven tenors of 14 days, 1 month, 2 months, 3 months, 6 months, 9 months and 12 months. For Valuation, company use FBIL-CD benchmark and based on that benchmark company interpolate and calculate CD prices corresponding to there residual maturities and are classified as Level 2.

Commercial Papers (CP)

Commercial Paper is a monetary instrument issued by corporate bodies in the nature of promissory note. The issue of commercial papers is highly regulated and supervised by the Reserve Bank of India (RBI). Commercial Papers are reported on the FIMMDA Trade Reporting and Confirmation System (FTRAC) platform. As currently, CP curve is not published by FBIL/FIMMDA till then for valuation, company shall use market observable spread over T-Bill curve and based on that new benchmark (T-Bill + constant Spread across the curve) company shall interpolate and calculate CP prices corresponding to the residual maturities. Investments in CPs shall be classified as Level 2.

(Amounts in ₹ Lakhs, unless otherwise stated)

Corporate bonds and debentures

Whilst most of these instruments are standard fixed or floating rate securities, some may have more complex coupon or embedded derivative characteristics. For valuation, Company uses FIMMDA provided SLV valuation for plain vanilla bonds as well as FIMMDA provided last 15 days market prices when available, or other observable inputs (i.e. FIMMDA credit spread matrix and G-sec par curve) in discounted cash flow models . As corporate bonds and debenture fair valuations are based on the FIMMDA methodology, either directly (i.e. as prices) or indirectly (i.e. derived from related curve and spread), such instruments are classified as Level 2.

Equity instruments

The equity instruments are actively traded on public stock exchanges with readily available active prices on a regular basis. Such instruments are classified as Level 1. All the company's equity instruments are traded ones.

Mutual Funds

Units held in Liquid debt mutual funds are valued based on their AMFI published net asset value (NAV), such instruments are classified under Level 1.

Exchange traded derivative

These derivative instruments are actively traded on public stock exchanges with readily available active prices on a regular basis. Such instruments are classified as Level 1. All the company's exchange traded derivatives are traded ones.

Interest rate derivatives

Interest rate derivatives include interest rate swaps. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations by estimating future cash flows and discounting them with the appropriate yield curves incorporating funding costs relevant for the position. These contracts are generally Level 2 unless adjustments to yield curves or credit spreads are based on significant non-observable inputs, in which case, they are Level 3. Company is having all the Level 2 interest rate derivatives.

42.5 There have been no transfers between Level 1, Level 2 and Level 3 for the year ended 31st March, 2026 and 31st March, 2025.

Note 42.6 Valuation adjustments

Credit and Debit valuation adjustments (CVA/DVA)

The Company incorporates Credit Valuation Adjustment (CVA) and Debit Valuation Adjustment (DVA) in the fair valuation of its derivative exposures to reflect counterparty credit risk and its own credit risk, respectively. CVA represents an adjustment to the valuation of derivative assets to account for the possibility of counterparty default, while DVA reflects the impact of the Company's own credit risk on derivative liabilities. These adjustments are computed using market-implied parameters such as probability of default, exposure at default, and loss given default, and are periodically reviewed in line with prevailing market conditions and regulatory guidance. The inclusion of CVA and DVA ensures that derivative valuations present a more realistic assessment of potential credit risk embedded in such financial instruments.

The Company applies CVA and DVA to all relevant (not fully collateralised) over-the-counter positions with the exception of positions settled through central clearing houses. During the FY 2025-26, there was no over the counter position in the derivative segment. Hence, CVA and DVA have not been calculated for this financial year.

(Amounts in ₹ Lakhs, unless otherwise stated)

Note 42.7 Impact of valuation adjustments

The following table shows the amount recorded in the statement of profit and loss:

	2025-26	2024-25
Type of adjustment		
Credit value adjustment	-	-
Total	**-**	**-**

Note 42.8 Fair value of financial instruments not measured at fair value (At Amortised Cost)

Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non–financial assets and non–financial liabilities.

Particulars	31st March, 2026		31st March, 2025	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets:				
Cash and cash equivalents	44.48	44.48	6,228.67	6,228.67
Bank balance other than above	55,129.99	55,129.99	20,141.30	20,141.30
Receivables		-		-
(i) Trade Receivables	6.97	6.97	36.15	36.15
(ii) Other receivables	16.93	16.93	9.63	9.63
Investment in Govt. Securities *(including accrued interest as per coupon)	72,658.96	72,658.96	1,05,151.30	1,05,151.30
Loans	2,05,198.32	2,05,198.32	5,543.52	5,543.52
Other Financial assets	63,754.70	63,754.70	53,814.35	53,814.35
Total financial assets	**3,96,810.35**	**3,96,810.35**	**1,90,924.92**	**1,90,924.92**
Financial Liabilities:				
Trade payables	111.33	111.33	85.24	85.24
Other payables	574.21	574.21	334.24	334.24
Debt securities	-	-	-	-
Borrowing (other than debt securities)	24,88,029.29	24,88,029.29	22,38,145.55	22,38,145.55
Lease Liability	361.88	361.88	254.90	254.90
Other financial liabilities	2,096.47	2,096.47	9,219.72	9,219.72
Total financial liabilities	**24,91,173.18**	**24,91,173.18**	**22,48,039.65**	**22,48,039.65**

(Amounts in ₹ Lakhs, unless otherwise stated)

Note 42.9 Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables.

Cash and Cash equivalents

The carrying amounts reported in the balance sheet are a reasonable approximation of their fair value

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value.

Such instruments include: Balances other than cash and cash equivalents, loans, other financial assets, trade payables, Short term borrowings and other financial liabilities.

Financial asset at amortised cost

Financial assets that are recognised at amortised cost include Staff loans (included in Loans above) and Government Securities that are designated as Held to Maturity (included in investments above). The carrying amount of such assets are determined by applying Effective Interest Rate as a reasonable approximation of their fair value.

Equity Instruments

Investments in Equity Instruments are actively traded and are valued based on the readily available active prices on a regular basis.

Government Securities (Central Government Securities and State Government Securities)

Investments comprising SLR and Non-SLR instruments (other than those measured at amortised cost) are valued by using fair value estimates that are generally subjective in nature and are made at a specific point in time based on the characteristics of the financial instruments and relevant market information. Quoted market prices are used, wherever available. In other cases, fair values are based on estimates using present value of future cash flows or other valuation techniques.

NOTE 43: Disclosures on interest rate swaps

(₹ in lakhs)

Particulars	Hedging Swaps		Trading Swaps	
	31st March 2026	31st March 2025	31st March 2026	31st March 2025
Notional Principal (Gross)	-	-	1,03,94,310.96	1,39,91,260.78
Marked to Market Positions	-	-	4,899.83	(856.74)
Max. of 100 * PV01 observed during the year	-	-	12,801.96	4,504.41
Min. of 100 * PV01 observed during the year	-	-	2,540.53	2.64

(Amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Hedging Swaps		Trading Swaps	
	31st March 2026	31st March 2025	31st March 2026	31st March 2025
Market Risk	In the event of 100 basis points adverse movement in interest rate there will be a negative impact ₹ 6,049.58 lakhs (PY- ₹ 2,443.62 lakhs) on Trading Swaps in Swap Book.			
	The losses, which would be incurred if, counter parties fail to fulfil their obligations works out to ₹ 4,899.14 lakhs (PY- ₹ Nil lakhs).			
	The Company's exposure with regard to outstanding swap transactions is limited to CCIL.			
Collateral	No Collateral is insisted upon from counterpart			
Credit Risk Concentration	No Bilateral exposure			

NOTE 44: Issuer compositions of investments in non-government securities

(Disclosure pursuant to Para 173(5) of RBI Circular No. RBI/DOR/2025-26/366 DOR.FIN.REC.No.285/03-10-119/2025-26)

As on March 31, 2026, the total stock of investments (Book Value before providing diminution/ appreciation), comprising Government and Non-Government Securities, aggregated to ₹ 23,35,585.33 lakhs (P.Y. ₹ 23,12,180.21 lakhs), out of which Non-Government Securities amounted to ₹ 4,46,484.65 lakhs (P.Y. ₹ 2,62,230.81 lakhs), comprising Money Market Instruments of ₹ 1,23,989.83 lakhs (P.Y. ₹ 65,555.48 lakhs) and Corporate Bonds & Debentures of ₹ 3,22,494.82 lakhs (P.Y. ₹ 1,96,675.33 lakhs).

The Book Value (before providing diminution/appreciation) of Non-Government Securities comprises of:

• AAA rated	- ₹ 3,01,799.72 lakhs (prev. year ₹ 1,69,965.39 lakhs)
• AA+ rated bonds	- ₹ 20,695.10 lakhs (prev. year ₹ 17,900 lakhs)
• AA rated bonds	- ₹ NIL lakhs (prev year ₹ 8,809.94 lakhs)
• A+ rated bonds	- ₹ Nil lakhs (prev year ₹ Nil lakhs)
• A1+ rated Bank CDs.	- ₹ 1,23,989.83 lakhs (prev. year ₹ 65,555.48 lakhs)
• A rated bonds	- ₹ Nil lakhs (prev year ₹ Nil lakhs)
• BB+ rated bonds	- ₹ Nil lakhs (Prev year ₹ Nil lakhs)
• D rated bonds	- ₹ Nil lakhs (Prev year ₹ Nil lakhs)

(Amounts in ₹ Lakhs, unless otherwise stated)

The ratings of the following bonds have declined as under:

Issuer Name	Migrated Rating	Rating Action
-	-	-
-	-	-

S. No	Issuer	Book Value	Extent of Private Placement	Extent of Below Investment Grade Securities	Extent of Unlisted Securities	Extent of Unrated Securities
1	PSUs	49,876.67 (1,19,886.41)	NA	NA	NA	NA
2	FIs	59,002.06 (39,403.13)	NA	NA	NA	NA
3	Banks	1,49,180.83 (74,884.46)	NA	NA	NA	NA
4	Other PDs	NIL (NIL)	NA	NA	NA	NA
5	Private Corporates	17,016.87 (7,827.15)	NA	NA	NA	NA
6	Subsidiaries/Joint Ventures	NIL (NIL)	NA	NA	NA	NA
7	Others (NBFCs)	1,71,408.21 (20,229.66)	NA	NA	NA	NA
8	Provision held towards (-diminution)/ appreciation	(2,898.15) (424.29)	NA	NA	NA	NA
	Total	**4,43,586.49** **(2,62,655.10)**	**NA**	**NA**	**NA**	**NA**

Figures in brackets relate to FY 2024-25

(Amounts in ₹ Lakhs, unless otherwise stated)

NOTE 45: CRAR, net owned funds and related information

(Disclosure pursuant to Para 173(4) of RBI Circular No. RBI/DOR/2025-26/366 DOR.FIN.REC.No.285/03-10-119/2025-26)

S. No	Particulars	31st March 2026	31st March 2025
(i)	CRAR (%)	52.68%	42.68%
(ii)	CRAR – Tier I Capital (%)	52.68%	42.68%
(iii)	CRAR – Tier II Capital (%)	-	-
(iv)	Amount of subordinated debt raised as Tier-2 capital	-	-
(v)	Amount raised by issue of perpetual Debt instruments	-	-

Capital Adequacy Ratios as per Ind AS on June 30, 2025, September 30, 2025, December 31, 2025 and March 31, 2026 were 47.18% (P.Y. 36.06 %), 43.57% (P.Y. 41.75 %), 48.91% (P.Y. 55.91%) and 52.68% (P.Y. 42.68%) respectively as against RBI stipulation of 15%.

Capital Adequacy Ratio as on March 31, 2026 stands at 52.68% as against RBI stipulation of 15%. (The CRAR has been computed in accordance with the RBI Notification No. RBI/DOR/2025-26/366 DOR.FIN.REC. No.285/03-10-119/2025-26 .

The Net Owned funds of the company stand at ₹ 1,69,644.24 lakhs (P.Y. 1,51,741.19 lakhs) as against the minimum stipulated capital of ₹ 25,000 lakhs. Return on Average Net Owned Funds for the year 2025-26 stands at 11.30% .(P.Y. 16.46%).

NOTE 46: Disclosures related to Derivatives

(Disclosure pursuant to Para C.2 (13) of RBI Circular No. RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26)

(i) Interest Rate Swaps

(₹ in lakhs)

S. No	Particulars	31st March 2026	31st March 2025
(i)	The Notional Principal of swap agreements	1,03,94,310.95	1,39,91,260.78
(ii)	Losses which would be incurred if counterparties fail to fulfil their obligations under the agreements	NIL	NIL
(iii)	Concentration of credit risk arising from the swaps	NIL	NIL
(iv)	The fair value of the swap book	1,03,99,210.79	1,39,90,404.04

(ii) Quantitative Disclosures of Interest Rate Swaps for Financial Year 2025-26 are as under:

(₹ in lakhs)

S. No	Particulars	31st March 2026	31st March 2025
(i)	Derivatives (Notional Principal Amount Outstanding)		
	a) For Hedging	-	-

(Amounts in ₹ Lakhs, unless otherwise stated)

S. No	Particulars	31st March 2026	31st March 2025
	b) For Trading	1,03,94,310.95	1,39,91,260.78
(ii)	Marked to Market Positions		
	a) Asset (+)	45,570.32	68,975.59
	b) Liability (-)	(40,670.49)	(69,832.33)
(iii)	Credit Exposures	NIL	NIL
(iv)	Likely impact of one percentage change in interest rate (100* PV01)		
	a) On Hedging Derivatives	-	-
	b) On Trading Derivatives	6,049.58	2,443.62
(v)	Maximum and Minimum of 100*PV01 observed		
	a) On Hedging Derivatives	-	-
	b) On Trading Derivatives	12,801.96 and 2,540.53	4,504.41 and 2.64

(iii) Qualitative Disclosure on risk exposure in derivatives

Company has a board approved business policy which acts as an exhaustive document comprising of various regulatory and risk limits. Derivatives' trading is guided by this document and is conducted under the ambit of the policies defined in this document.

The company follows a strict segregation of functional duties across departments. As a consequence, no single individual shall be in a position to consummate (dealing, settlement, valuation and accounting) a derivatives transaction alone by himself/herself.

The Company measures and monitors risk of its derivatives portfolio using risk metrics such as Value at Risk (VAR), PVBP and position limits. Mid-office calculates and monitors risk management parameters on daily basis and ensures compliance with the policy limits.

Over the counter (OTC) derivative transactions are covered under International Swaps and Derivatives Association (ISDA) master agreements with the respective counter parties for credit risk mitigation.

(a) Quantitative Disclosures of Interest Rate Futures and Currency Derivatives for Financial Year 2025-26 are as under:

(₹ in lakhs)

S. No	Particulars	31st March 2026	31st March 2025
(i)	Derivatives (Notional Principal Amount Outstanding)		
	For Hedging		
	a) Currency Derivatives	-	-
	b) Interest Rate Futures	-	-
(ii)	Marked to Market Positions (Currency Derivatives)		
	a) Asset (+)	-	-

(Amounts in ₹ Lakhs, unless otherwise stated)

S. No	Particulars	31st March 2026	31st March 2025
	b) Liability (-)	-	-
	Marked to Market Positions (Interest Rate Futures)		
	a) Asset (+)	-	-
	b) Liability (-)	-	-
(iii)	Credit Exposures		
	a) Currency Derivatives	-	-
	b) Interest Rate Futures	-	-
(iv)	Unhedged Exposures		
	a) Currency Derivatives	-	-
	b) Interest Rate Futures	-	-

(b) Quantitative Disclosures of Exchange Traded Interest Rate Futures for FY 2025-26 are as under:

(₹ in lakhs)

S. No	Particulars	31st March 2026	31st March 2025
(i)	Notional Principal Amount of IRF undertaken during the year	–	–
(ii)	Notional Principal Amount of IRF outstanding as on 31st March	–	–
(iii)	Notional Principal Amount of IRF outstanding and not highly effective	–	–
(iv)	Mark-to-market value of IRF outstanding and not highly effective	–	–

The company has not financed any of its parent company products during the year.

NOTE 47: Exposures

(Disclosure pursuant to Para C.1 (8) of RBI Circular No. RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26)

Note 47.1 Exposure to Real Estate Sector

Category		31st March 2026 (Book Value)	31st March 2025 (Book Value)
a.	**Direct exposure**		
i.	Residential Mortgages-		

(Amounts in ₹ Lakhs, unless otherwise stated)

Category		31st March 2026 (Book Value)	31st March 2025 (Book Value)
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented;(individual housing loans upto ₹ 15 lakhs may be shown separately)	294.40	251.31
ii.	Commercial Real estate-		
	Lending secured by mortgages on commercial real estates(office buildings, retail space, multipurpose commercial premises, multi family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	NIL	NIL
iii.	Investments in mortgage backed securities (MBS and other securitized exposures-		
	a. Residential	NIL	NIL
	b. Commercial Real Estate		
b.	**Indirect Exposure**		
	Fund Based and non fund based exposures on Housing Finance Companies(HFCs)	78,117.11	29,769.67
	Total exposure to Real estate Sector	**78,411.51**	**30,020.98**

NOTE 47.2 Exposure to capital market

Particulars	31st March 2026 (Book Value)	31st March 2025 (Book Value)
Direct investment in equity shares, convertible bonds, convertible debentures and units of equity- oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	243.04	299.65
Advances against shares/ debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), convertible debentures, and units of equity- oriented mutual funds;	Nil	Nil

(Amounts in ₹ Lakhs, unless otherwise stated)

Particulars	31st March 2026 (Book Value)	31st March 2025 (Book Value)
Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	Nil	Nil
Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/ convertible bond/ convertible debentures/ units of equity oriented mutual funds 'does not fully cover the advances'	Nil	Nil
Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stock brokers and market makers;	Nil	Nil
Loan sanctioned to corporate against the security of shares/ bonds/ debenture or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	Nil	Nil
Bridge loans to companies against expected equity flows/ issues;	Nil	Nil
Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	Nil	Nil
All exposures to Venture Capital Funds (both registered and unregistered)	Nil	Nil
Financing to stockbrokers for margin trading	Nil	Nil
All exposures to Alternative Investment Funds:		
(i) Category I	Nil	Nil
(ii) Category II	Nil	Nil
(iii) Category III	Nil	Nil
Total exposure to capital market	**243.04**	**299.65**

(Amounts in ₹ Lakhs, unless otherwise stated)

NOTE 47.3 Sectoral Exposures

Sectors	31st March 2026			31st March 2025		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	Gross NPAs (₹ crore)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	Gross NPAs (₹ crore)	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	Nil	Nil	Nil	Nil	Nil	Nil
2. Industry						
i.	Nil	Nil	Nil	Nil	Nil	Nil
ii.	Nil	Nil	Nil	Nil	Nil	Nil
Others	Nil	Nil	Nil	Nil	Nil	Nil
Total of Industry (i+ii+...+Others)	Nil	Nil	Nil	Nil	Nil	Nil
3. Services	Nil	Nil	Nil	Nil	Nil	Nil
i.	Nil	Nil	Nil	Nil	Nil	Nil
ii.	Nil	Nil	Nil	Nil	Nil	Nil
Others	Nil	Nil	Nil	Nil	Nil	Nil
Total of Services (i+ii+...+Others)	Nil	Nil	Nil	Nil	Nil	Nil
4. Unsecured Personal Loans						
i.	Nil	Nil	Nil	Nil	Nil	Nil
ii.	Nil	Nil	Nil	Nil	Nil	Nil
Others	Nil	Nil	Nil	Nil	Nil	Nil
Total of Personal Loans (i+ii+...+Others)	Nil	Nil	Nil	Nil	Nil	Nil
5. Other personal Loans						
i.	Nil	Nil	Nil	Nil	Nil	Nil
ii.	Nil	Nil	Nil	Nil	Nil	Nil
Others	Nil	Nil	Nil	Nil	Nil	Nil
Total of Other Personal Loans (i+ii+...+Others)	Nil	Nil	Nil	Nil	Nil	Nil
6. MSME						
i.	Nil	Nil	Nil	Nil	Nil	Nil
ii.	Nil	Nil	Nil	Nil	Nil	Nil

(Amounts in ₹ Lakhs, unless otherwise stated)

Sectors	31st March 2026			31st March 2025		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	Gross NPAs (₹ crore)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	Gross NPAs (₹ crore)	Percentage of Gross NPAs to total exposure in that sector
Others	Nil	Nil	Nil	Nil	Nil	Nil
Total of MSME (i+ii+...+Others)	Nil	Nil	Nil	Nil	Nil	Nil
7. Corporate Borrowers						
i.	17,016.87	Nil	Nil	7,827.15	Nil	Nil
ii.	Nil	Nil	Nil	Nil	Nil	Nil
Others	Nil	Nil	Nil	Nil	Nil	Nil
Total of Corporate (i+ii+...+Others)	Nil	Nil	Nil	Nil	Nil	Nil
8. Auto Loans						
i.	Nil	Nil	Nil	Nil	Nil	Nil
ii.	Nil	Nil	Nil	Nil	Nil	Nil
Others	Nil	Nil	Nil	Nil	Nil	Nil
Total of Auto Loans (i+ii+...+Others)	Nil	Nil	Nil	Nil	Nil	Nil
9. Others, if any (please specify)						
-Staff Loan (Housing Loan)	294.40	Nil	Nil	251.31	Nil	Nil
Investment in bonds and debentures						
-PSUs	49,876.67	Nil	Nil	1,19,886.41	Nil	Nil
-FIs	59,002.06	Nil	Nil	39,403.13	Nil	Nil
-Banks	1,49,180.83	Nil	Nil	74,884.46	Nil	Nil
-Other NBFCs	1,71,408.21	Nil	Nil	20,229.66	NIl	Nil

(Amounts in ₹ Lakhs, unless otherwise stated)

NOTE 47.4 Intra-group exposures (₹ in lakhs)

i) Total amount of intra-group exposures- ₹ 30,000 lakhs (PY- ₹ 20,000 lakhs)

ii) Total amount of top 20 intra-group exposures- 30,000 lakhs (PY- 20,000 lakhs)

iii) Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers- 5.98% (PY- 7.09%)

NOTE 47.5 Unhedged foreign currency exposure- NIL (PY- NIL)

NOTE 48: Asset liability management

Maturity Pattern of certain items of assets and liabilities as at 31st March 2026

Particulars	1 day to 7 days	8 to 14 days	15 days to 30/31 days	Over 1 month upto 2 months	Over 2 upto 3 months	Over 3 upto 6 months	Over 6 months upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-	-	-
Advances*	2,04,853.83	-	1.51	15.60	-	-	5.42	-	1.71	15,775.07	2,20,653.14
Investments	22,58,762.21	-	-	-	-	-	11,790.48	60,868.49	-	-	23,31,421.18
Borrowings	20,80,763.28	1,23,734.00	1,68,000.00	-	1,15,532.00	-	-	-	-	-	24,88,029.28
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-

* Advances includes Reverse repo lending, advance for travel, arranger fee receivable, security deposit, advance to staff and miscellaneous amount receivable.

FY 2024-25

Particulars	1 day to 7 days	8 to 14 days	15 days to 30/31 days	Over 1 month upto 2 months	Over 2 upto 3 months	Over 3 upto 6 months	Over 6 months upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
Deposits	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Advances*	**5,230.88**	**3.27**	**22.81**	**21.42**	**-**	**-**	**198.92**	**13.76**	**2.89**	**15,773.02**	**21,266.97**
Investments	**22,11,349.23**	**-**	**6,205.50**	**3,303.31**	**2,566.44**	**10,096.02**	**73,748.21**	**9,231.82**	**-**	**-**	**23,16,500.54**
Borrowings	**20,75,567.55**	**33,500.00**	**30,000.00**	**99,078.00**	**-**	**-**	**-**	**-**	**-**	**-**	**22,38,145.55**
Foreign Currency Assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Foreign Currency Liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

(Amounts in ₹ Lakhs, unless otherwise stated)

NOTE 49: Details of Corporate Social Responsibility expenses:

a) Gross amount required to be spent by the Company during the year is ₹ 142.36 lakhs (P.Y. ₹ 192.99 lakhs).

b) Amount spent during the year on:

FY 2025-26

S. No	Particulars	In cash/cheque (₹ in lakhs)
i)	Construction/acquisition of any asset*	Nil
ii)	On purpose other than (i) above towards PM National Relief Funds	7.09
iii)	On purpose other than (i) above Adharshila	90.27
iv)	On purpose other than (i) above towards Why Waste Wednesday Foundation	45.00

FY 2024-25

S. No	Particulars	In cash/cheque (₹ in lakhs)
i)	Construction/acquisition of any asset*	Nil
ii)	On purpose other than (i) above towards PM National Relief Funds	9.65
iii)	On purpose other than (i) above Shree Bhagwan Mahaveer Viklang Sahayata Samiti	144.12
iv)	On purpose other than (i) above towards the Beautiful Tomorrow	29.57
v)	On purpose other than (i) above through Administrative expenses	9.65
vi)	On purpose other than (i) above through Indian Cancer Society (Ongoing project)	111.98^
vii)	On purpose other than (i) above through The Rotary Club of Bombay Pier Charities Trust (Ongoing project)	87.00^
viii)	On purpose other than (i) above through I Am Gurgaon (Ongoing project)	8.80#

*There is no asset creation in the books of accounts

^₹ 111.98 lakhs paid to Indian Cancer Society and ₹ 87.00 lakhs to The Rotary Club of Bombay Pier Charities Trust out of unspent amount of FY 23-24 in FY 24-25.

₹ 8.80 lakhs spent for maintenance cost for FY 24-25 for I am Gurgaon out of unspent amount of FY 22-23.

c) Shortfall at the year-end: NA

d) Total of Previous Year shortfall: NA

e) Reason for shortfall: Current Year : Nil (PY 2024-25: Nil)

f) Nature of CSR activities: Promotion of healthcare, environment sustainability and contribution to PM National Relief Funds

(Amounts in ₹ Lakhs, unless otherwise stated)

g) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard: Not Applicable.

Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately: Not Applicable

NOTE 50: Customer Complaints

S. No	Particulars	Numbers
(a)	No. of complaints pending at the beginning of the year	NIL
(b)	No. of complaints received during the year	NIL
(c)	No. of complaints redressed during the year	NIL
(d)	No. of complaints pending at the end of the year	NIL

NOTE 51: Movement of NPAs

(Disclosure pursuant to Para C.2 (28) of RBI Circular No. RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26)

Particulars		31st March 2026	31st March 2025
(i)	Net NPAs to Net Advances (%)	Nil	Nil
(ii)	Movement of NPAs (Gross)	Nil	Nil
	Opening Balance	Nil	Nil
	Additions during the year	Nil	Nil
	Reductions during the year	Nil	Nil
	Closing balance	Nil	Nil
(iii)	Movement of Net NPAs	Nil	Nil
	Opening Balance	Nil	Nil
	Additions during the year	Nil	Nil
	Reductions during the year	Nil	Nil
	Closing balance	Nil	Nil
(iv)	Movement of Provisions for NPAs (excl provisions on Standard Assets)	Nil	Nil
	Opening Balance	Nil	Nil
	Additions during the year	Nil	Nil
	Reductions during the year	Nil	Nil
	Closing balance	Nil	Nil

NOTE 52: Concentration of deposits & advances, exposures and NPAs

(Disclosure pursuant to Para C.2 (27) of RBI Circular No. RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26)

(Amounts in ₹ Lakhs, unless otherwise stated)

i) Concentration of Deposits & Advances

Particulars	31st March 2026	31st March 2025
Total advances to twenty largest borrowers	NA	NA
Percentage of advances to twenty largest borrowers to Total Advances of the NBFC	NA	NA

ii) Concentration of Exposures

Particulars	31st March 2026	31st March 2025
Total exposure to twenty largest borrowers/customers	4,17,601.66	2,77,880.88
Percentage of exposures to twenty largest borrowers to Total exposures of the NBFC on borrowers/ customers	83.27%	98.46%

iii) Concentration of NPAs

Particulars	31st March 2026	31st March 2025
Total exposure to four NPA accounts	NA	NA

NOTE 53: Disclosure of complaints

(Disclosure pursuant to Para C.1 (10) of RBI Circular No. RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/ 21.04.018/2025-26)

1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

S. No	Particulars		31st March 2026	31st March 2025
	Complaints received by the NBFC from its customers			
1	Number of complaints pending at beginning of the year		Nil	Nil
2	Number of complaints received during the year		Nil	Nil
3	Number of complaints disposed during the year		Nil	Nil
	3.1	Of which, number of complaints rejected by the NBFC	Nil	Nil
4	Number of complaints pending at the end of the year		Nil	Nil
5	Number of maintainable complaints received by the NBFC from Office of Ombudsman		Nil	Nil
	5.1.	Of 5, number of complaints resolved in favor of the NBFC by Office of Ombudsma	Nil	Nil
	5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	Nil	Nil

(Amounts in ₹ Lakhs, unless otherwise stated)

S. No	Particulars		31st March 2026	31st March 2025
	5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	Nil	Nil
6	Number of Awards unimplemented within the stipulated time (other than those appealed)		Nil	Nil
	Maintainable complaints received by the NBFC from Office of Ombudsman		Nil	Nil

2) Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
31st March 2026					
Ground - 1	Nil	Nil	Nil	Nil	Nil
Ground - 2	Nil	Nil	Nil	Nil	Nil
Ground - 3	Nil	Nil	Nil	Nil	Nil
Ground - 4	Nil	Nil	Nil	Nil	Nil
Ground - 5	Nil	Nil	Nil	Nil	Nil
Others	Nil	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil	Nil
31st March 2025					
Ground - 1	Nil	Nil	Nil	Nil	Nil
Ground - 2	Nil	Nil	Nil	Nil	Nil
Ground - 3	Nil	Nil	Nil	Nil	Nil
Ground - 4	Nil	Nil	Nil	Nil	Nil
Ground - 5	Nil	Nil	Nil	Nil	Nil
Others	Nil	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil	Nil

(Amounts in ₹ Lakhs, unless otherwise stated)

NOTE 54: Loans to Directors, Senior officers and relative of Directors

(Disclosure pursuant to Para C.1 (11) of RBI Circular No. RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26)

Particulars	31st March 2026	31st March 2025
DIRECTORS AND THEIR RELATIVES	Nil	Nil
ENTITIES ASSOCIATED WITH DIRECTORS AND THEIR RELATIVES	Nil	Nil
SENIOR OFFICERS AND THEIR RELATIVES	Nil	Nil

NOTE 55: Details of Repo and Reverse Repo Transactions

Particulars	Min Outstanding during the year	Max Outstanding during the year	Daily Average outstanding during the year	March 31, 2026
Repo	8,60,241.54 (P.Y. 8,24,169.26)	17,09,726.68 (P.Y. 16,36,747.26)	13,68,947.27 (P.Y. 12,83,733.30)	11,00,343.93 (P.Y 8,60,241.54)
Reverse Repo	1,159.01 (P.Y. 405.95)	2,04,836.90 (P.Y. 1,95,093.90)	89,733.13 (P.Y. 58,729.65)	2,04,836.90 (P.Y. 5,226.76)

NOTE 56: Comparison between provisions required under IRACP and impairment allowances made under Ind AS 109

(Disclosure pursuant to Para C.1 (15) of RBI Circular No. RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26)

Asset Classification as per RBI Norms	Asset Classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	**23,31,421.17 (P.Y. 23,16,500.54)**	-	**23,31,421.17 (P.Y. 23,16,500.54)**	-	-
	Stage 2	-	-	-	-	-
Sub total	-	-	-	-	-	-
Non-Performing Assets (NPA)						
Substandard	Stage 3					
Doubtful- upto 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-

(Amounts in ₹ Lakhs, unless otherwise stated)

Asset Classification as per RBI Norms	Asset Classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		-	-	-	-	-
Other items such as guarantees, loan commitments etc which are in the scope of Ind AS 109 but not covered under current Income recognition, Asset classification And Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	**Stage 1**	**23,31,421.17 (P.Y. 23,16,500.54)**	**-**	**(P.Y. 23,16,500.54)**	**-**	**-**
	Stage 2	**-**	**-**	**-**	**-**	**-**
	Stage 3	**-**	**-**	**-**	**-**	**-**
	Total	**-**	**-**	**-**	**-**	**-**

NOTE 57: Registration/ License/authorization obtained from:

A) Financial sector regulators

- MCA- Certificate of Incorporation Number is L74899DL1996PLC077120
- Primary Dealership Business Authorisation granted by RBI has been renewed by RBI upto March 31, 2028.
- RBI- Certificate of Registration bearing No. 14.00007 dated February 10, 1998.
- SEBI – Registration number as Stock Broker is INZ000007831.
- RBI- AD Category III No. 04/2023

B) Other than financial sector regulators

(Disclosure pursuant to Para C.2 (19) of RBI Circular No. RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/ 21.04.018/2025-26)

The Company is registered as a non- deposit accepting Non-Banking Financial Company (NBFC) and is authorised by Reserve Bank of India for carrying out Standalone Primary Dealership business. The details of its membership of various stock exchanges are as given below:

(Amounts in ₹ Lakhs, unless otherwise stated)

Name of Exchange	Segment	Type of Membership
National Stock Exchange of India Ltd	Currency Futures (Including Interest Rate Futures)	Proprietary Trading Member

The Company is also member of AMC Repo Clearing Limited.

NOTE 58: Information on all provisions and contingencies booked as expenditure in Profit and Loss Account:

(Disclosure pursuant to Para C.2 (25) of RBI Circular No. RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26)

Particulars	31st March 2026	31st March 2025
Provision for (Depreciation)/ Appreciation on investments (stock-in-trade and derivatives)	(11,510.48)	7,930.93
Provision towards NPA	Nil	Nil
Provision towards Income Tax and Deferred Tax	5,998.19	7,792.40
Others (Expense Related)	(626.81)	(215.08)
Provision for Standard Assets	Nil	Nil

NOTE 59 : Investments (at amortised cost & stock-in-trade)

(Disclosure pursuant to Para C.2 (12) of RBI Circular No. RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26)

Particulars	31st March 2026	31st March 2025
Gross Value of Investments		
(a) In India	23,44,367.90	23,12,180.22
(b) Outside India	-	-
Provision for (Depreciation)/ Appreciation		
(a) In India	(12,946.73)	4,320.32
(b) Outside India	-	-
Net Value of Investments		
(c) In India	23,31,421.17	23,16,500.54
(d) Outside India	-	-
Movement of provisions held towards depreciation on investments		
(i) Opening balance	4,320.32	(4,003.48)

(Amounts in ₹ Lakhs, unless otherwise stated)

Particulars	31st March 2026	31st March 2025
(ii) Add: Provisions made during the year	(17,267.05)	-
(iii) Less: Write-off of excess provisions during the year	-	8,323.80
(iv) Closing balance	(12,946.73)	4,320.32

The above investments include pledge investments also, for details of pledge of investments,refer Note no.-8

NOTE 60: Disclosure of penalties

Penalties levied by Regulators (i.e. RBI): Nil lakhs (P.Y.: Nil lakhs)

NOTE 61: Disclosures in compliance with Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended March 31, 2026

(Disclosure pursuant to Para C.2 (21) of RBI Circular No. RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/ 21.04.018/2025-26)

(a) Credit Rating and change in Credit Rating (if any)

Rating Agencies	Rating Programme	Rating Assigned	Migration	Rating Amount	
				31.03.2026	31.03.2025
ICRA	Short Term Commercial Paper	A1+	-	1,00,000.00	1,00,000.00
	Inter Corporate Deposit	A1+	-	1,00,000.00	1,00,000.00
CRISIL	Bank loan Rating	A1+		2,10,000.00	-
	Short Term Commercial Paper	A1+	-	1,00,000.00	1,00,000.00
India Ratings and Research	Bank loan Rating	IND A1+	-	2,50,000.00	2,00,000.00
	Inter Corporate Deposit	IND A1+	-	1,00,000.00	1,00,000.00

(b) During the current financial year, there were no Commercial Paper and other non-convertible securities issuances. Therefore, no ratios are disclosed.

NOTE 62: Subsequent Events

There is no subsequent event after the reporting date till the date of approval of the financial statements, which may impact the financial statements of the company. However, in previous year 2024-25, an amount of ₹ 9.09 lakhs was received on 17th April 2025 from SREI Equipments Finance Limited written off in FY 2021-22.

NOTE 63: Reclassification/ Regrouping

Figures of the previous period have been regrouped/ reclassified, wherever considered necessary in order to make them comparable with those of the current period.

(Amounts in ₹ Lakhs, unless otherwise stated)

NOTE 64: Additional Information

(i) The Company has not entered any transactions with companies that were struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

(ii) The Company is in compliance with number of layers of companies, as prescribed under clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(iii) During the year, no scheme of arrangements in relation to the Company has been approved by the competent authority in terms of Sections 230 to 237 of the Companies Act, 2013. Accordingly, aforesaid disclosure are not applicable, since there were no such transaction.

(iv) The Company does not have any transactions which were undisclosed in the books of accounts, but offered as income during the year in the income tax assessment.

(v) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(vi) The Company has not been declared as Wilful Defaulter by any Bank or Financial Institution or other Lender.

(vii) The Company has not advanced or provided loan to or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other persons or entities including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(viii) The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

For and on behalf of the Board
PNB Gilts Limited

(Bibhu Prasad Mahapatra)
Director
DIN: 08756848

(Raj Kamal Verma)
Director
DIN: 07847454

(Rekha Jain)
Director
DIN: 01586688

(Pareed Sunil)
Managing Director & CEO
DIN: 11001150

(Kishkanda Garg)
Chief Financial Officer
Membership No: 521493

(Monika Kochar)
Company Secretary
Membership No: F6514

In terms of our report of even date
For K Venkatachalam Aiyer and Co.
Chartered Accountants
Firm's Registration Number: 004610S

CA Chandhrabala P.
Partner
Membership No. 235978
UDIN: 26235978EXTSGT2634

For Raj Har Gopal and Co.
Chartered Accountants
Firm's Registration Number: 002074N

CA Gopal Krishan
Partner
Membership No. 081085
UDIN: 26081085ERMTVS1134

Date: April 20, 2026
Place: New Delhi

Schedule to the Balance Sheet of a non-deposit taking non-banking financial Company

As required in terms of para 20 of Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025

(Amounts in ₹ Lakhs, unless otherwise stated)

Particulars				Amount Outstanding FY 2025-26	Amount Outstanding FY 2024-25	Amount overdue FY 2025-26	Amount overdue FY 2024-25	Remarks
Liabilities Side :								
(1)	**Loans and advances availed by the non-banking financial company inclusive of Interest accrued thereon but not paid:**							
		(a)	Debentures : Secured	-	-		-	-
			: Unsecured	-	-		-	-
			(Other than falling within the meaning of public deposits*)					
		(b)	Deferred Credits	-	-		-	-
		(c)	Term Loans	-	-		-	-
		(d)	Inter-Corporate loans and borrowing	4,200.00	26,267.00		-	-
		(e)	Commercial Paper	-	-		-	-
		(f)	Public deposit	-	-			
		(g)	Other Loans				-	-
			-Borrowings from RBI	4,13,817.00	5,13,448.00		-	-
			-TREPS Borrowings	3,93,265.75	4,36,655.95		-	-
			-Repo Borrowing	12,49,246.53	8,60,241.54		-	-
			-Line of Credit from PNB	12,410.00	54,918.05		-	-
			-Call Money Borrowings	4,15,090.00	3,46,615.00		-	-
			-Commercial Paper Borrowings	-	-		-	-
(2)	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):**							
		(a)	In the form of Unsecured debentures	-	-			
		(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-			
		(c)	Other public deposits	-	-			
Assets Side :								
(3)	**Break-up of Loans and Advances including bills receivables (other than those included in (4) below):**							

(Amounts in ₹ Lakhs, unless otherwise stated)

Particulars				Amount Outstanding FY 2025-26	Amount Outstanding FY 2024-25	Amount overdue FY 2025-26	Amount overdue FY 2024-25	Remarks
Liabilities Side :								
		(a)	Secured	2,05,192.90	5,535.16		-	-
		(b)	Unsecured	5.42	8.35		-	-
(4)	**Break up of leased Assets and stock on hire and other assets counting towards asset financing activities**			NA	NA		-	-
	(i)		Lease assets including lease rentals under sundry debtors :	-	-		-	-
		(a)	Financial lease	-	-			
		(b)	Operating lease	-	-		-	-
	(ii)		Stock on hire including hire charges under sundry debtors :	-	-		-	-
		(a)	Assets on hire	-	-		-	-
		(b)	Repossessed Assets	-	-		-	-
	(iii)		Other loans counting towards asset financing activites	-	-		-	-
		(a)	Loans where assets have been repossessed	-	-		-	-
		(b)	Loans other than (a) above	-	-		-	-
(5)	**Break-up of Investments / Stock-in-trade :**			**Amount outstanding**	**Amount outstanding**			
			Current investments (Stock-in-trade):					
	1		**Quoted :**					
	(i)		Shares :	243.04	299.65		-	Market Value C.Y: ₹ 226.47 lacs (P.Y. ₹ 302.31 lacs)
		(a)	Equity					
		(b)	Preference					
	(ii)		Debentures, Bonds, CP and CD	4,46,484.65	2,62,230.81		-	Market Value C.Y: ₹ 4,43,586.49 lacs (P.Y ₹ 2,62,655.10 lacs)
	(iii)		Units of mutual funds					

(Amounts in ₹ Lakhs, unless otherwise stated)

Particulars				Amount Outstanding FY 2025-26	Amount Outstanding FY 2024-25	Amount overdue FY 2025-26	Amount overdue FY 2024-25	Remarks
Liabilities Side :								
	(iv)		Government Securities	18,24,981.24	19,44,498.45		-	Market Value C.Y: ₹ 18,14,949.24 lacs (P.Y: 19,48,391.83 lacs)
	(v)		Others (Please specify)	-	-		-	-
			Unquoted :					
	(i)		Shares :	-	-		-	-
		(a)	Equity					
		(b)	Preference	-	-		-	-
	(ii)		Debentures and Bonds	-	-		-	-
	(iii)		Units of Mutual Funds	-	-		-	-
	(iv)		Government Securities	-	-		-	-
	(v)		Others (please specify)	-	-		-	-
			Long Term Investments :					
	1		**Quoted :**					
	(i)		Shares :	-	-		-	-
		(a)	Equity					
		(b)	Preference	-	-		-	-
	(ii)		Debentures and Bonds	-	-		-	-
	(iii)		Units of Mutual Funds	-	-		-	-
	(iv)		Government Securities	72,658.96	1,05,151.30		-	-
	(v)		Others (please specify)	-	-		-	-
	2		**Unquoted :**					
	(i)		Shares :	-	-		-	-
		(a)	Equity					
		(b)	Preference	-	-		-	-
	(ii)		Debentures and Bonds	-	-		-	-
	(iii)		Units of Mutual Funds	-	-		-	-
	(iv)		Government Securities	-	-		-	-
	(v)		Others (please specify)	-	-		-	-
TOTAL :				**23,44,367.89**	**23,12,180.21**			

(Amounts in ₹ Lakhs, unless otherwise stated)

(6) Borrower group-wise classification of Assets financed as in (3) and (4) above :

(Please see Note 2 below)

Category			Amount net of provisions				
			Secured		Unsecured		Total
1	**Related Parties ****		-	-	-	-	-
	(a)	Subsidiaries	-	-	-	-	-
	(b)	Companies in the same group	-	-	-	-	-
	(c)	Other related parties	-	-	-	-	-
2	Other than related parties		-	-	-	-	-
	TOTAL:		-	-	-	-	-

Note: Loans and Advances given in Note 2 above are Staff Loans, hence do not fall in this category and not disclosed.

(7) Investor group-wise classification of all investments (current and long term) in shares and Securities (both quoted and unquoted) :

(Please see note 3 below)

Category			Market Value/ Break up or fair value or NAV (Current Year)	Market Value/ Break up or fair value or NAV (Previous Year)	Book Value (Current Year)	Book Value (Previous Year)
1	**Related Parties ****					
	(a)	Subsidiaries	-	-	-	-
	(b)	Companies in the same group	-	-	-	-
	(c)	Other related parties	-	-	-	-
2	Other than related parties		23,31,421.17	23,16,500.54	23,44,367.89	23,12,180.21
	TOTAL:		**23,31,421.17**	**23,16,500.54**	**23,44,367.89**	**23,12,180.21**

** As per Accounting Standard of ICAI (Please see Note 3)

(8) Other Information

Particulars			Amount				
(i)	**Gross Non-Performing Assets**			-		-	
	(a)	Related Parties					
	(b)	Other than related parties					
(ii)	**Net Non-Performing Assets**			-		-	
	(a)	Related Parties					
	(b)	Other than related parties					
(iii)	**Assets acquired in satisfaction of debt**			-		-	

Notes :

1 As defined in the Reserve Bank of India (Non-Banking Financial Companies – Acceptance of Public Deposits) Directions, 2025

2 Provisioning norms shall be applicable as prescribed in these Directions.

For and on behalf of the Board

(Bibhu Prasad Mahapatra)
Director
DIN: 08756848

(Raj Kamal Verma)
Director
DIN: 07847454

(Rekha Jain)
Director
DIN: 01586688

(Pareed Sunil)
Managing Director & CEO
DIN: 11001150

(Kishkanda Garg)
Chief Financial Officer
Membership No: 521493

(Monika Kochar)
Company Secretary
Membership No: F6514

In terms of our report of even date
For K Venkatachalam Aiyer and Co.
Chartered Accountants
Firm's Registration Number: 004610S

CA Chandhrabala P.
Partner
Membership No. 235978
UDIN: 26235978EXTSGT2634

For Raj Har Gopal and Co.
Chartered Accountants
Firm's Registration Number: 002074N

CA Gopal Krishan
Partner
Membership No. 081085
UDIN: 26081085ERMTVS1134

Date: April 20, 2026
Place: New Delhi

FINANCIALS AT A GLANCE

Financial Parameters

	2025-26	2024-25	2023-24
	(%)	(%)	(%)
Financial Performance			
Interest Income/ Total Income	103.73	90.19	96.28
Trading Income/ Total Income	(4.34)	9.23	3.19
Other Income/ Total Income	0.62	0.57	0.53
Interest Expense/ Total Income	80.60	78.29	89.51
Interest Expense/ Total Expense	94.52	95.97	95.26
Establishment Expense/ Total Expense	1.88	1.18	0.78
Admn and other Expense/ Total Expense	3.60	2.85	3.62
PBT/ Total Income	14.84	18.55	6.27
PAT/ Total Income	11.15	13.90	4.40
Human Assets			
Security Turnover per employee (₹ Crore)	13,449.74	13,467.51	15,909.25
Profit before tax per employee (₹ Crore)	4.24	5.65	1.80
Average Age of the employees (Years)	41.00	40.00	40.00
Per Share Data			
Earnings Per Share (₹)	10.09	12.95	3.86
Cash Earnings Per Share (₹)	16.64	8.73	(0.75)
Book Value Per Share (₹)	94.25	84.30	72.96
Price Earnings, end of year (₹)	5.86	6.22	28.39
Price/ Cash Earnings, end of year (₹)	3.56	9.22	(146.79)
Price/ Book Value, end of year (₹)	0.63	0.95	1.50
Dividend Per Share (₹)	2.00	1.00	1.00

Financial: Last 10 Years

(₹ in Crore)

Financial Year(s)	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
TOTAL INCOME	**500.54**	**351.48**	**508.01**	**882.60**	**1,052.27**	**757.55**	**926.72**	**1,576.67**	**1,676.28**	**1,628.37**
I Interest & Discount on Securities	313.74	400.81	493.58	766.46	778.83	970.73	1,221.63	1,518.04	1,511.90	1,689.03
II Profit/(Loss) on Sale of Securities	185.50	(50.96)	9.00	111.50	252.56	(234.09)	(303.23)	50.26	154.76	(70.69)
III Revenue & Other Income	1.30	1.63	5.43	4.64	20.88	20.91	8.32	8.37	9.62	10.03
EXPENDITURE	**244.00**	**350.16**	**424.99**	**551.58**	**429.20**	**554.32**	**1,019.63**	**1,481.50**	**1,367.52**	**1,388.53**
I Interest Expenses	225.72	330.72	403.44	519.26	394.81	510.43	972.88	1,411.32	1,312.41	1,312.46
II Operating & Other Expenses	17.94	18.95	21.13	30.87	32.50	42.73	45.39	54.81	51.69	73.30
III Depreciation on fixed assets & ROUA	0.34	0.49	0.42	1.45	1.89	1.16	1.36	15.37	3.42	2.77
IV Bad debts written off	-	-	-	-	-	-	-	-	-	-
Prov. Against overdue call lending	-	-	-	-	-	-	-	-	-	-
Exceptional items	-	-	-	81.22	8.73	(6.91)	(7.85)	(3.64)	(2.20)	(1.76)
PROFIT BEFORE TAX	**256.54**	**1.32**	**83.02**	**249.80**	**614.34**	**210.14**	**(85.06)**	**98.81**	**310.96**	**241.60**
Less Prov. / (Release) for Taxation	89.37	(0.09)	30.16	63.45	160.23	44.44	(7.84)	29.40	77.93	59.98
PROFIT AFTER TAX	**167.17**	**1.41**	**52.86**	**186.35**	**454.11**	**165.70**	**(77.22)**	**69.41**	**233.03**	**181.62**
PAID UP CAPITAL	180.01	180.01	180.01	180.01	180.01	180.01	180.01	180.01	180.01	180.01
RESERVES	718.84	677.06	707.66	862.52	1,136.36	1,247.29	1,079.99	1,149.75	1,365.19	1,529.56
NET WORTH	**898.36**	**843.23**	**885.66**	**1,002.19**	**1,305.69**	**1,425.64**	**1,238.07**	**1,313.35**	**1,517.41**	**1,696.44**
Turnover (Primary + Secondary)	6,86,167.00	4,73,384.00	4,71,198.00	8,56,706.00	6,80,347.00	5,98,484.00	7,13,988.00	8,75,009.00	7,40,713.00	7,66,635.00
Dividend(%)	25.00	10.00	14.00	30.00	100.00	50.00	-	10.00	10.00	20.00

NOTICE

PNB GILTS LTD
(Subsidiary of Punjab National Bank)

PNB Gilts Ltd.
Regd. Office : 5, Sansad Marg, New Delhi - 110 001
Tel : 011-23325759, 23325779, Website - www.pnbgilts.com,
E-mail ID - pnbgilts@pnbgilts.com, CIN : L74899DL1996PLC077120

Notice is hereby given that the 30th Annual General Meeting (AGM) of members of PNB Gilts Limited ("the Company") will be held on Monday, September 28, 2026, at 11:00 a.m. (IST) through Video Conferencing ("VC"), to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements of the Company for the year ended March 31, 2026 and the Reports of the Auditors and the Board of Directors thereon.

2. To declare a final dividend of ₹2 per equity share of ₹10/- each for the year ended March 31, 2026.

3. To appoint a Director in place of Sh. Pareed Sunil (holding DIN: 11001150), who is liable to retire by rotation and being eligible, offers himself for reappointment.

4. To authorize Board of Directors to fix remuneration of the Statutory Auditor(s) / Joint Statutory Auditors of the Company, as appointed by the Comptroller and Auditor General of India for the financial year 2026-27 and in this regard, if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to fix the remuneration of the Statutory Auditor(s) / Joint Statutory Auditors of the Company as appointed by the Comptroller and Auditor General of India for the financial year 2026-27."

SPECIAL BUSINESS

5. To approve the appointment of Sh. Amit Kumar Srivastava (DIN: 08099846) as a Non-Executive and Non-Independent Director of the Company and in this regard to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to Section 152 and any other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force) and Regulation 17(1C) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ("Listing Regulations"), as amended from time to time, and the Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions, 2025 read with Reserve Bank of India letters dated December 05, 2023, June 19, 2025, January 29, 2026 and March 13, 2026 and all other applicable laws, Acts, Rules, Regulations, Guidelines, Circulars, Directions and Notifications and the applicable provisions of the Articles of Association of the Company, and subject to such permissions/ approvals as may be required and based on the recommendation of the Nomination & Remuneration Committee and the approval of the Board of Directors, Sh. Amit Kumar Srivastava, Executive Director- Punjab National Bank ("PNB"), who is holding DIN: 08099846, in respect of whom the Company has received notice in writing under Section 160 of the Act, from a member, proposing his candidature for the office of Director and being eligible for appointment under the provisions of the Act and the Rules framed thereunder and the Listing Regulations, be and is hereby appointed as Non-Executive Non-Independent Director of the Company, liable to retire by rotation, effective from the date of receipt of approval of RBI or shareholders of the Company, whichever is later, on such terms and conditions as may be conveyed by RBI/Regulator/PNB, for a period upto the date of his holding the position of Executive Director in PNB or until further orders of Government of India, whichever is earlier.

6. To approve existing as well as the new material related party transactions with promoter and its group companies/associates and in this regard to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), including any amendment(s), modification(s), variation(s) or re-enactment(s) thereof, the applicable provisions of the Companies Act, 2013 ('Act') read with Rules made thereunder, Master Direction – Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions, 2025 and other applicable laws/ statutory provisions, if any (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof) and pursuant to the Company's Policy on Related Party Transactions and upon the recommendation and approval of Audit Committee and the Board of Directors of the Company (hereinafter referred to as 'Board' which term shall be deemed to include the Audit Committee and any duly constituted/ to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution), the approval of members of the Company be and is hereby accorded to the Board for continuing and/ or entering into and/ or carrying out and/or renewal(s) or extension(s) or modification(s) of earlier, contract(s) or agreement(s) or arrangement(s) or transaction(s) (whether individual transaction or transactions taken together or series of transactions or otherwise) with the promoter (holding majority stake in the company) and/or associates of promoter, related parties within the meaning of Regulation 2(1)(zb) of Listing Regulations and other applicable statutory/regulatory provisions, on such terms and conditions as may be agreed between the Company and related parties as also detailed in the explanatory statement annexed hereto, whether by way of entering into new contract(s) / agreement(s) / arrangement(s) / transaction(s) or renewal(s) or extension(s) or modification(s) of earlier contract(s) /agreement(s) / arrangement(s)/ transaction(s) or otherwise for values as detailed in the Annexure II to the explanatory statement forming part of this notice, notwithstanding the fact that the aggregate value of all such transactions exceeds the prescribed thresholds for it to be considered as material related party transactions as per provisions of the Listing Regulations as applicable from time to time, provided that the said transactions shall be carried out on arm's length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions powers herein conferred to, without being required to seek further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any director(s), committee(s), executive(s), officer(s) or representatives(s) of the Company or to any other person to do all such acts, deeds, matters and things as may be considered necessary or expedient and also to execute such documents, writings etc. as may be necessary to give effect to this resolution."

By Order of the Board of Directors

New Delhi
August 07, 2026

(Monika Kochar)
Company Secretary
FCS 6514

Regd. Off.: 5, Sansad Marg, New Delhi -110001
CIN: L74899DL1996PLC077120
E-mail: monika.kochar@pnbgilts.com
Website: www.pnbgilts.com

NOTES:

1. The Ministry of Corporate Affairs (**"MCA"**) has, vide General Circular no. 14/2020 dated 8th April, 2020 in relation to "clarification on holding of annual general meeting (AGM) through video conferencing (VC) or Other Audio Visual Means (OAVM)" and subsequent circulars issued in this regard, latest being 03/2025 dated September 22, 2025, (collectively referred to as **"MCA Circulars"**), permitted companies to conduct Annual General Meeting (**"AGM"**) through video conferencing (**"VC"**). In compliance with such MCA Circulars and applicable provisions of the Companies Act 2013 (**"Act"**) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"Listing Regulations"**) and relevant circulars issued by SEBI (hereinafter referred as **"SEBI Circulars"**) in this regard, the 30th AGM of the Company is being convened and conducted through VC/OAVM. The facility of VC/OAVM and also casting of votes by a member using remote e-Voting as well as venue e-Voting system on the date of the AGM will be provided by National Securities Depository Limited (**"NSDL"**).

2. **Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars read with SEBI Circulars and Listing Regulations through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting. Members attending the AGM through VC/ OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.**

3. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company as on the cut-off date will be entitled to vote during the AGM.

4. In compliance with aforesaid MCA Circulars read with SEBI Circulars and Listing Regulations, the notice of the 30th AGM along with the Annual Report 2025-26 are being sent only by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories/Depository Participants(DPs) /Registrar to an Issue and Share Transfer(**"RTA"**) Agent . Members may note that the above-mentioned Notice and Annual Report 2025-26 will also be available on the Company's website www.pnbgilts.com , websites of the Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL https://www.evoting.nsdl.com. In case any member is desirous of obtaining a hard copy of the notice of the 30th AGM along with the Annual Report 2025-26 of the Company, may send request to the Company's email address at monika.kochar@pnbgilts.com mentioning Folio No./ DP ID and Client ID. The Company is also sending a letter providing the web-link, including the exact path, where complete details of this AGM Notice and the Annual Report 2025-26 is available to those Members who have not registered e-mail ids with Company/ RTA/ DPs/Depositories.

5. Members who have not yet registered their e-mail addresses are requested to register the same with their Depository Participants ("DP") in case the shares are held by them in electronic form and with MCS Share Transfer Agent Ltd. in case the shares are held by them in physical form in the manner specified hereunder in note no.17. For temporary registration of email for the purpose of receiving of this notice along with annual report for 2025-26 members may write to monika.kochar@pnbgilts.com along with requisite proof of his/her membership.

6. The Explanatory Statement pursuant to Section 102 of the Act, which sets out details

relating to Special Business to be transacted at the meeting, is annexed hereto.

7. Details given in Annexure, as required under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations') and Secretarial Standard on General Meeting (SS-2) of the Institute of Company Secretaries of India ("ICSI"), in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of this Notice. The Director(s) have furnished the requisite declarations for their appointment/ re-appointment.

8. All documents referred to in the Explanatory Statement along with Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, shall be available for inspection through a secured platform upon login at NSDL e-voting system at https://www.evoting.nsdl.com/. All documents referred to in the Notice will also be available electronically for inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an e-mail to monika.kochar@pnbgilts.com.

DIVIDEND RELATED INFORMATION:

9. The Company has fixed Monday, September 21, 2026 as the 'Record Date' for determining the entitlement of members to receive the Final Dividend for the Financial Year 2025-26, if declared at the 30th AGM of the Company.

10. The said Final dividend, as recommended by the Board, if declared at the AGM, will be paid subject to deduction of tax at source within 30 days of such declaration to those members or their mandates whose names stand registered on the Company's Register of Members

    - As Beneficial Owners as at the end of the business hours of Monday, September 21, 2026 as per the lists and details (including bank details) to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and
    - As Members in the Register of Members of the Company as at the end of the business hours of Monday, September 21, 2026.

11. Members holding shares in demat mode are hereby informed that bank particulars registered with their respective DPs, with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. Members holding shares in demat mode are requested to intimate any change in their address and/or bank mandate to their DPs only, as the Company or its RTA cannot act on any request received directly on the same.

12. SEBI vide its Master Circular No. SEBI/HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 6, 2026, has mandated that with effect from April 1, 2024, dividend to security holders (holding securities in physical form whose folio(s) do not have PAN, Contact Details, Bank Account Details and Specimen Signature updated), shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, contact details including mobile number, bank account details and specimen signature. Further, relevant FAQs published by SEBI on its website can be viewed at the following link: https://www.sebi.gov.in/sebi_data/faqfiles/jan-2026/1767611333081.pdf

TAX ON DIVIDEND:

13. Pursuant to the provisions of the Income Tax Act, 2025 ("the IT Act"), dividend income is taxable in the hands of the members and the Company is required to deduct tax at source ("TDS") from dividend paid to the members at rates prescribed in the IT Act. In general, to enable compliance with TDS requirements, members are requested to complete and/ or update their Residential Status, PAN, Category as per the IT Act with their Depository Participant(s) or in case shares

are held in physical form, with the Company by sending email to the Company's email address at monika.kochar@pnbgilts.com. For further details, members may refer to the "Communication on TDS on Dividend Distribution" appended to this Notice of the 30th AGM.

14. Pursuant to Section 139 of the Companies Act, 2013 ('the Act'), the Statutory Auditor(s) / Joint Statutory Auditors of the Company are appointed by the Comptroller and Auditor General of India (C&AG) and pursuant to Section 142 of the Act, the remuneration is to be fixed in the general meeting or in such manner as may be determined therein. The Statutory Auditor(s) / Joint Statutory Auditors of the Company for the FY 2026-27 are yet to be appointed by the C&AG. Accordingly, the members may authorize the Board to fix remuneration payable to Statutory Auditor(s), as may be deemed fit by the Board, for the financial year 2026-27.

INVESTOR EDUCATION AND PROTECTION FUND

15. Pursuant to the provisions of Section 124 of the Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") read with the relevant circulars and amendments thereto, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund ("IEPF"), constituted by the Central Government. The Company had, accordingly, transferred ₹ 8,07,364/- being the unpaid/ unclaimed dividend amount pertaining to Final Dividend 2017-18 during FY 2025-26.

    Details of the unpaid/ unclaimed dividend are also uploaded on the Company's website www.pnbgilts.com. Members who have not encashed Final Dividend 2018-19 or any subsequent dividend declared by the Company, are advised to write to the Company immediately.

    Further, all the shares in respect of which dividend has remained unclaimed for 7 consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.

    The Members, whose unclaimed dividends and/or shares have been transferred to IEPF, may contact the Company or MCS Share Transfer Agents Ltd. and submit the required documents for the issue of the Entitlement Letter. The Members can attach the Entitlement Letter and other required documents and file the IEPF-5 form for claiming the dividend and/ or shares available on www.iepf.gov.in. For details, please refer to Corporate Governance Report, which is a part of this report.

    All the shareholders who have not claimed / encashed their dividends in the last seven consecutive years from 2018-19 are again advised to claim the same. In case valid claim is not received, the Company will proceed to transfer the respective shares to the IEPF Account in accordance with the procedure prescribed under the IEPF Rules.

NON-RECEIPT OF DIVIDEND

16. The Company has received back some undelivered envelopes containing dividend warrants in the past due to various reasons. As such, shareholders who have not received dividend(s) of previous years, are requested to contact the Company by giving details like Folio No./DP ID & Client ID, Address, Contact No. etc. Please refer 'Report on Corporate Governance' section for detailed explanation/ procedure.

GENERAL INFORMATION

17. SEBI vide its Master Circular No. SEBI/HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 6, 2026, mandated that the security holders (holding securities in physical form), whose folio(s) are not updated with the KYC details (any of the details viz., PAN (linked with Aadhaar); Contact Details; Postal Address with Pin code, Mobile Number, Bank Account Details and signature, if any) shall be eligible for any payment including dividend, interest or redemption in respect of such folios, as may be applicable, only through electronic mode with effect from April 01, 2024. Further, such security

holder shall not be able to lodge grievance or avail any service request from the RTA, until the KYC details are updated. Therefore, members of the Company, holding shares in physical mode are requested to immediately update their aforesaid KYC details with the RTA of the Company to avoid any hardship / consequences as above. For facilitating to update their aforesaid KYC details, nomination details and further for processing various service requests, the Company has uploaded required forms – ISR1, ISR2, ISR3, ISR4, ISR-5, SH13 and SH14, as applicable, on its website viz. www.pnbgilts.com.

Members can download the Forms, as applicable / required, fill in the details and send to the RTA of the Company along with requisite documents for updating the details.

Contact details of Registrar and Share Transfer Agent of the Company is as under:

MCS Share Transfer Agent Ltd.
(Unit - PNB Gilts Ltd.)
179-180, 3rd Floor, DSIDC Shed,
Okhla Industrial Area, Phase-I,
New Delhi - 110020.
Ph:- 011-4140 6149, 4140 6150, 4140 6151
Email ID– helpdeskreply@mcsregistrars.com.

Members who hold shares in dematerialised form and wish to update their PAN, contact details, Bank details, signatures and Nomination, are requested to contact their respective DPs.

18. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company, of any change in address or demise of any member as soon as possible and in case shares are in physical form. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.

19. Members may please note that as per the Regulation 40(1) of the Listing Regulations, as amended, read with SEBI Master Circular no. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 06, 2026, SEBI has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at https://www.pnbgilts.com/downloads . It may be noted that any service request can be processed only after the folio is KYC Compliant. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members may also visit website of the depositories, NSDL viz https://nsdl.co.in/faqs/faq.php or CDSL viz. https://www.cdslindia.com/investors/open-demat.html for further understanding of the demat procedure. Members can also contact the Company or MCS Share Transfer Agent Ltd., for assistance in this regard.

20. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or MCS Share Transfer Agent Ltd., the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.

21. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website

https://www.pnbgilts.com/downloads. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to MCS Share Transfer Agent Ltd. in case the shares are held in physical form.

All existing investors are encouraged, in their own interest, to provide 'choice of nomination' for ensuring smooth transmission of securities held by them as well as to prevent accumulation of unclaimed assets in securities market. However, all new investors shall continue to be required to mandatorily provide the 'Choice of Nomination' for demat accounts except for jointly held demat accounts.

ONLINE DISPUTE RESOLUTION PORTAL

22. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/ OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023, SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/191 dated December 20, 2023 and Master Circular No. SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated December 28, 2023, has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (https://smartodr.in/login) and the same can also be accessed from the Company's website at https://www.pnbgilts.com/uploads/annoucement/ODR_Link.pdf

    The ODR Portal allows the investors/ shareholders to enrol themselves, file unresolved grievance, upload documents and get status updates pertaining to the unresolved grievances filed against listed entities/ its RTA.

    The process for initiation of Dispute Resolution process is enumerated below:

    - An investor/client shall first take up his/her grievance with the Market Participant by lodging a complaint directly with the concerned Market Participant.
    - If the grievance is not redressed satisfactorily the investor/shareholder may escalate the same through the SCORES Portal (www.scores.gov.in) in accordance with SCORES Guidelines in accordance with the process laid out.
    - If the investor/client is still not satisfied with the outcome, he/she can initiate dispute resolution through the ODR Portal. Alternatively, the investor/client may initiate dispute resolution through the ODR Portal if the grievance lodged with the concerned Market Participant was not satisfactorily resolved or at any stage of the subsequent escalations (prior to or at the end of such escalation(s).
    - The concerned Market Participant may also initiate dispute resolution through the ODR Portal after having given due notice of at least 15 calendar days to the investor/client for resolution of the dispute which has not been satisfactorily resolved between them.

    The SMART ODR Portal can be accessed at: https://smartodr.in/login and for more information shareholders are requested to visit the weblink https://www.pnbgilts.com/uploads/annoucement/ODR_Link.pdf.

23. Instructions for e-voting and joining the AGM are as follows -

VOTING THROUGH ELECTRONIC MEANS

I. In compliance with provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the ICSI, the Company is pleased to provide its members facility to exercise their right to vote on resolutions proposed to be considered at the 30th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic

voting system from a place other than the venue of the AGM ("remote e-voting") will be provided by NSDL.

II. The remote e-voting period commences on September 24, 2026 (9:00 a.m.) and ends on September 27, 2026 (5:00 p.m.). The members, whose names appear in the Register of Members/list of Beneficial Owners as on the closure of September 21, 2026 being the cut-off date, are entitled to vote on the resolutions set forth in this Notice., may cast their vote by remote e-voting. The e-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the AGM through VC facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

III. A person, who is not a member as on the cut-off date, should treat this Notice for information purpose only.

IV. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC but shall not be entitled to cast their vote again.

V. The voting/remote e-voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date.

VI. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date shall follow the same procedure for e-Voting as mentioned below.

VII. Mr. Nitesh Latwal , Practising Company Secretary bearing CP No. 16276, and failing him, Mr. Ajay Khandelwal, Practising Company Secretary bearing CP No. 18606, Partners of PI & Associates will act as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.

VIII. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast during the AGM and thereafter unblock the votes cast through remote e-voting and shall make, not later than 2 working days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting.

IX. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.pnbgilts.com and on the website of NSDL https://www.evoting.nsdl.com immediately after the declaration of result by the Chairman or a person authorized by him in writing. The Company shall also be immediately forward the results to the BSE Limited and the National Stock Exchange of India Limited.

X. The process and manner for remote e-voting as well as e-voting during the AGM are as under:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 5. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	**Your User ID is:**
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

   (a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   (b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   (c) How to retrieve your 'initial password'?

   a. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

   b. If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   (a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   (b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   (c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders/ corporate shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to attend the meeting and vote, to the Scrutinizer by e-mail to nitesh@piassociates.co.in with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to Ms. Pallavi Mhatre, Assistant Vice President, NSDL at evoting@nsdl.com or call on: 022- 4886 7000.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to helpdeskreply@mcsregistrars.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to helpdeskreply@mcsregistrars.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI master circular dated January 30, 2026, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. The Members can join the AGM in the VC mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
3. Members are encouraged to join the Meeting through Laptops for better experience.
4. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
6. Shareholders who would like to express their views/have questions may send their questions in advance mentioning

their name demat account number/ folio number, email id, mobile number at monika.kochar@pnbgilts.com. The same will be replied by the company suitably.

7. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/ folio number, email id, mobile number at monika.kochar@pnbgilts.com. The same will be replied by the company suitably.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATIONS WITH RESPECT TO ANNUAL REPORT

1. As the AGM is being conducted through VC, members are encouraged to express their views / send their queries in advance mentioning their name, DP Id and Client Id/Folio No., e-mail id, mobile number at monika.kochar@pnbgilts.com to enable smooth conduct of proceedings at the AGM. Questions / Queries received by the Company on or before Monday, September 21, 2026 on the aforementioned e-mail id shall only be considered and responded to during the AGM.
2. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their Name, DP ID and Client ID/ Folio Number, PAN, Mobile Number at monika.kochar@pnbgilts.com on or before Monday, September 21, 2026. Those Members who have registered themselves as a Speaker will only be allowed to express their views/ask questions during the AGM.
3. Members who could not have registered themselves as a speaker or send their queries can ask questions during the AGM by using communication box facility that will be appearing on the screens at the AGM.
4. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, depending on the availability of time for the AGM or for smooth conduct of the AGM.

ANNEXURE TO NOTICE

PART I. EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ("THE ACT") READ WITH SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Item No. 5

Sh. Bibhu Prasad Mahapatra, Non-Executive & Non-Independent Director and Chairman of the Company (Punjab National Bank (Promoter-cum-Parent Bank ('PNB')) nominated Director) has superannuated from the position of Executive Director – PNB, effective from June 30, 2026

In place of Sh. Bibhu Prasad Mahapatra, the Board of the PNB, has nominated Sh. Amit Kumar Srivastava (DIN: 08099846) (Executive Director - PNB) as PNB Nominee Non – Executive Director on the Board of the Company.

PNB has already obtained the permission of the Department of Services, Ministry of Finance, Govt. of India for the appointment of Sh. Amit Kumar Srivastava as a Non-Executive Director on the Board of the Company for a period up to the date of his holding the position of Executive Director in PNB, or until further orders of Govt. of India , whichever is earlier. Subsequent to above permission, Sh. Mahapatra has resigned from the Directorship and Chairmanship of the Company w.e.f. close of business hours of 07.08.2026 on account of receipt of aforesaid permission by PNB from the Govt. of India for nomination of Sh. Amit Kumar Srivastava, Executive Director-PNB as Non-Executive Non-Independent Director on the Board of Directors of the Company.

Further, as per the Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions, 2025 read with Reserve Bank of India ("RBI") letters dated December 05, 2023, June 19, 2025, January 29,2026 and March 13, 2026 , the Company, being a NBFC, is required to obtain prior approval of RBI for any change in constitution or management, whether by way of change of control or otherwise (other than appointment of Independent Director). Accordingly, induction of any Director other than Independent Director on the Board of the Company, is subject to prior approval of RBI. The Company with an intention to appoint Sh. Amit Kumar Srivastava as a Director on its Board, will apply to RBI for approval.

Shri Amit Kumar Srivastava is Executive Director of PNB. He started his banking career in the erstwhile Oriental Bank of Commerce as an Officer in March 1994 and has illustrious career, serving the Banking industry across various verticals. He brings with him over 31 years of rich and multi-dimensional Banking experience. Shri Amit Kumar Srivastava, a post graduate in Computer Science from Banaras Hindu University, is also a Certified Associate Member of Indian Institute of Bankers (CAIIB) and holds various certifications in MSME, Risk in Financial Services, Professional Risk Manager, post graduate Diploma in Treasury & Forex Management (ICFAI University) and certification in Sustainability and Climate Risk (SCR) from GARP (USA). Prior to his appointment as Executive Director of PNB, his most recent assignment in PNB was as Group Chief Risk Officer. Presently, he is the Director of India Infrastructure Finance Company Limited (IIFCL) and a Chairperson on the Board of the National Institute of Banking Studies & Corporate Management (NIBSCOM).

He was associated with the Company from December 26, 2023 to November 25, 2025 as promoter nominated Non-Executive and Non-Independent Director. He is not holding any shares of the Company.

His expertise includes merchant banking, treasury management, credit review, monitoring and risk management etc. His biodata is enclosed in Annexure B. He is holding the position of a member of various Board-level Committees of PNB, viz. Risk Management Committee, IT Strategy Committee, Management Committee, Business Review Committee, Credit Approval Committee, Management Committee etc. At IIFCL, he is the Chairman of Audit Committee and Remuneration & Nomination Committee and member of the IT Strategy Committee, Risk Management Committee and Management & Investment Committee.

The Company has received a notice under Section 160 of the Act from a member proposing the candidature of Shri Amit Kumar Srivastava for the office of the Director of the Company. Further,

he has provided his consent in Form DIR-2 under Section 152 of the Act, disclosure of interest under Section 184(1) of the Act in Form MBP-1, declarations in Form DIR-8 to the effect that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act and he is not debarred from holding the office of Director by virtue of any SEBI order or order of any other such authority. Further, he has provided his self-declaration regarding 'fit and proper' norms, as per the format prescribed by the RBI.

Pursuant to Section 152 of the Act read with Listing Regulations, every Director other than those expressly provided under the Act, shall be appointed by the Company in general meeting or such matter of appointment be approved by the shareholders of the Company.

Keeping in view his vast experience/ skills in the fields of banking operations including treasury division, credit review and monitoring and risk management etc., consent, disclosures and declarations provided by Shri Amit Kumar Srivastava and the nomination received from PNB and considering him fit and proper for the position of Non Executive and Non Independent Director, the Nomination & Remuneration Committee considered, and recommended to the Board of Directors of the Company the proposal of appointing Shri Amit Kumar Srivastava as Non-Executive & Non-Independent on the Board of Directors of the Company. Based on the recommendation of Nomination and Remuneration Committee and pursuant to the provisions of Section 152 of the Companies Act, 2013 ("the Act"), applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), RBI (Non-Banking Financial Companies - Governance) Directions, 2025 read with RBI letters dated December 05, 2023 and June 19, 2025 and other applicable laws and the relevant provisions of the Articles of Association of the Company, the Board vide resolution dated 07.08.2026 appointed Shri Amit Kumar Srivastava as Non Executive and Non Independent Director of the Company, subject to the approval of the shareholders of the Company, with effect from the date of receipt of the approval from the RBI or shareholders, whichever is later. Further, pursuant to the Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee of the Board of Directors of the Company, the Board of Directors of the Company appointed him as the Chairman of the Board of Directors from the effective date of his appointment as Director on the Board of Directors of the Company.

Accordingly, it is proposed to seek approval of the shareholders of the Company by way of an Ordinary Resolution for the appointment of Shri Amit Kumar Srivastava as a Non -Executive Non Independent Director on the Board of Directors of the Company, liable to retire by rotation, effective from approval of shareholders or RBI, whichever is later.

The terms and conditions of the appointment of Shri Amit Kumar Srivastava and other documents as mentioned in this Notice will be available electronically for inspection by shareholders as per details mentioned in the notes to this Notice. Details as required under Regulation 36 of the Listing Regulations and Secretarial Standard-2 issued by the Institute of Companies Secretaries of India, other requisite information in respect of Shri Amit Kumar Srivastava is annexed as Annexure - I hereto, and forms a part of this Notice.

Except Shri Amit Kumar Srivastava, being the appointee, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way financially or otherwise, concerned or interested, in the Resolution No. 5, except to the extent of their shareholding in the Company, if any.

The Board of Directors of the Company recommends the resolution set out in Item No. 5 in the accompanying Notice for approval by the Members as an Ordinary Resolution.

Item No. 6

In terms of the provision of Regulation 23(1) read with Schedule XII of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"Listing Regulations"**) as amended, any transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transaction(s) during a financial year, exceeds the materiality thresholds specified therein as determined based on the annual consolidated turnover of the listed entity as per

its last audited financial statements. Further, all material related party transactions shall require prior approval of members of the listed entity where no related party shall vote to approve such resolution whether the entity is a related party to the particular transaction or not.

Further, SEBI vide its circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/93 dated June 26, 2025 read with the SEBI Master Circular no. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026 ('SEBI Circular') has issued the Industry Standards on "Minimum information to be provided for review of the Audit Committee and shareholders for approval of a related party transaction" **('Standards'**) to facilitate uniform approach and assist listed companies in complying with the provisions of Regulation 23 of the Listing Regulations. The Standards inter alia require the listed entity to provide minimum information, in a specified format, relating to the proposed RPTs, to the Audit Committee and to the shareholders, while seeking approval.

Such approval shall be required even if such transactions are in the ordinary course of business of the concerned company and at an arm's length basis.

It is pertinent to note that the Company is a Primary Dealer registered with the Reserve Bank of India. As a Primary Dealer, Company's primary activities involve underwriting of government securities issuances and trading in a gamut of fixed income instruments such as Government Securities, Treasury Bills, State Development Loans, Corporate Bonds, Interest Rate Swaps and various money market instruments such as Certificates of Deposits, Commercial Papers etc.

As part of its business activities as a Primary Dealer, the Company in the ordinary course of its business undertakes transactions, but not limited to dealing in outright securities transactions or money market transactions or primary subscription transactions with related parties. In order to support such transactions and other business activities, the Company also avails line of credit and enter into other transactions related to banking services, current account and demat account services, leasing of property for office premises, constituent services and arranger services etc. with its related parties.

In view of (a) business potential of both the Company itself and the related party(ies); and (b) also the organic and inorganic growth of related party(ies), the Company intends to carry out new/renew such related party transactions in the coming financial year 2027-28. These related parties have great synergy with each other as the nature of business is same and this business is expected to grow in future also at a healthy rate. The securities market is expected to become larger in the coming years and the financial sector is expected to participate in this growing pie at an accelerated pace. It is expected that during the coming financial year 2027-28, the related party transactions proposed to be executed with said related parties will exceed the threshold limit, as calculated basis the audited standalone financial statements of the Company for the financial year ended March 31, 2026, as prescribed under the Listing Regulations. Accordingly, as per Regulation 23 of the Listing Regulations, the prior approval of the members is being sought. Being a Primary Dealer, the Company also acts as an Arranger to various issues of securities of different entities (related or non-related) and earns fee income from the same. The Company has also taken business premises on lease/rent sharing/arrangement basis and few employees from PNB, leveraging its assets base pan India. Bank accounts and demat accounts are also being maintained with PNB as part of normal banking services.

All such related party transactions proposed to be entered by the Company are related to the day to day business operations of the Company and essential for its activities and are in the ordinary course of business of the Company.

So far as pricing is concerned, all the transactions meets the arm's length criteria.

The Company has a robust and well-defined structured governance process with respect to related party transactions. The Concurrent Auditor of the Company are responsible for regular monitoring of such related party transactions including the pricing criteria, arms' length relationship etc. with requisite reporting to the Audit Committee, which further reviews the same.

The management placed before the Audit Committee and the Board the relevant details (as required under the Standards) of the proposed

RPT as detailed in the Annexure II, including basis of pricing, rationale, material terms and justification that the proposed related party transactions are in the best interest of the Company. Further, the certificate provided by the Chief Financial Officer ("CFO") and Managing Director and Chief Executive Officer ("MD & CEO") confirming that the terms of the proposed related party transactions are in the interest of the Company, as required under the Standards, was reviewed and noted by the Audit Committee and the Board.

In terms of the applicable provisions of Listing Regulations read with SEBI Circular, the Audit Committee and subsequently the Board at their respective meetings held on August 7, 2026 had reviewed and approved the related party transactions with related parties for the financial year 2027-28, details of which are given in Annexure II, and such RPT shall be at arms' length basis.

Duly certified financial extracts of the PNB and its associates (as specified under Annexure II) which are relevant to/for the minimum information to be provided under the Standards were also placed before the Audit Committee and the Board for its review and noting.

Based on the approval and recommendation of the Audit Committee, the Board of Directors, approval of the shareholders for the proposed related party transactions as detailed herein is being sought by way of ordinary resolution.

The aforesaid related party transactions shall also be reviewed/ monitored by the Audit Committee of the Company as per the relevant requirements and shall remain within the limits as approved by the Members. Any subsequent material modifications in the proposed related party transactions shall be placed before the Members for approval, in terms of provisions of Listing Regulations and Company's Policy on Related Party Transactions, as may be formulated/ updated / amended by the Audit Committee and approved the Board, from time to time.

The Company believes that the related party transactions shall not, in any manner, be detrimental to the interest of minority members and shall be in the best interest of the Company and its members.

Members may note that in terms of the provisions of the Listing Regulations, the related parties as defined thereunder (whether such related party(ies) is a party to the aforesaid transactions or not), shall not vote to approve resolution under Item No. 6.

Except as mentioned in the Annexure II, none of the Directors and/ or Key Managerial Personnel of the Company and/or their respective relatives are concerned or interested either directly or indirectly, financially or otherwise, in the Resolution mentioned at Item No. 6 of the Notice, except to the extent of their employment/ directorship / shareholding, if any, in the Company.

The Board recommends the Ordinary resolution set forth at Item No. 6 for the approval of the Members.

By Order of the Board of Directors

New Delhi
August 07, 2026

(Monika Kochar)
Company Secretary
FCS 6514

Regd. Off.: 5, Sansad Marg, New Delhi -110001
CIN: L74899DL1996PLC077120
E-mail: monika.kochar@pnbgilts.com
Website: www.pnbgilts.com

Annexure-I

PURSUANT TO REGULATION 36(3) OF LISTING REGULATIONS AND IN TERMS OF SECRETARIAL STANDARDS ON GENERAL MEETING (SS-II) ISSUED BY THE INSTITUTE OF COMPANIES SECRETARIES OF INDIA, BRIEF PARTICULARS OF THE DIRECTOR TO BE APPOINTED/ RE-APPOINTED ARE AS UNDER:

Name of Director	Sh. Pareed Sunil	Sh. Amit Kumar Srivastava
Date of Birth (Age)	20/06/1971 (55)	29/09/1970 (55)
Nationality	Indian	Indian
Date of first Appointment on Board of Company	19/06/2025	To be appointed (He was associated with PNB Gilts Ltd. from December 26, 2023 to November 25, 2025 as promoter nominated Non-Executive and Non-Independent Director)
Qualifications	MBA finance, Post graduate program in banking and finance from the National Institute of Bank Management, Pune, and is a Certified Associate of the Indian Institute of Bankers.	Post graduate in Computer Science from Banaras Hindu University, is also a Certified Associate Member of Indian Institute of Bankers (CAIIB) and holds various certifications in MSME, Risk in Financial Services, Professional Risk Manager, post graduate Diploma in Treasury & Forex Management (ICFAI University) and certification in Sustainability and Climate Risk (SCR) from GARP (USA)
Resume/Experience/ Expertise in Specific functional Area, in brief	He has worked in PNB group for more than three decades in the field of Treasury, Compliance, International Banking, Risk Management, Human Resources and Credit Management etc. spaning both domestic and international markets. He was with PNB Gilts Limited since August 1, 2023 as Deputy CEO (Prior to appointment as MD and CEO).	He is Executive Director of Punjab National Bank ("PNB"). He started his banking career in the erstwhile Oriental Bank of Commerce as an Officer in March 1994 and has illustrious career, serving the Banking industry across various verticals. He brings with him over 31 years of rich and multi-dimensional Banking experience His expertise includes merchant banking, treasury management, credit review, monitoring and risk management etc. He was associated with PNB Gilts Ltd. from December 26, 2023 to November 25, 2025 as promoter nominated Non-Executive and Non-Independent Director.
Directorship held in other Companies	Chairman of Primary Dealers' Association of India	• Executive Director – Punjab National Bank • India Infrastructure Finance Company Limited He is also Chairperson on the Board of the National Institute of Banking Studies & Corporate Management (NIBSCOM)

Name of Director	Sh. Pareed Sunil	Sh. Amit Kumar Srivastava
Chairperson / Member of the Committee of the Board of Directors of the Company	Member of the following Committees - • Risk Management Committee • Stakeholder Relationship Committee	Nil
Membership/ Chairmanship of Committee of other Companies	Nil	Member of the following Committees of Punjab National Bank- • Risk Management Committee • IT Strategy Committee • Management Committee • Special Committee of Board for monitoring and follow up of cases of frauds • Committee of directors to review vigilance and non-vigilance cases • Credit Approval Committee • Committee for Election of Shareholder Directors – Voting by Public Sector Banks • Committee of the Board to monitor the progress in recovery • Business Review Committee Position in following Committees of India Infrastructure Finance Limited- a. Chairman of Audit Committee, Remuneration & Nomination Committee and IT Strategy Committee b. Member of Risk Management Committee and Management & Investment Committee
Number of Board/ Committee meetings attended during the year 2025-26	Details are provided in Corporate Governance section of Annual Report 2025-26	Since he was Director during FY 2025-26 (till 25.11.2025), his attendance details are provided in Corporate Governance section of Annual Report 2025-26
Number of Shares Held either directly or for beneficial basis for any other person	Nil	Nil

Name of Director	Sh. Pareed Sunil	Sh. Amit Kumar Srivastava
Terms & Conditions of Appointment/ Reappointment including remuneration sought to be paid	His tenure as Managing Director & CEO is for 3 years effective from 19.06.2025 and his office as Director is liable to retire by rotation in terms of Section 152 of the Companies Act, 2013. His re-appointment is proposed at this meeting. Once re-appointed he will continue as Managing Director & CEO on terms and conditions of appointment including remuneration as approved by the members in AGM on 17.09.2025.	Non-Executive & Independent Director, liable to retire by rotation. Being a Director nominated by Punjab National Bank i.e. the promoter-cum-parent bank ('PNB'), other terms and conditions including remuneration, if any, regulating his appointment shall be determined by PNB/RBI/ Regulator.
Remuneration last drawn	Details are provided in Corporate Governance section of Annual Report 2025-26	Details are provided in Corporate Governance section of Annual Report 2025-26
Relationship with other Directors, Manager and KMPs of the company	Nil	Nil
Name of listed entities from which the person has resigned in the past three years as Director	Nil	PNB Gilts Limited

Annexure-II

MINIMUM INFORMATION WITH RESPECT TO RELATED PARTY TRANSACTIONS (RPTS) PROPOSED FOR APPROVAL OF MEMBERS

I. TRANSACTIONS PROPOSED TO BE ENTERED INTO WITH PUNJAB NATIONAL BANK, PROMOTER OF THE COMPANY, HOLDING MAJORITY STAKE

PART A:-

A(1). Basic details of the related party

S. No.	Particulars of the information	Information provided by the management
1.	Name of the related party	Punjab National Bank ("PNB")
2.	Country of incorporation of the related party	India
3.	Nature of business of the related party	Scheduled Commercial Bank- Banking Business

A(2). Relationship and ownership of the related party

S. No.	Particulars of the information	Information provided by the management
1	Relationship between the listed entity and the related party – including nature of its concern (financial or otherwise) and the following:	Punjab National Bank (PNB) is the promoter-cum-majority shareholder holding 13,33,33,333 equity shares representing 74.07% stake in PNB Gilts Limited ("Company").
	• Shareholding of the listed entity, whether direct or indirect, in the related party.	Company does not hold any shares in the related party.
	• Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/ subsidiary (in case of transaction involving the subsidiary).	Not Applicable.
	• Shareholding of the related party, whether direct or indirect, in the listed entity.	Related party directly holds 13,33,33,333 equity shares representing 74.07% of total paid up equity share capital in the Company.

A(3). Details of previous transactions with the related party

S. No.	Particulars of the information	Information provided by the management
1	Total amount of all the transactions undertaken by the listed entity with the related party during the last financial year.	

S. No.	Nature of transaction during FY 2025-26	Amount (₹ in Crore)
1	Reverse Repo Lending	948.10
2	Security Sale	4,350.40
3	Security Purchase	874.73

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th>Information provided by the management</th></tr>
<tr><td></td><td></td><td>
<table>
<tr><th>S. No.</th><th>Nature of transaction during FY 2025-26</th><th>Amount (₹ in Crore)</th></tr>
<tr><td>4</td><td>Interest Income on Reverse Repo</td><td>0.01</td></tr>
<tr><td>5</td><td>Line of Credit (OD/WCDL) & Intra day facility availed</td><td>2,409.25</td></tr>
<tr><td>6</td><td>Processing Fees expense on LOC</td><td>3.07</td></tr>
<tr><td>7</td><td>Interest expense on Line of Credit (OD/ WCDL) & Intra Day facility</td><td>1.63</td></tr>
<tr><td>8</td><td>Bank Charges expenses</td><td>0.22</td></tr>
<tr><td>9</td><td>Fixed Deposits made during the year</td><td>300.00</td></tr>
<tr><td>10</td><td>Interest Income on Fixed Deposits</td><td>17.25</td></tr>
<tr><td>11</td><td>Rent expense for office premises</td><td>2.08</td></tr>
<tr><td>12</td><td>Power ,Fuel & Water expense</td><td>0.24</td></tr>
<tr><td>13</td><td>Sponsorship Fee Expense</td><td>0.24</td></tr>
<tr><td>14</td><td>Payment to PNB Employees on Deputation</td><td>0.82</td></tr>
<tr><td>15</td><td>Dividend Paid to PNB</td><td>13.33</td></tr>
<tr><td>16</td><td>Royalty Fee expense</td><td>9.85</td></tr>
</table>
</td></tr>
<tr><td>2.</td><td>Total amount of all the transactions undertaken by the listed entity with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.</td><td>
<table>
<tr><th>S. No.</th><th>Nature of transaction up to June 2026</th><th>Amount (₹ in Crore)</th></tr>
<tr><td>1</td><td>Reverse Repo Lending</td><td>163.96</td></tr>
<tr><td>2</td><td>Security Sale</td><td>497.94</td></tr>
<tr><td>3</td><td>Security Purchase</td><td>546.89</td></tr>
<tr><td>4</td><td>Interest Income on Reverse Repo</td><td>0.08</td></tr>
<tr><td>5</td><td>Line of Credit (OD/WCDL) & Intra day facility availed</td><td>150.04</td></tr>
<tr><td>6</td><td>Processing Fees expense on LOC</td><td>3.07</td></tr>
<tr><td>7</td><td>Interest expense on Line of Credit (OD/ WCDL) & Intra Day facility</td><td>0.18</td></tr>
<tr><td>8</td><td>Bank Charges expenses</td><td>0.02</td></tr>
<tr><td>9</td><td>Fixed Deposits made during the period</td><td>-</td></tr>
<tr><td>10</td><td>Interest Income/accrued on Fixed Deposits</td><td>6.56</td></tr>
<tr><td>11</td><td>Rent expense for office premises</td><td>0.54</td></tr>
<tr><td>12</td><td>Power ,Fuel & Water expense</td><td>0.06</td></tr>
</table>
</td></tr>
</table>

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th>Information provided by the management</th></tr>
<tr><td></td><td></td><td>
<table>
<tr><th>S. No.</th><th>Nature of transaction up to June 2026</th><th>Amount (₹ in Crore)</th></tr>
<tr><td>13</td><td>Sponsorship Fee Expense</td><td>-</td></tr>
<tr><td>14</td><td>Payment to PNB Employees on Deputation</td><td>0.46</td></tr>
<tr><td>15</td><td>Dividend Paid to PNB</td><td>-</td></tr>
<tr><td>16</td><td>Royalty Fee expense</td><td>3.91</td></tr>
</table>
</td></tr>
<tr><td>3.</td><td>Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or during the last financial year.</td><td>None</td></tr>
</table>

A(4). Amount of the proposed transactions

S. No.	Particulars of the information	Information provided by the management		
		Sale, purchase or supply of goods or services or any other similar business transaction	Borrowings	Payment of royalty
1	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.	₹ 30,600 Crore	₹ 5,000 Crore	As per the Trademark License Agreement, the Company is required to pay to Punjab National Bank (PNB) an annual royalty fee (excluding applicable taxes) on the higher of the following two components: (i) 0.2 per cent of revenue of the entity on the basis of its last standalone audited financial statements; or (ii) 2 per cent of Profit after Tax of the entity on the basis of its last standalone audited financial statements

<table>
<tr><th rowspan="2">S. No.</th><th rowspan="2">Particulars of the information</th><th colspan="3">Information provided by the management</th></tr>
<tr><th>Sale, purchase or supply of goods or services or any other similar business transaction</th><th>Borrowings</th><th>Payment of royalty</th></tr>
<tr><td></td><td></td><td></td><td></td><td>Subject to a cap on Royalty fee i.e. cap on Royalty fee shall be lower of the following-
3% of PAT or ₹ 30 crores.
In addition, the Company shall make payment of the entire GST demand amount, including any interest and penalties, if the GST authorities raise any demands for the preceding years (from July 1, 2017, to March 31, 2023) related to royalty. In case the company incurs loss in any financial year, only GST on notional royalty based on revenue shall be paid.</td></tr>
<tr><td>2</td><td>Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?</td><td colspan="3">Considering the approval is being sought for the FY 2027-28 and the nature of business activities of the Company, proposed transactions to be undertaken with the related party during the said year, for which the approval is being sought would render such proposed transactions a material RPT.</td></tr>
<tr><td rowspan="2">3</td><td rowspan="2">Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year</td><td>6.18%</td><td>1.01%</td><td>0.006%
(considering the highest value of ₹ 30 crore)</td></tr>
<tr><td colspan="3">Further, all the proposed transactions taking together constitute 7.20% of the Company's consolidated turnover (sales) of ₹ 4,95,013.93 crore for the immediately preceding FY i.e. FY 2025-26.</td></tr>
</table>

<table>
<tr><th rowspan="2">S. No.</th><th rowspan="2">Particulars of the information</th><th colspan="3">Information provided by the management</th></tr>
<tr><th>Sale, purchase or supply of goods or services or any other similar business transaction</th><th>Borrowings</th><th>Payment of royalty</th></tr>
<tr><td>4</td><td>Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)</td><td>Not Applicable</td><td>Not Applicable</td><td>Not Applicable</td></tr>
<tr><td rowspan="2">5.</td><td rowspan="2">Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.</td><td>20.47%</td><td>3.34%</td><td>0.02%</td></tr>
<tr><td colspan="3">Consolidated income of PNB of FY 2025-26 is ₹ 1,49,463.30 crore</td></tr>
<tr><td>6.</td><td>Financial performance of the related party for the immediately preceding financial year:</td><td colspan="3"><table><tr><th>Particulars</th><th>FY 2025-2026 (₹ in Crore)</th></tr><tr><td>Turnover/Income</td><td>1,47,017.15</td></tr><tr><td>Profit After Tax</td><td>16,903.98</td></tr><tr><td>Net worth</td><td>1,18,317.14</td></tr></table></td></tr>
</table>

A(5). Basic details of the proposed transactions

S. No.	Particulars of the information	Information provided by the management		
1	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.)	Sale, purchase or supply of goods or services or any other similar business transaction	Borrowings	Payment of royalty
2.	Details of each type of the proposed transaction	Outright securities transactions, Money market transactions, Primary Subscription, placing of fixed deposits, Security Arranger services, Bank Charges/ processing fee (related to bank accounts/ demat accounts / Line of credit facility), leasing of property (business premises/ residential premises) under agreement/ contract/arrangement basis, mutual sharing of premises for holding meetings etc., management contracts including for deputation of employees, and other banking services and also such other business transactions as may be disclosed in the notes forming part of the financial statements for the relevant financial year.	Line of Credit (including Overdraft and Intraday) Facility.	Royalty Fee for usage of brand/ logo as well as incidental expenses thereto.
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	One Year i.e. FY 2027-28		
4.	Whether omnibus approval is being sought?	Yes		
5.	Value of the proposed transaction during a financial year.	FY 2027-28: ₹ 30600 Crores	FY 2027-28: ₹ 5000 Crores	FY 2027-28: ₹ 30 crore (Maximum as per Trademark License Agreement)

S. No.	Particulars of the information	Information provided by the management		
				In addition, the Company shall make payment of the entire GST demand amount, including any interest and penalties, if the GST authorities raise any demands for the preceding years (from July 1, 2017, to March 31, 2023) related to royalty. In case the company incurs loss in any financial year, only GST on notional royalty based on revenue shall be paid.
	If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	The proposed transaction will be executed during the FY 2027-28.		
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	(a) The Company being a Primary Dealer, the bulk of its transactions with related parties are in the form of dealing in outright securities transactions or money market transactions or primary subscription transactions. The said transactions are undertaken on regulated platforms at market place i.e. at prevailing maket price/fair value of securities. Since the related parties of the Company also undertaken similar transactions on the said platforms, therefore in the ordinary course of business, the Company executes such transactions with its related parties. (b) The securities market is expected to become larger in the coming years and the financial sector is expected to participate in this growing pie at an accelerated pace. (c) PNB is one of the leading scheduled banks in India. This helps the Company in availing other banking and intermediary facilities like bank accounts, Fixed deposits and depository services etc. on competitive terms along with ease of convenience, which helps the Company to execute business transactions much more efficiently. (d) Bank Charges or processing fee will be paid as per card rate of the bank for its clients (related or non-related) or as may be decided at the time of execution of line of credit facility contract(s)/ agreement(s) with the bank.		

S. No.	Particulars of the information	Information provided by the management
		(e) Leasing of property/ mutual sharing of premises/ management contracts/other banking services/such other transactions will be carried out as per the prevailing market price or as may be approved by the Audit Committee / Board from time to time (f) Pan India presence of PNB also facilitates usage of its infrastructure and assets (including human assets) for smooth business operations of the Company (g) In order to leverage efficiencies of scale and optimize the resources available in the group, resources are shared within the PNB group. The expertise, complementary strengths, competencies and facilities available within the PNB Group are leveraged for enhancing operating efficiency through these transactions. (h) Royalty is being paid as per Trademark License Agreement executed. (i) Security Arranger services will be provided as per the requirements of the Issuer of the relevant security at the time of issuance at secondary market price/ Cut Off price / Rate at the Electronic Bidding Platform (EBP) of the Stock Exchanges. The transactions will be undertaken at prevailing market rates, on an arm's length basis, in the ordinary course of the business and / or in furtherance of the ordinary course of business of the Company. They will be carried out in line with the Company's Policy and applicable regulatory/statutory guidelines, with all other material terms also governed by the Company's Policy.
7	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly.	The proposed transaction is with promoter itself. Three Directors/ KMP are interested in these transactions, as they are deputed or nominated by the promoter.
	a. Name of the director / KMP	1. Smt. Anju Mittal (Director – PNB Gilts Ltd) 2. Sh. Pareed Sunil (MD & CEO- PNB Gilts Ltd) 3. Smt. Kishkanda Garg (CFO- PNB GILTS Ltd)
	b. Shareholding of the director / KMP, whether direct or indirect, in the related party	NIL

S. No.	Particulars of the information	Information provided by the management		
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not Applicable		
9	Other information relevant for decision making.	As a part of money market transactions, the Company may do reverse repo lending or call/notice/term money lending with the above referred related parties either to cover its short position in securities or out of the surplus funds available with it. However, the tenure, interest rate and other terms and conditions of the same will be decided on the basis of prevailing market conditions or as may be approved by the Audit Committee/ Board from time to time, in accordance with the business policy of the Company and applicable laws. Agreement(s)/Contract (s)/Deed(s) etc. including any addendum or supplement thereto will be entered into after obtaining comparative quotes from others and negotiations thereon to keep the terms and conditions competitive or as may be approved by the Audit Committee / Board from time to time.	Agreement(s)/ Contract (s)/ Deed(s) etc. including any addendum or supplement thereto will be entered into after obtaining comparative quotes from other banks and negotiations thereon to keep the terms and conditions competitive or as may be approved by the Audit Committee / Board from time to time..	Terms and conditions for making payment of royalty shall be as per the Trademark Agreement(s) including any addendum or supplement thereto entered into or as may be approved by the Audit Committee / Board from time to time.
		Taxes, if any, in relation to the above transactions will be paid on actual basis.		

PART B:-

B(1): Information in addition to Part A related to proposed related party transactions in the nature of "Sale, purchase or supply of goods or services or any other similar business transactions"

S. No.	Particulars of the information	Information provided by the management
1	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	Bidding process is not required to be followed as the proposed securities transactions with related party will be at the prevailing market price and on arm's length basis. Further, the Company being a Primary Dealer, the bulk of its transactions with related parties are in the form of dealing in outright securities transactions or money market transactions or primary subscription transactions which transactions are undertaken on regulated platforms at market place. Since the related parties of the Company also undertaken similar transactions on the said platforms, therefore in the ordinary course of business, the Company executes such transactions with its related parties. For other transactions, market rates are considered.
2	Basis of determination of price.	Details of basis of determination of price for similar business transactions are as follows:- a. Outright securities transactions/ money market transactions/primary subscription transactions will be done as per the prevailing market price/fair value of securities. b. Security Arranger services will be provided as per the requirements of the Issuer of the relevant security at the time of issuance at Secondary market price or Cut Off Price/Rate at Electronic Bidding Platform (EBP) of Stock Exchange(s). c. Fixed deposits will be placed as per card rates of PNB for its clients (related or non-related). d. Bank charges or processing fee will be paid as per card rate of the PNB for its clients (related or non-related) or as may be decided at the time of execution of line of credit facility contract(s) /agreement(s) with the PNB. e. Leasing of property/mutual sharing of premises/ management contracts/other banking services/ other business transactions as specified above under similar business transactions, will be carried out as per the prevailing market price or as may be approved by the Audit Committee / Board from time to time.
3	In case of Trade advance (of upto 365 days or such period for which such advances are extended as per normal trade practice), if any, proposed to be extended to the related party in relation to the transaction, specify the following:	Not Applicable

S. No.	Particulars of the information	Information provided by the management
	a. Amount of Trade advance	Not Applicable
	b. Tenure	Not Applicable
	c. Whether same is self-liquidating?	Not Applicable

B (2): Information in addition to Part A related to proposed related party transactions in the nature of "Borrowings"

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th>Information provided by the management</th></tr>
<tr><td>1</td><td>Material covenants of the proposed transaction</td><td>Presently, Line of Credit with Punjab National Bank is of ₹ 2,500 crore. The detail of the same is as under:-
Intraday facility- ₹ 2,100 crore
Overdraft (OD)/Working Capital Demand Loan (WCDL)- ₹ 400 crore
It is proposed to increase the said limit of Line of credit to ₹ 5,000 crore which may include OD/WCDL, Intraday Facility or any other type of credit for meeting our working capital requirements</td></tr>
<tr><td>2</td><td>Interest rate (in terms of numerical value or base rate and applicable spread)</td><td>The same will depend on the terms & conditions of the limits to be sanctioned by the PNB.
The existing interest rate charged by PNB for credit facilities amounting ₹ 2500 crore is as under:-
<table>
<tr><th>Limit</th><th>ROI</th></tr>
<tr><td>OD/WCDL of ₹ 400 Crore</td><td>1 month MCLR</td></tr>
<tr><td>Intraday Limit of ₹ 2,100 crore</td><td>The intraday limit is to be adjusted by End of Day and in case the same is not adjusted, Rate of Interest on outstanding amount is charged @ 1 Month MCLR +2% till the amount adjusted.</td></tr>
</table></td></tr>
<tr><td>3</td><td>Cost of borrowing</td><td>The same will depend on the terms & conditions of the limits to be sanctioned by the PNB.
The existing charges charged by PNB for credit facilities amounting ₹ 2,500 crore is as under:-
<table>
<tr><th>Limit</th><th>Processing Fees</th></tr>
<tr><td>Intraday Limit of ₹ 2,100 crore</td><td>0.10%of Limit + GST</td></tr>
<tr><td>OD/WCDL of ₹ 400 Crore</td><td>0.125%of the limit+ GST</td></tr>
</table></td></tr>
<tr><td>4</td><td>Maturity / due date</td><td>12 months</td></tr>
</table>

S. No.	Particulars of the information	Information provided by the management
5	Repayment schedule & terms	The same will depend on the terms & conditions of the limits to be sanctioned by the PNB. The existing repayment schedule is given as under:- OD/WCDL of ₹ 400 Crore. Maximum period of 364 days Minimum Period of 7 days Intraday Limit is required to be adjusted by End of Day and in case the same is not adjusted, Rate of InterestOI on outstanding amount is charged @ 1 Month MCLR +2% till the amount adjusted.
6.	Whether secured or unsecured	As may be sanctioned by the bank depending upon the RBI and other regulatory guidelines. Generally it remains secured.
7.	If secured, the nature of security & security coverage ratio	As may be sanctioned by the bank. Generally it is in the form of pledging of securities, bonds, etc. Presently, for credit facilities of ₹ 2,500 crore, central or state Government securities amounting ₹ 251 crore (10.04% of Credit Limits) are pledged with PNB.
8.	The purpose for which the funds will be utilized by the listed entity/ subsidiary	Working capital Limit
9.	Debt to Equity Ratio of the listed entity or its subsidiary based on last audited financial statements	Not applicable, as the Company is an NBFC and PNB is a listed bank.
	a. Before transaction	Not applicable
	b. After transaction	Not applicable
10.	Debt Service Coverage Ratio of the listed entity or its subsidiary based on last audited financial statements	Not applicable, as the Company is NBFC and PNB is a listed bank.
	a. Before transaction	Not applicable
	b. After transaction	Not applicable

B (7) and C(6): Information in addition to Part A related to proposed related party transaction in the nature of "Payment of Royalty Fees"

S. No.	Particulars of the information	Information provided by the management
1	Purpose for which royalty is proposed to be paid to the related party in the current financial year.	For the usage of Brand Name/Logo of PNB.
	a. For use of brand name / trademark	100 % of Royalty proposed to be paid towards use of brand name/logo under the trademark license agreement

S. No.	Particulars of the information	Information provided by the management
	b. For transfer of technology know-how	Nil
	c. For professional fee, corporate management fee or any other fee	Nil
	d. Any other use (specify)	Nil
2	(a) The listed entity may confirm whether the parent company charges royalty at a uniform rate from all group companies in other jurisdiction. (b) If No, furnish information below. If royalty is paid to the parent company, disclose royalty received by the parent company from group entities in other jurisdiction: • Minimum rate of royalty charged along with corresponding absolute amount • Maximum rate of royalty charged along with corresponding absolute amount *Note: The disclosure shall be made on a gross basis (Cost to the Company), including taxes paid on behalf of the recipient of royalty.*	Yes -
3	Sunset Clause for Royalty payment, if any.	NA
4	Gross amount of royalty paid by the listed entity or to the related party during each of the last three financial years	
	FY 2023-24	NIL
	FY 2024-25	₹ 2.46 Crore (₹ 2.08 crore + GST @ 18%)
	FY 2025-26	₹ 5.50 crore (₹ 4.66 crore + GST @ 18%)
5	Purpose for which royalty was paid to the related party during the last three financial years. *Explanation: For companies with a composite license agreement that includes a bundle of intellectual property rights (IPRs) such as brands, patents, technology and know-how, state the key components of such agreements and the reasons royalty attributable to those key components could not be furnished separately.*	For the usage of Brand Name/Logo of PNB.
	a. For use of brand name / trademark	100%
	b. For transfer of technology know-how	Nil
	c. For professional fee, corporate management fee or any other fee	Nil
	d. Any other use (specify)	Nil

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th>Information provided by the management</th></tr>
<tr><td rowspan="4">6</td><td>Royalty paid in last 3 FYs as % of Net Profits of previous FYs</td><td></td></tr>
<tr><td>FY 2023-24</td><td>-</td></tr>
<tr><td>FY 2024-25</td><td>3% of PAT of FY 23-24</td></tr>
<tr><td>FY 2025-26</td><td>2% of PAT of FY 24-25</td></tr>
<tr><td>7</td><td>Percentage or Rate at which royalty has increased in the past 3 years, if any, vis-à-vis rate at which the turnover and profits after tax have increased during the same period.</td><td>There is no change in the rate. The payment is made as per the terms of agreement.</td></tr>
<tr><td>8</td><td>Peer Comparison:
Listed entity paying royalty for any purpose shall also disclose whether any relevant Industry Peer pays royalties for the same purpose, which is disclosed in its audited annual financial statements for the relevant period:</td><td>Only one of the peers is listed on Stock Exchanges, details of such peer is given in below table. The details of other peers are not available in public domain
<table>
<tr><th></th><th>PNB Gilts Limited</th><th>ICICI Securities Primary Dealership Limited</th></tr>
<tr><td>Royalty payment over last 3 years (excluding GST)</td><td>₹ 6.74 cr.</td><td>₹ 9.72 cr.</td></tr>
<tr><td>Royalty paid as a % of net profits over the last 3 years</td><td>1.39%</td><td>0.78%</td></tr>
<tr><td>Annual growth rate of Turnover over last 3 years</td><td>14.02%</td><td>19.08%</td></tr>
</table></td></tr>
</table>

II. TRANSACTIONS PROPOSED TO BE ENTERED INTO WITH BIHAR GRAMIN BANK, ASSOCIATE OF PNB, PROMOTER OF THE COMPANY HOLDING MAJORITY STAKE

A(1). Basic details of the related party

S. No.	Particulars of the information	Information provided by the management
1.	Name of the related party	Bihar Gramin Bank
2.	Country of incorporation of the related party	India
3.	Nature of business of the related party	Regional Rural Bank- Banking Business

A(2). Relationship and ownership of the related party

S. No.	Particulars of the information	Information provided by the management
1	Relationship between the listed entity and the related party – including nature of its concern (financial or otherwise) and the following:	Bihar Gramin Bank, Associate of PNB (promoter cum majority shareholder holding 13,33,33,333 equity shares representing 74.07% stake in PNB Gilts Limited ("Company")).
	• Shareholding of the listed entity, whether direct or indirect, in the related party.	Company does not hold any shares in the related party.
	• Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/ subsidiary (in case of transaction involving the subsidiary).	Not Applicable.
	• Shareholding of the related party, whether direct or indirect, in the listed entity	Related party does not hold any shares in the Company.

A(3). Details of previous transactions with the related party

S. No.	Particulars of the information	Information provided by the management
1	Total amount of all the transactions undertaken by the listed entity with the related party during the last financial year.	

S. No.	Nature of transaction	FY 2025-26 (₹ in Crore)
1.	Outright securities transaction (purchase & sales) including charges and income from constituent	643.79
TOTAL		**643.79**

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th>Information provided by the management</th></tr>
<tr><td>2</td><td>Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.</td><td>
<table>
<tr><th>S. No.</th><th>Nature of transaction</th><th>FY 2026-27 (upto June 30, 2026) (₹ in Crore)</th></tr>
<tr><td>1.</td><td>Outright securities transaction (purchase & sales) including charges and income from constituent</td><td>218.16</td></tr>
<tr><td colspan="2">TOTAL</td><td>218.16</td></tr>
</table>
</td></tr>
<tr><td>3</td><td>Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.</td><td>None</td></tr>
</table>

A(4). Amount of the proposed transactions

S. No.	Particulars of the information	Information provided by the management
1.	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.	₹ 40,000 Crore
2.	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	Considering the approval is being sought for the FY 2027-28 and the nature of business activities of the Company, proposed transactions to be undertaken with the related party during the said year, for which the approval is being sought would render such proposed transactions a material RPT.
3.	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year	The proposed transactions taking together constitute 8.08% of the Company's consolidated turnover for the immediately preceding FY i.e. FY 2025-26.

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th>Information provided by the management</th></tr>
<tr><td>4.</td><td>Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)</td><td>Not Applicable</td></tr>
<tr><td>5.</td><td>Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.</td><td>The proposed transactions relate to market value of securities to be transacted. However, the annual income of FY 2025-26 of the related party consists of only income earned on the transacted securities. Therefore, the value of the proposed transaction as a percentage of the related party's annual consolidated turnover is more than 100%.</td></tr>
<tr><td>6.</td><td>Financial performance of the related party for the immediately preceding financial year:</td><td><table><tr><th>Particulars</th><th>FY 2025-2026 (₹ in crore)</th></tr><tr><td>Turnover/ Income</td><td>4,585.48</td></tr><tr><td>Profit After Tax</td><td>541.61</td></tr><tr><td>Net worth</td><td>3,794.41</td></tr></table></td></tr>
</table>

A(5). Basic details of the proposed transactions

S. No.	Particulars of the information	Information provided by the management
1.	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/ services, giving loan, borrowing etc.)	Sale, purchase or supply of goods or services or any other similar business transaction
2.	Details of each type of the proposed transaction	Outright securities transactions, Money market transactions, Primary Subscription, charges/ income from constituent and such other business transactions as may be disclosed in the notes forming part of the financial statements for the relevant financial year.
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	One Year i.e. FY 2027-28

S. No.	Particulars of the information	Information provided by the management
4.	Whether omnibus approval is being sought?	Yes
5.	Value of the proposed transaction during a financial year.	FY 2027-28: ₹ 40,000 Crores
	If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	The proposed transaction will be executed during the FY 2027-28.
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	(a) The Company being a Primary Dealer, the bulk of its transactions with related parties are in the form of dealing in outright securities transactions or money market transactions or primary subscription transactions. The said transactions are undertaken on regulated platforms at market place, since the related parties of the Company also undertaken similar transactions on the said platforms, therefore in the ordinary course of business, the Company executes such transactions with its related parties. (b) Charges for services to constituents, whether related or non-related entity, will be per policies of the Company. (c) The Company has great synergy with its related parties, as the nature of business is same and this business is expected to grow in future also at a healthy rate. The securities market is expected to become larger in the coming years and the financial sector is expected to participate in this growing pie at an accelerated pace.
7.	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly.	Bihar Gramin Bank is an Associate of Punjab National Bank (Promoter of the Company holding majority stake).
	a. Name of the director / KMP	Not applicable
	b. Shareholding of the director / KMP, whether direct or indirect, in the related party	Not applicable
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not applicable

S. No.	Particulars of the information	Information provided by the management
9.	Other information relevant for decision making.	As a part of money market transactions, the Company may do reverse repo lending or call/ notice/term money lending with the above referred related parties either to cover its short position in securities or out of the surplus funds available with it. However, the tenure, interest rate and other terms and conditions of the same will be decided on the basis of prevailing market conditions or as may be approved by the Audit Committee/ Board from time to time, in accordance with the business policy of the Company and applicable laws. Taxes, if any, in relation to the above transactions will be paid on actual basis.

PART B:-

B(1): Information in addition to Part A related to proposed related party transactions in the nature of "Sale, purchase or supply of goods or services or any other similar business transactions"

S. No.	Particulars of the information	Information provided by the management
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	Bidding process is not required to be followed as the transaction is proposed with related party at the prevailing market price and on arm's length basis. Further, the Company being a Primary Dealer, the bulk of its transactions with related parties are in the form of dealing in outright securities transactions or money market transactions or primary subscription transactions which transactions are undertaken on regulated platforms at market place. Since the related parties of the Company also undertaken similar transactions on the said platforms, therefore in the ordinary course of business, the Company executes such transactions with its related parties.
2.	Basis of determination of price.	Transactions will be carried out as per the prevailing market price/fair value of securities or as may be approved by the Audit Committee / Board from time to time. Charges for services to constituents, whether related or non-related entity, will be as per Business Policy of the Company.

S. No.	Particulars of the information	Information provided by the management
3.	In case of Trade advance (of upto 365 days or such period for which such advances are extended as per normal trade practice), if any, proposed to be extended to the related party in relation to the transaction, specify the following:	Not Applicable
	a. Amount of Trade advance	Not Applicable
	b. Tenure	Not Applicable
	c. Whether same is self-liquidating?	Not Applicable

III. TRANSACTIONS PROPOSED TO BE ENTERED INTO WITH HARYANA GRAMIN BANK, ASSOCIATE OF PNB, PROMOTER OF THE COMPANY HOLDING MAJORITY STAKE

A(1). Basic details of the related party

S. No.	Particulars of the information	Information provided by the management
1.	Name of the related party	Haryana Gramin Bank
2.	Country of incorporation of the related party	India
3.	Nature of business of the related party	Regional Rural Bank- Banking Business

A(2). Relationship and ownership of the related party

S. No.	Particulars of the information	Information provided by the management
1.	Relationship between the listed entity/and the related party – including nature of its concern (financial or otherwise) and the following:	Haryana Gramin Bank, Associate of PNB (promoter cum majority shareholder holding 13,33,33,333 equity shares representing 74.07% stake in PNB Gilts Limited ("Company")).
	• Shareholding of the listed entity/ whether direct or indirect, in the related party.	Company does not hold any shares in the related party.
	• Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/ subsidiary (in case of transaction involving the subsidiary).	Not Applicable.
	• Shareholding of the related party, whether direct or indirect, in the listed entity.	Related party does not hold any shares in the Company.

A(3). Details of previous transactions with the related party

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th>Information provided by the management</th></tr>
<tr><td>1.</td><td>Total amount of all the transactions undertaken by the listed entity with the related party during the last financial year.</td><td>
<table>
<tr><th>S. No.</th><th>Nature of transaction</th><th>FY 2025-26 (₹ in Crore)</th></tr>
<tr><td>1.</td><td>Outright securities transaction including charges and income from constituent</td><td>0.02</td></tr>
<tr><td colspan="2">TOTAL</td><td>0.02</td></tr>
</table>
</td></tr>
<tr><td>2.</td><td>Total amount of all the transactions undertaken by the listed entity with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.</td><td>
<table>
<tr><th>S. No.</th><th>Nature of transaction</th><th>FY 2026-27 (upto June 30, 2026) (₹ in Crore)</th></tr>
<tr><td>1.</td><td>Outright securities transaction including charges and income from constituent</td><td>100.89</td></tr>
<tr><td colspan="2">TOTAL</td><td>100.89</td></tr>
</table>
</td></tr>
<tr><td>3.</td><td>Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or during the last financial year.</td><td>None</td></tr>
</table>

A(4). Amount of the proposed transactions

S. No.	Particulars of the information	Information provided by the management
1.	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.	₹ 15,000 Crore
2.	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	Considering the approval is being sought for the FY 2027-28 and the nature of business activities of the Company, proposed transactions to be undertaken with the related party during the said year, for which the approval is being sought would render such proposed transactions a material RPT.

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th>Information provided by the management</th></tr>
<tr><td>3.</td><td>Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year</td><td>The proposed transactions taking together constitute 3.03% of the Company's consolidated turnover for the immediately preceding FY i.e. FY 2025-26.</td></tr>
<tr><td>4.</td><td>Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)</td><td>Not Applicable</td></tr>
<tr><td>5.</td><td>Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.</td><td>The proposed transactions relate to market value of securities to be transacted. However, the annual income of FY 2025-26 of the related party consists of only income earned on the transacted securities. Therefore, the value of the proposed transaction as a percentage of the related party's annual consolidated turnover is more than 100%.</td></tr>
<tr><td>6.</td><td>Financial performance of the related party for the immediately preceding financial year:</td><td><table><tr><th>Particulars</th><th>FY 2025-2026 (₹ in crore)</th></tr><tr><td>Turnover/Income</td><td>2,832.88</td></tr><tr><td>Profit After Tax</td><td>382.10</td></tr><tr><td>Net worth</td><td>3,235.56</td></tr></table></td></tr>
</table>

A(5). Basic details of the proposed transactions

S. No.	Particulars of the information	Information provided by the management
1.	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/ services, giving loan, borrowing etc.)	Sale, purchase or supply of goods or services or any other similar business transaction
2.	Details of each type of the proposed transaction	Outright securities transactions, Money market transactions, Primary Subscription, charges/ income from constituent and such other business transactions as may be disclosed in the notes forming part of the financial statements for the relevant financial year.
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	One Year i.e. FY 2027-28
4.	Whether omnibus approval is being sought?	Yes
5.	Value of the proposed transaction during a financial year.	FY 2027-28: ₹ 15,000 Crores
	If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	The proposed transaction will be executed during the FY 2027-28.
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	(a) The Company being a Primary Dealer, the bulk of its transactions with related parties are in the form of dealing in outright securities transactions or money market transactions or primary subscription transactions. The said transactions are undertaken on regulated platforms at market place, since the related parties of the Company also undertaken similar transactions on the said platforms, therefore in the ordinary course of business, the Company executes such transactions with its related parties. (b) Charges for services to constituents, whether related or non-related entity, will be per policies of the Company (b) The Company has great synergy with its related parties, as the nature of business is same and this business is expected to grow in future also at a healthy rate. The securities market is expected to become larger in the coming years and the financial sector is expected to participate in this growing pie at an accelerated pace.

S. No.	Particulars of the information	Information provided by the management
7.	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly.	Haryana Gramin Bank is an Associate of Punjab National Bank (Promoter of the Company holding majority stake). One of the Directors of the Company is also Director of Haryana Gramin Bank
	a. Name of the director / KMP	Smt. Anju Mittal (Director – PNB Gilts Ltd)
	b. Shareholding of the director / KMP, whether direct or indirect, in the related party	Nil
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not Applicable
9.	Other information relevant for decision making.	As a part of money market transactions, the Company may do reverse repo lending or call/ notice/term money lending with the above referred related parties either to cover its short position in securities or out of the surplus funds available with it. However, the tenure, interest rate and other terms and conditions of the same will be decided on the basis of prevailing market conditions or as may be approved by the Audit Committee/ Board from time to time, in accordance with the business policy of the Company and applicable laws. Taxes, if any, in relation to the above transactions will be paid on actual basis.

PART B:-

B(1): Information in addition to Part A related to proposed related party transactions in the nature of "Sale, purchase or supply of goods or services or any other similar business transactions"

S. No.	Particulars of the information	Information provided by the management
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	Bidding process is not required to be followed as the transaction is proposed with related party at the prevailing market price and on arm's length basis. Further, the Company being a Primary Dealer, the bulk of its transactions with related parties are in the form of dealing in outright securities transactions or money market transactions or primary subscription transactions which transactions are undertaken on regulated platforms at market place. Since the related parties of the Company also undertaken similar transactions on the said platforms, therefore in the ordinary course of business, the Company executes such transactions with its related parties.
2.	Basis of determination of price.	Transactions will be carried out as per the prevailing market price/fair value of securities or as may be approved by the Audit Committee / Board from time to time. Charges for services to constituents, whether related or non-related entity, will be as per Business Policy of the Company.
3.	In case of Trade advance (of upto 365 days or such period for which such advances are extended as per normal trade practice), if any, proposed to be extended to the related party in relation to the transaction, specify the following:	Not Applicable
	a. Amount of Trade advance	Not Applicable
	b. Tenure	Not Applicable
	c. Whether same is self-liquidating?	Not Applicable

IV. TRANSACTIONS PROPOSED TO BE ENTERED INTO WITH PUNJAB GRAMIN BANK, ASSOCIATE OF PNB, PROMOTER OF THE COMPANY HOLDING MAJORITY STAKE

A(1). Basic details of the related party

S. No.	Particulars of the information	Information provided by the management
1.	Name of the related party	Punjab Gramin Bank
2.	Country of incorporation of the related party	India
3.	Nature of business of the related party	Regional Rural Bank- Banking Business

A(2). Relationship and ownership of the related party

S. No.	Particulars of the information	Information provided by the management
1.	Relationship between the listed entity and the related party – including nature of its concern (financial or otherwise) and the following:	Punjab Gramin Bank, Associate of PNB (promoter cum majority shareholder holding 13,33,33,333 equity shares representing 74.07% stake in PNB Gilts Limited ("Company")).
	• Shareholding of the listed entity whether direct or indirect, in the related party.	Company does not hold any shares in the related party.
	• Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/ subsidiary (in case of transaction involving the subsidiary).	Not Applicable.
	• Shareholding of the related party, whether direct or indirect, in the listed entity.	Related party does not hold any shares in the Company.

A(3). Details of previous transactions with the related party

S. No.	Particulars of the information	Information provided by the management
1	Total amount of all the transactions undertaken by the listed entity with the related party during the last financial year.	

S. No.	Nature of transaction	FY 2025-26 (₹ in Crore)
1.	Outright securities transaction including charges and income from constituent	589.16
TOTAL		**589.16**

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th>Information provided by the management</th></tr>
<tr><td>2</td><td>Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.</td><td>
<table>
<tr><th>S. No.</th><th>Nature of transaction</th><th>June 30, 2026) (₹ in Crore)</th></tr>
<tr><td>1.</td><td>Outright securities transaction including charges and income from constituent</td><td>64.11</td></tr>
<tr><td colspan="2">TOTAL</td><td>64.11</td></tr>
</table>
</td></tr>
<tr><td>3.</td><td>Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.</td><td>None</td></tr>
</table>

A(4). Amount of the proposed transactions

S. No.	Particulars of the information	Information provided by the management
1.	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.	₹ 15,000 Crore
2.	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	Considering the approval is being sought for the FY 2027-28 and the nature of business activities of the Company, proposed transactions to be undertaken with the related party during the said year, for which the approval is being sought would render such proposed transactions a material RPT.
3.	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year	The proposed transactions taking together constitute 3.03% of the Company's consolidated turnover for the immediately preceding FY i.e. FY 2025-26.

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th>Information provided by the management</th></tr>
<tr><td>4.</td><td>Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)</td><td>Not Applicable</td></tr>
<tr><td>5.</td><td>Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.</td><td>The proposed transactions relate to market value of securities to be transacted. However, the annual income of FY 2025-26 of the related party consists of only income earned on the transacted securities. Therefore, the value of the proposed transaction as a percentage of the related party's annual consolidated turnover is more than 100%.</td></tr>
<tr><td>6.</td><td>Financial performance of the related party for the immediately preceding financial year:</td><td>
<table>
<tr><th>Particulars</th><th>FY 2025-2026 (₹ in crore)</th></tr>
<tr><td>Turnover/Income</td><td>2,049.73</td></tr>
<tr><td>Profit After Tax</td><td>1,063.23</td></tr>
<tr><td>Net worth</td><td>1,812.38</td></tr>
</table>
</td></tr>
</table>

A(5). Basic details of the proposed transactions

S. No.	Particulars of the information	Information provided by the management
1.	Specific type of the proposed transaction (e.g. sale of goods/ services, purchase of goods/ services, giving loan, borrowing etc.)	Sale, purchase or supply of goods or services or any other similar business transactions
2.	Details of each type of the proposed transaction	Outright securities transactions, Money market transactions, Primary Subscription, charges/income from constituent and such other business transactions as may be disclosed in the notes forming part of the financial statements for the relevant financial year.
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	One Year i.e. FY 2027-28

S. No.	Particulars of the information	Information provided by the management
4.	Whether omnibus approval is being sought?	Yes
5.	Value of the proposed transaction during a financial year.	FY 2027-28: ₹ 15,000 Crores
	If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	The proposed transaction will be executed during the FY 2027-28.
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	(a) The Company being a Primary Dealer, the bulk of its transactions with related parties are in the form of dealing in outright securities transactions or money market transactions or primary subscription transactions. The said transactions are undertaken on regulated platforms at market place, since the related parties of the Company also undertaken similar transactions on the said platforms, therefore in the ordinary course of business, the Company executes such transactions with its related parties. (b) Charges for services to constituents, whether related or non-related entity, will be per policies of the Company (c) The Company has great synergy with its related parties, as the nature of business is same and this business is expected to grow in future also at a healthy rate. The securities market is expected to become larger in the coming years and the financial sector is expected to participate in this growing pie at an accelerated pace.
7.	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly.	Punjab Gramin Bank is an Associate of Punjab National Bank (Promoter of the Company holding majority stake).
	a. Name of the director / KMP	Not applicable
	b. Shareholding of the director / KMP, whether direct or indirect, in the related party	Not applicable
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not Applicable

S. No.	Particulars of the information	Information provided by the management
9.	Other information relevant for decision making.	As a part of money market transactions, the Company may do reverse repo lending or call/notice/term money lending with the above referred related parties either to cover its short position in securities or out of the surplus funds available with it. However, the tenure, interest rate and other terms and conditions of the same will be decided on the basis of prevailing market conditions or as may be approved by the Audit Committee/ Board from time to time, in accordance with the business policy of the Company and applicable laws. Taxes, if any, in relation to the above transactions will be paid on actual basis.

PART B:-

B(1): Information in addition to Part A related to proposed related party transactions in the nature of "Sale, purchase or supply of goods or services or any other similar business transactions "

S. No.	Particulars of the information	Information provided by the management
		Similar Business Transactions
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	Bidding process is not required to be followed as the transaction is proposed with related party at the prevailing market price and on arm's length basis. Further, the Company being a Primary Dealer, the bulk of its transactions with related parties are in the form of dealing in outright securities transactions or money market transactions or primary subscription transactions which transactions are undertaken on regulated platforms at market place. Since the related parties of the Company also undertaken similar transactions on the said platforms, therefore in the ordinary course of business, the Company executes such transactions with its related parties. For other transactions, rates as applicable to other non-related entities are considered.
2.	Basis of determination of price.	Transactions will be carried out as per the prevailing market price/fair value of securities or as may be approved by the Audit Committee / Board from time to time. Charges for services to constituents, whether related or non-related entity, will be as per Business Policy of the Company.
3.	In case of Trade advance (of upto 365 days or such period for which such advances are extended as per normal trade practice), if any, proposed to be extended to the related party in relation to the transaction, specify the following:	Not Applicable

S. No.	Particulars of the information	Information provided by the management
		Similar Business Transactions
	a. Amount of Trade advance	Not Applicable
	b. Tenure	Not Applicable
	c. Whether same is self-liquidating?	Not Applicable

V. TRANSACTIONS PROPOSED TO BE ENTERED INTO WITH HIMACHAL PRADESH GRAMIN BANK, ASSOCIATE OF PNB, PROMOTER OF THE COMPANY HOLDING MAJORITY STAKE

A(1). Basic details of the related party

S. No.	Particulars of the information	Information provided by the management
1.	Name of the related party	Himachal Pradesh Gramin Bank
2.	Country of incorporation of the related party	India
3.	Nature of business of the related party	Regional Rural Bank-Banking services

A(2). Relationship and ownership of the related party

S. No.	Particulars of the information	Information provided by the management
1.	Relationship between the listed entity and the related party – including nature of its concern (financial or otherwise) and the following:	Himachal Pradesh Gramin Bank, Associate of PNB (promoter cum majority shareholder holding 13,33,33,333 equity shares representing 74.07% stake in PNB Gilts Limited ("Company")).
	• Shareholding of the listed entity/ subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party.	Company does not hold any shares in the related party.
	• Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/ subsidiary (in case of transaction involving the subsidiary).	Not Applicable.

S. No.	Particulars of the information	Information provided by the management
	• Shareholding of the related party, whether direct or indirect, in the listed entity.	Related party does not hold any shares in the Company.

A(3). Details of previous transactions with the related party

S. No.	Particulars of the information	Information provided by the management
1.	Total amount of all the transactions undertaken by the listed entity with the related party during the last financial year.	<table><tr><th>S. No.</th><th>Nature of transaction</th><th>FY 2025-26 (₹ in Crore)</th></tr><tr><td>1.</td><td>Outright securities transaction including charges and income from constituent</td><td>70.18</td></tr><tr><td colspan="2">TOTAL</td><td>70.18</td></tr></table>
2.	Total amount of all the transactions undertaken by the listed entity with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.	<table><tr><th>S. No.</th><th>Nature of transaction</th><th>FY 2026-27 (upto June 30, 2026) (₹ in Crore)</th></tr><tr><td>1.</td><td>Outright securities transaction including charges and income from constituent</td><td>4.38</td></tr><tr><td colspan="2">TOTAL</td><td></td></tr></table>
3	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or during the last financial year.	None

A(4). Amount of the proposed transactions

S. No.	Particulars of the information	Information provided by the management
1.	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.	₹ 9,000 Crore
2.	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	Considering the approval is being sought for the FY 2027-28 and the nature of business activities of the Company, proposed transactions to be undertaken with the related party during the said year, for which the approval is being sought would render such proposed transactions a material RPT.

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th>Information provided by the management</th></tr>
<tr><td>3.</td><td>Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year</td><td>The proposed transactions taking together constitute 1.82% of the Company's consolidated turnover for the immediately preceding FY i.e. FY 2025-26.</td></tr>
<tr><td>4.</td><td>Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)</td><td>Not Applicable</td></tr>
<tr><td>5.</td><td>Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.</td><td>The proposed transactions relate to market value of securities to be transacted. However, the annual income of FY 2025-26 of the related party consists of only income earned on the transacted securities. Therefore, the value of the proposed transaction as a percentage of the related party's annual consolidated turnover is more than 100%.</td></tr>
<tr><td>6.</td><td>Financial performance of the related party for the immediately preceding financial year:</td><td>
<table>
<tr><th>Particulars</th><th>FY 2025-2026 (₹ in crore)</th></tr>
<tr><td>Turnover/Income</td><td>892.74</td></tr>
<tr><td>Profit After Tax</td><td>(14.93)</td></tr>
<tr><td>Net worth</td><td>180.49</td></tr>
</table>
</td></tr>
</table>

A(5). Basic details of the proposed transactions

S. No.	Particulars of the information	Information provided by the management
1.	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.)	Sale, purchase or supply of goods or services or any other similar business transactions
2.	Details of each type of the proposed transaction	Outright securities transactions, Money market transactions, Primary Subscription, charges/ income from constituent and such other business transactions as may be disclosed in the notes forming part of the financial statements for the relevant financial year..

S. No.	Particulars of the information	Information provided by the management
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	One Year i.e. FY 2027-28
4.	Whether omnibus approval is being sought?	Yes
5.	Value of the proposed transaction during a financial year.	FY 2027-28: ₹ 9,000 Crores
	If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	The proposed transaction will be executed during the FY 2027-28.
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	(a) The Company being a Primary Dealer, the bulk of its transactions with related parties are in the form of dealing in outright securities transactions or money market transactions or primary subscription transactions. The said transactions are undertaken on regulated platforms at market place, since the related parties of the Company also undertaken similar transactions on the said platforms, therefore in the ordinary course of business, the Company executes such transactions with its related parties. (b) Charges for services to constituents, whether related or non-related entity, will be per policies of the Company (c) The Company has great synergy with its related parties, as the nature of business is same and this business is expected to grow in future also at a healthy rate. The securities market is expected to become larger in the coming years and the financial sector is expected to participate in this growing pie at an accelerated pace.
7.	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly.	Himachal Pradesh Gramin Bank is an Associate of Punjab National Bank (Promoter of the Company holding majority stake).
	a. Name of the director / KMP	Not applicable
	b. Shareholding of the director / KMP, whether direct or indirect, in the related party	Not applicable

S. No.	Particulars of the information	Information provided by the management
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not Applicable
9.	Other information relevant for decision making.	As a part of money market transactions, the Company may do reverse repo lending or call/ notice/term money lending with the above referred related parties either to cover its short position in securities or out of the surplus funds available with it. However, the tenure, interest rate and other terms and conditions of the same will be decided on the basis of prevailing market conditions or as may be approved by the Audit Committee/ Board from time to time, in accordance with the business policy of the Company and applicable laws. Taxes, if any, in relation to the above transactions will be paid on actual basis.

PART B:-

B(1): Information in addition to Part A related to proposed related party transactions in the nature of "Sale, purchase or supply of goods or services or any other similar business transactions "

S. No.	Particulars of the information	Information provided by the management
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	Bidding process is not required to be followed as the transaction is proposed with related party at the prevailing market price and on arm's length basis. Further, the Company being a Primary Dealer, the bulk of its transactions with related parties are in the form of dealing in outright securities transactions or money market transactions or primary subscription transactions which transactions are undertaken on regulated platforms at market place. Since the related parties of the Company also undertaken similar transactions on the said platforms, therefore in the ordinary course of business, the Company executes such transactions with its related parties. For other transactions, rates as applicable to other non-related entities are considered.
2.	Basis of determination of price.	Transactions will be carried out as per the prevailing market price/fair value of securities or as may be approved by the Audit Committee / Board from time to time. Charges for services to constituents, whether related or non-related entity, will be as per Business Policy of the Company.

S. No.	Particulars of the information	Information provided by the management
3.	In case of Trade advance (of upto 365 days or such period for which such advances are extended as per normal trade practice), if any, proposed to be extended to the related party in relation to the transaction, specify the following:	Not Applicable
	a. Not Applicable	Not Applicable
	b. Tenure	Not Applicable
	c. Whether same is self-liquidating?	Not Applicable

VI. TRANSACTIONS PROPOSED TO BE ENTERED INTO WITH ASSAM GRAMIN BANK, ASSOCIATE OF PNB, PROMOTER OF THE COMPANY HOLDING MAJORITY STAKE

A(1). Basic details of the related party

S. No.	Particulars of the information	Information provided by the management
1.	Name of the related party	Assam Gramin Bank
2.	Country of incorporation of the related party	India
3.	Nature of business of the related party	Regional Rural Bank- Banking Business

A(2). Relationship and ownership of the related party

S. No.	Particulars of the information	Information provided by the management
		Similar Business Transactions
1.	Relationship between the listed entity and the related party – including nature of its concern (financial or otherwise) and the following:	Assam Gramin Bank, Associate of PNB (promoter cum majority shareholder holding 13,33,33,333 equity shares representing 74.07% stake in PNB Gilts Limited ("Company")).
	Shareholding of the listed entity, whether direct or indirect, in the related party.	Company does not hold any shares in the related party.
	Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/ subsidiary (in case of transaction involving the subsidiary).	Not Applicable.
	Shareholding of the related party, whether direct or indirect, in the listed entity	Related party does not hold any shares in the Company.

A(3). Details of previous transactions with the related party

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th>Information provided by the management</th></tr>
<tr><td>1.</td><td>Total amount of all the transactions undertaken by the listed entity with the related party during the last financial year.</td><td>
<table>
<tr><th>S. No.</th><th>Nature of transaction</th><th>FY 2025-26 (₹ in Crore)</th></tr>
<tr><td>1.</td><td>Outright securities transaction including charges and income from constituent</td><td>50.63</td></tr>
<tr><td colspan="2">TOTAL</td><td>50.63</td></tr>
</table>
</td></tr>
<tr><td>2.</td><td>Total amount of all the transactions undertaken by the listed entity with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.</td><td>
<table>
<tr><th>S. No.</th><th>Nature of transaction</th><th>FY 2026-27 (upto June 30, 2026) (₹ in Crore)</th></tr>
<tr><td>1.</td><td>Outright securities transaction including charges and income from constituent</td><td>72.45</td></tr>
<tr><td colspan="2">TOTAL</td><td>72.45</td></tr>
</table>
</td></tr>
<tr><td>3.</td><td>Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or during the last financial year.</td><td>None</td></tr>
</table>

A(4). Amount of the proposed transactions

S. No.	Particulars of the information	Information provided by the management
1.	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.	₹ 40,000 Crore
2.	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	Considering the approval is being sought for the FY 2027-28 and the nature of business activities of the Company, proposed transactions to be undertaken with the related party during the said year, for which the approval is being sought would render such proposed transactions a material RPT.
3.	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year	The proposed transactions taking together constitute 8.08% of the Company's consolidated turnover for the immediately preceding FY i.e. FY 2025-26.

S. No.	Particulars of the information	Information provided by the management
4.	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)	Not Applicable
5.	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.	The proposed transactions relate to market value of securities to be transacted. However, the annual income of FY 2025-26 of the related party consists of only income earned on the transacted securities. Therefore, the value of the proposed transaction as a percentage of the related party's annual consolidated turnover is more than 100%.
6.	Financial performance of the related party for the immediately preceding financial year:	**Particulars** / **FY 2025-2026 (₹ in crore)** Turnover: 1,439.69 Profit After Tax: 110.87 Net worth: 685.91

A(5). Basic details of the proposed transactions

S. No.	Particulars of the information	Information provided by the management
1.	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.)	Sale, purchase or supply of goods or services or any other similar business transactions
2.	Details of each type of the proposed transaction	Outright securities transactions, Money market transactions, Primary Subscription, charges/ income from constituent and such other business transactions as may be disclosed in the notes forming part of the financial statements for the relevant financial year.
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	One Year i.e. FY 2027-28
4.	Whether omnibus approval is being sought?	Yes
5.	Value of the proposed transaction during a financial year.	FY 2027-28: ₹ 40,000 Crores
	If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	The proposed transaction will be executed during the FY 2027-28.

S. No.	Particulars of the information	Information provided by the management
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	(a) The Company being a Primary Dealer, the bulk of its transactions with related parties are in the form of dealing in outright securities transactions or money market transactions or primary subscription transactions. The said transactions are undertaken on regulated platforms at market place, since the related parties of the Company also undertaken similar transactions on the said platforms, therefore in the ordinary course of business, the Company executes such transactions with its related parties. (b) Charges for services to constituents, whether related or non-related entity, will be per policies of the Company. (c) The Company has great synergy with its related parties, as the nature of business is same and this business is expected to grow in future also at a healthy rate. The securities market is expected to become larger in the coming years and the financial sector is expected to participate in this growing pie at an accelerated pace.
7.	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly.	Assam Gramin Bank is an Associate of Punjab National Bank (Promoter of the Company holding majority stake).
	a. Name of the director / KMP	Not applicable
	b. Shareholding of the director / KMP, whether direct or indirect, in the related party	Not applicable
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not Applicable
9.	Other information relevant for decision making.	As a part of money market transactions, the Company may do reverse repo lending or call/ notice/term money lending with the above referred related parties either to cover its short position in securities or out of the surplus funds available with it. However, the tenure, interest rate and other terms and conditions of the same will be decided on the basis of prevailing market conditions or as may be approved by the Audit Committee/ Board from time to time, in accordance with the business policy of the Company and applicable laws. Taxes, if any, in relation to the above transactions will be paid on actual basis.

PART B:-

B(1): Information in addition to Part A related to proposed related party transactions in the nature of "Sale, purchase or supply of goods or services or any other similar business transactions "

S. No.	Particulars of the information	Information provided by the management
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	Bidding process is not required to be followed as the transaction is proposed with related party at the prevailing market price and on arm's length basis. Further, the Company being a Primary Dealer, the bulk of its transactions with related parties are in the form of dealing in outright securities transactions or money market transactions or primary subscription transactions which transactions are undertaken on regulated platforms at market place. Since the related parties of the Company also undertaken similar transactions on the said platforms, therefore in the ordinary course of business, the Company executes such transactions with its related parties. For other transactions, rates as applicable to other non-related entities are considered.
2.	Basis of determination of price.	Transactions will be carried out as per the prevailing market price/fair value of securities or as may be approved by the Audit Committee / Board from time to time. Charges for services to constituents, whether related or non-related entity, will be as per Business Policy of the Company.
3.	In case of Trade advance (of upto 365 days or such period for which such advances are extended as per normal trade practice), if any, proposed to be extended to the related party in relation to the transaction, specify the following:	Not Applicable
	a. Amount of Trade advance	Not Applicable
	b. Tenure	Not Applicable
	c. Whether same is self-liquidating?	Not Applicable

VII. TRANSACTIONS PROPOSED TO BE ENTERED INTO WITH TRIPURA GRAMIN BANK, ASSOCIATE OF PNB, PROMOTER OF THE COMPANY HOLDING MAJORITY STAKE

PART A:-

A(1). Basic details of the related party

S. No.	Particulars of the information	Information provided by the management
1.	Name of the related party	Tripura Gramin Bank
2.	Country of incorporation of the related party	India
3.	Nature of business of the related party	Regional Rural Bank- Banking Business

A(2). Relationship and ownership of the related party

S. No.	Particulars of the information	Information provided by the management
		Similar Business Transactions
1.	Relationship between the listed entity and the related party – including nature of its concern (financial or otherwise) and the following:	Tripura Gramin Bank, Associate of PNB (promoter cum majority shareholder holding 13,33,33,333 equity shares representing 74.07% stake in PNB Gilts Limited ("Company")).
	• Shareholding of the listed entity, whether direct or indirect, in the related party.	Company does not hold any shares in the related party.
	• Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/ subsidiary (in case of transaction involving the subsidiary).	Not Applicable.
	• Shareholding of the related party, whether direct or indirect, in the listed entity	Related party does not hold any shares in the Company.

A(3). Details of previous transactions with the related party

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th>Information provided by the management</th></tr>
<tr><td>1.</td><td>Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year.</td><td>
<table>
<tr><th>S. No.</th><th>Nature of transaction</th><th>FY 2025-26 (₹ in Crore)</th></tr>
<tr><td>1.</td><td>Outright securities transaction including charges and income from constituent</td><td>10.42</td></tr>
<tr><td colspan="2">TOTAL</td><td>10.42</td></tr>
</table>
</td></tr>
<tr><td>2.</td><td>Total amount of all the transactions undertaken by the listed entity with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.</td><td>
<table>
<tr><th>S. No.</th><th>Nature of transaction</th><th>FY 2026-27 (upto June 30, 2026) (₹ in Crore)</th></tr>
<tr><td>1.</td><td>Outright securities transaction including charges and income from constituent</td><td>0.01</td></tr>
<tr><td colspan="2">TOTAL</td><td>0.01</td></tr>
</table>
</td></tr>
<tr><td>3.</td><td>Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or during the last financial year.</td><td>None</td></tr>
</table>

A(4). Amount of the proposed transactions

S. No.	Particulars of the information	Information provided by the management
1.	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.	₹ 15,000 Crore
2.	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	Considering the approval is being sought for the FY 2027-28 and the nature of business activities of the Company, proposed transactions to be undertaken with the related party during the said year, for which the approval is being sought would render such proposed transactions a material RPT.

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th>Information provided by the management</th></tr>
<tr><td>3.</td><td>Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year</td><td>The proposed transactions taking together constitute 3.03% of the Company's consolidated turnover for the immediately preceding FY i.e. FY 2025-26.</td></tr>
<tr><td>4.</td><td>Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)</td><td>Not Applicable</td></tr>
<tr><td>5.</td><td>Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.</td><td>The proposed transactions relate to market value of securities to be transacted. However, the annual income of FY 2025-26 of the related party consists of only income earned on the transacted securities. Therefore, the value of the proposed transaction as a percentage of the related party's annual consolidated turnover is more than 100%.</td></tr>
<tr><td>6.</td><td>Financial performance of the related party for the immediately preceding financial year:</td><td>
<table>
<tr><th>Particulars</th><th>FY 2025-2026 (₹ in crore)</th></tr>
<tr><td>Turnover/Income</td><td>1,067.05</td></tr>
<tr><td>Profit After Tax</td><td>184.84</td></tr>
<tr><td>Net worth</td><td>1,493.05</td></tr>
</table>
</td></tr>
</table>

A(5). Basic details of the proposed transactions

S. No.	Particulars of the information	Information provided by the management
1.	Specific type of the proposed transaction (e.g. sale of goods/ services, purchase of goods/ services, giving loan, borrowing etc.)	Sale, purchase or supply of goods or services or any other similar business transactions
2.	Details of each type of the proposed transaction	Outright securities transactions, Money market transactions, Primary Subscription, charges/income from constituent and such other business transactions as may be disclosed in the notes forming part of the financial statements for the relevant financial year.

S. No.	Particulars of the information	Information provided by the management
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	One Year i.e. FY 2027-28
4.	Whether omnibus approval is being sought?	Yes
5.	Value of the proposed transaction during a financial year.	FY 2027-28: ₹ 15,000 Crores
	If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	The proposed transaction will be executed during the FY 2027-28.
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	(a) The Company being a Primary Dealer, the bulk of its transactions with related parties are in the form of dealing in outright securities transactions or money market transactions or primary subscription transactions. The said transactions are undertaken on regulated platforms at market place, since the related parties of the Company also undertaken similar transactions on the said platforms, therefore in the ordinary course of business, the Company executes such transactions with its related parties. (b) Charges for services to constituents, whether related or non-related entity, will be per policies of the Company. (c) The Company has great synergy with its related parties, as the nature of business is same and this business is expected to grow in future also at a healthy rate. The securities market is expected to become larger in the coming years and the financial sector is expected to participate in this growing pie at an accelerated pace.
7	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly.	Tripura Gramin Bank is an Associate of Punjab National Bank (Promoter of the Company holding majority stake).
	a. Name of the director / KMP	Not applicable
	b. Shareholding of the director / KMP, whether direct or indirect, in the related party	Not applicable
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not Applicable

S. No.	Particulars of the information	Information provided by the management
9.	Other information relevant for decision making.	As a part of money market transactions, the Company may do reverse repo lending or call/notice/term money lending with the above referred related parties either to cover its short position in securities or out of the surplus funds available with it. However, the tenure, interest rate and other terms and conditions of the same will be decided on the basis of prevailing market conditions or as may be approved by the Audit Committee/ Board from time to time, in accordance with the business policy of the Company and applicable laws.
		Taxes, if any, in relation to the above transactions will be paid on actual basis.

PART B:-

B(1): Information in addition to Part A related to proposed related party transactions in the nature of "Sale, purchase or supply of goods or services or any other similar business transactions "

S. No.	Particulars of the information	Information provided by the management
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	Bidding process is not required to be followed as the transaction is proposed with related party at the prevailing market price and on arm's length basis. Further, the Company being a Primary Dealer, the bulk of its transactions with related parties are in the form of dealing in outright securities transactions or money market transactions or primary subscription transactions which transactions are undertaken on regulated platforms at market place. Since the related parties of the Company also undertaken similar transactions on the said platforms, therefore in the ordinary course of business, the Company executes such transactions with its related parties. For other transactions, rates as applicable to other non-related entities are considered.
2.	Basis of determination of price.	Transactions will be carried out as per the prevailing market price/fair value of securities or as may be approved by the Audit Committee / Board from time to time. Charges for services to constituents, whether related or non-related entity, will be as per the Business Policy of the Company.
3.	In case of Trade advance (of upto 365 days or such period for which such advances are extended as per normal trade practice), if any, proposed to be extended to the related party in relation to the transaction, specify the following:	Not Applicable
	a. Amount of Trade advance	Not Applicable
	b. Tenure	Not Applicable
	c. Whether same is self-liquidating?	Not Applicable

VIII. TRANSACTIONS PROPOSED TO BE ENTERED INTO WITH WEST BENGAL GRAMIN BANK, ASSOCIATE OF PNB, PROMOTER OF THE COMPANY HOLDING MAJORITY STAKE

PART A:-

A(1). Basic details of the related party

S. No.	Particulars of the information	Information provided by the management
1.	Name of the related party	West Bengal Gramin Bank
2.	Country of incorporation of the related party	India
3.	Nature of business of the related party	Regional Rural Bank- Banking Business

A(2). Relationship and ownership of the related party

S. No.	Particulars of the information	Information provided by the management
1.	Relationship between the listed entity/ and the related party – including nature of its concern (financial or otherwise) and the following:	West Bengal Gramin Bank, Associate of PNB (promoter cum majority shareholder holding 13,33,33,333 equity shares representing 74.07% stake in PNB Gilts Limited ("Company")).
	• Shareholding of the listed entity, whether direct or indirect, in the related party.	Company does not hold any shares in the related party.
	• Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/ subsidiary (in case of transaction involving the subsidiary).	Not Applicable.
	• Shareholding of the related party, whether direct or indirect, in the listed entity.	Related party does not hold any shares in the Company.

A(3). Details of previous transactions with the related party

S. No.	Particulars of the information	Information provided by the management
1.	Total amount of all the transactions undertaken by the listed entity with the related party during the last financial year.	

S. No.	Nature of transaction	FY 2025-26 (₹ in Crore)
1.	Outright securities transaction including charges and income from constituent	1,129.05
2.	Money market transactions including charges and income from constituent	1,140.43
TOTAL		**2,269.48**

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th>Information provided by the management</th></tr>
<tr><td>2.</td><td>Total amount of all the transactions undertaken by the listed entity with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.</td><td>
<table>
<tr><th>S. No.</th><th>Nature of transaction</th><th>FY 2026-27 (upto June 30, 2026) (₹ in Crore)</th></tr>
<tr><td>1.</td><td>Outright securities transaction including charges and income from constituent</td><td>0.01</td></tr>
<tr><td colspan="2">TOTAL</td><td>0.01</td></tr>
</table>
</td></tr>
<tr><td>3.</td><td>Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or during the last financial year.</td><td>None</td></tr>
</table>

A(4). Amount of the proposed transactions

S. No.	Particulars of the information	Information provided by the management
1.	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.	₹ 40,000 Crore
2.	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	Considering the approval is being sought for the FY 2027-28 and the nature of business activities of the Company, proposed transactions to be undertaken with the related party during the said year, for which the approval is being sought would render such proposed transactions a material RPT.
3.	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year	The proposed transactions taking together constitute 8.08% of the Company's consolidated turnover for the immediately preceding FY i.e. FY 2025-26.

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th>Information provided by the management</th></tr>
<tr><td>4.</td><td>Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)</td><td>Not Applicable</td></tr>
<tr><td>5.</td><td>Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.</td><td>The proposed transactions relate to market value of securities to be transacted. However, the annual income of FY 2025-26 of the related party consists of only income earned on the transacted securities. Therefore, the value of the proposed transaction as a percentage of the related party's annual consolidated turnover is more than 100%.</td></tr>
<tr><td>6.</td><td>Financial performance of the related party for the immediately preceding financial year:</td><td><table><tr><th>Particulars</th><th>FY 2025-2026 (₹ in crore)</th></tr><tr><td>Turnover /Income</td><td>3,166.35</td></tr><tr><td>Profit After Tax</td><td>437.11</td></tr><tr><td>Net worth</td><td>2,694.03</td></tr></table></td></tr>
</table>

A(5). Basic details of the proposed transactions

S. No.	Particulars of the information	Information provided by the management
1.	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.)	Sale, purchase or supply of goods or services or any other similar business transactions
2.	Details of each type of the proposed transaction	Outright securities transactions, Money market transactions, Primary Subscription, charges/ income from constituent and such other business transactions as may be disclosed in the notes forming part of the financial statements for the relevant financial year.
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	One Year i.e. FY 2027-28

S. No.	Particulars of the information	Information provided by the management
4.	Whether omnibus approval is being sought?	Yes
5.	Value of the proposed transaction during a financial year.	FY 2027-28: ₹ 40,000 Crores
	If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	The proposed transaction will be executed during the FY 2027-28.
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	(a) The Company being a Primary Dealer, the bulk of its transactions with related parties are in the form of dealing in outright securities transactions or money market transactions or primary subscription transactions. The said transactions are undertaken on regulated platforms at market place, since the related parties of the Company also undertaken similar transactions on the said platforms, therefore in the ordinary course of business, the Company executes such transactions with its related parties. (b) Charges for services to constituents, whether related or non-related entity, will be per policies of the Company. (c) The Company has great synergy with its related parties, as the nature of business is same and this business is expected to grow in future also at a healthy rate. The securities market is expected to become larger in the coming years and the financial sector is expected to participate in this growing pie at an accelerated pace.
7.	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly.	West Bengal Gramin Bank is an Associate of Punjab National Bank (Promoter of the Company holding majority stake).
	a. Name of the director / KMP	Not applicable
	b. Shareholding of the director / KMP, whether direct or indirect, in the related party	Not applicable
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not Applicable

S. No.	Particulars of the information	Information provided by the management
9.	Other information relevant for decision making.	As a part of money market transactions, the Company may do reverse repo lending or call/ notice/term money lending with the above referred related parties either to cover its short position in securities or out of the surplus funds available with it. However, the tenure, interest rate and other terms and conditions of the same will be decided on the basis of prevailing market conditions or as may be approved by the Audit Committee/ Board from time to time, in accordance with the business policy of the Company and applicable laws.
		Taxes, if any, in relation to the above transactions will be paid on actual basis.

PART B:-

B(1). Information in addition to Part A related to proposed related party transactions in the nature of "Sale, purchase or supply of goods or services or any other similar business transactions

S. No.	Particulars of the information	Information provided by the management
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	Bidding process is not required to be followed as the transaction is proposed with related party at the prevailing market price and on arm's length basis. Further, the Company being a Primary Dealer, the bulk of its transactions with related parties are in the form of dealing in outright securities transactions or money market transactions or primary subscription transactions which transactions are undertaken on regulated platforms at market place. Since the related parties of the Company also undertaken similar transactions on the said platforms, therefore in the ordinary course of business, the Company executes such transactions with its related parties. For other transactions, rates as applicable to other non-related entities are considered.
2.	Basis of determination of price.	Transactions will be carried out as per the prevailing market price/fair value of securities or as may be approved by the Audit Committee / Board from time to time. Charges for services to constituents, whether related or non-related entity, will be as per Business Policy of the Company.

S. No.	Particulars of the information	Information provided by the management
3.	In case of Trade advance (of upto 365 days or such period for which such advances are extended as per normal trade practice), if any, proposed to be extended to the related party in relation to the transaction, specify the following:	Not Applicable
	a. Amount of Trade advance	Not Applicable
	b. Tenure	Not Applicable
	c. Whether same is self-liquidating?	Not Applicable

IX. TRANSACTIONS PROPOSED TO BE ENTERED INTO WITH PNB HOUSING FINANCE LIMITED, ASSOCIATE OF PNB, PROMOTER OF THE COMPANY HOLDING MAJORITY STAKE

PART A:-

A(1). Basic details of the related party

S. No.	Particulars of the information	Information provided by the management
1.	Name of the related party	PNB Housing Finance Limited
2.	Country of incorporation of the related party	India
3.	Nature of business of the related party	Housing Finance Company

A(2). Relationship and ownership of the related party

S. No.	Particulars of the information	Information provided by the management
1.	Relationship between the listed entity and the related party – including nature of its concern (financial or otherwise) and the following:	PNB Housing Finance Limited, Associate of PNB (promoter cum majority shareholder holding 13,33,33,333 equity shares representing 74.07% stake in PNB Gilts Limited ("Company")).
	• Shareholding of the listed entity whether direct or indirect, in the related party.	Company does not hold any shares in the related party.
	• Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/ subsidiary (in case of transaction involving the subsidiary).	Not Applicable.
	• Shareholding of the related party, whether direct or indirect, in the listed entity.	Related party does not hold any shares in the Company.

A(3). Details of previous transactions with the related party

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th>Information provided by the management</th></tr>
<tr><td>1.</td><td>Total amount of all the transactions undertaken by the listed entity with the related party during the last financial year.</td><td>
<table>
<tr><th>S. No.</th><th>Nature of transaction</th><th>FY 2025-26 (₹ in Crore)</th></tr>
<tr><td>1.</td><td>Outright securities transaction including charges and income from constituent</td><td>0.01</td></tr>
<tr><td colspan="2">TOTAL</td><td>0.01</td></tr>
</table>
</td></tr>
<tr><td>2.</td><td>Total amount of all the transactions undertaken by the listed entity with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.</td><td>
<table>
<tr><th>S. No.</th><th>Nature of transaction</th><th>FY 2026-27 (upto June 30, 2026) (₹ in Crore)</th></tr>
<tr><td>1.</td><td>Outright securities transaction including charges and income from constituent</td><td>0.01</td></tr>
<tr><td colspan="2">TOTAL</td><td>0.01</td></tr>
</table>
</td></tr>
<tr><td>3.</td><td>Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or during the last financial year.</td><td>None</td></tr>
</table>

A(4). Amount of the proposed transactions

S. No.	Particulars of the information	Information provided by the management
1.	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.	₹ 6,100 Crore
2.	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	Considering the approval is being sought for the FY 2027-28 and the nature of business activities of the Company, proposed transactions to be undertaken with the related party during the said year, for which the approval is being sought would render such proposed transactions a material RPT.
3.	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year	The proposed transactions taking together constitute 1.23% of the Company's consolidated turnover for the immediately preceding FY i.e. FY 2025-26.

S. No.	Particulars of the information	Information provided by the management
4.	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)	Not Applicable
5.	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.	The proposed transactions relate to market value of securities to be transacted. However, the annual income of FY 2025-26 of the related party consists of only income earned on the transacted securities. Therefore, the value of the proposed transaction as a percentage of the related party's annual consolidated turnover appears to be on higher side (i.e.71.64%)
6.	Financial performance of the related party for the immediately preceding financial year:	**Particulars** / **FY 2025-2026 (₹ in crore)** Turnover/Income: 8,514.29 Profit After Tax: 2,327.88 Net worth: 19,219.13

A(5). Basic details of the proposed transactions

S. No.	Particulars of the information	Information provided by the management
1.	Specific type of the proposed transaction (e.g. sale of goods/ services, purchase of goods/ services, giving loan, borrowing etc.)	Sale, purchase or supply of goods or services or any other similar business transactions
2.	Details of each type of the proposed transaction	Outright securities transactions, Primary Subscription, security arranger services, charges/income from constituent and such other business transactions as may be disclosed in the notes forming part of the financial statements for the relevant financial year.
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	One Year i.e. FY 2027-28
4.	Whether omnibus approval is being sought?	Yes
5.	Value of the proposed transaction during a financial year.	FY 2027-28: ₹ 6,100 Crores

S. No.	Particulars of the information	Information provided by the management
	If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	The proposed transaction will be executed during the FY 2027-28.
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	(a) The Company being a Primary Dealer, the bulk of its transactions with related parties are in the form of dealing in outright securities transactions or money market transactions or primary subscription transactions. The said transactions are undertaken on regulated platforms at market place, since the related parties of the Company also undertaken similar transactions on the said platforms, therefore in the ordinary course of business, the Company executes such transactions with its related parties.
		(b) Charges for services to constituents, whether related or non-related entity, will be per policies of the Company
		(c) The Company has great synergy with its related parties, as the nature of business is same and this business is expected to grow in future also at a healthy rate. The securities market is expected to become larger in the coming years and the financial sector is expected to participate in this growing pie at an accelerated pace.
7.	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly.	PNB Housing Finance Limited is an Associate of Punjab National Bank (Promoter of the Company holding majority stake).
	a. Name of the director / KMP	Not applicable
	b. Shareholding of the director / KMP, whether direct or indirect, in the related party	Not applicable
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not applicable
9.	Other information relevant for decision making.	As a part of Outright securities transactions, Primary Subscription, the Company may do reverse repo lending or call/notice/term money lending with the above referred related parties either to cover its short position in securities or out of the surplus funds available with it. However, the tenure, interest rate and other terms and conditions of the same will be decided on the basis of prevailing market conditions or as may be approved by the Audit Committee/ Board from time to time, in accordance with the business policy of the Company and applicable laws.
		Taxes, if any, in relation to the above transactions will be paid on actual basis.

PART B:-

B(1). Information in addition to Part A related to proposed related party transactions in the nature of "Sale, purchase or supply of goods or services or any other similar business transactions "

S. No.	Particulars of the information	Information provided by the management
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	Bidding process is not required to be followed as the transaction is proposed with related party at the prevailing market price and on arm's length basis. Further, the Company being a Primary Dealer, the bulk of its transactions with related parties are in the form of dealing in outright securities transactions or money market transactions or primary subscription transactions which transactions are undertaken on regulated platforms at market place. Since the related parties of the Company also undertaken similar transactions on the said platforms, therefore in the ordinary course of business, the Company executes such transactions with its related parties. For other transactions, rates as applicable to other non-related entities are considered.
2.	Basis of determination of price.	Transactions will be carried out as per the prevailing market price/fair value of securities or as may be approved by the Audit Committee / Board from time to time. Charges for services to constituents, whether related or non-related entity, will be as per Business Policy of the Company.
3.	In case of Trade advance (of upto 365 days or such period for which such advances are extended as per normal trade practice), if any, proposed to be extended to the related party in relation to the transaction, specify the following:	Not Applicable
	a. Amount of Trade advance	Not Applicable
	b. Tenure	Not Applicable
	c. Whether same is self-liquidating?	Not Applicable

(Refer Note 13 of the Notice of the 30th AGM)

COMMUNICATION ON TAX DEDUCTION AT SOURCE (TDS) ON DIVIDEND DISTRIBUTION

Pursuant to the provisions of the Income Tax Act, 2025 ("the IT Act"), dividend income is taxable in the hands of the members and the Company is required to deduct tax at source ("TDS") from dividend paid to the members at prescribed rates in the IT Act. Please take note of the below TDS provisions and information/ document requirements for each member:

Section 1: For all Members - Details that should be completed and/or updated, as applicable

a.All Members are requested to ensure that the below details are completed and/or updated, as applicable, in their respective demat account/s maintained with the Depository Participant/s; or in case of shares held in physical form, with the Company, by Monday, September 21, 2026 ("Record Date"). Please note that these details as available on Record Date in the Register of Members/ Register of Beneficial Ownership will be relied upon by the Company, for the purpose of complying with the applicable TDS provisions:

I. Valid Permanent Account Number (PAN).

II. Residential status as per the Act i.e. Resident or Non-Resident for FY2026-27.

III. Category of the Member:

  i. Mutual Fund

  ii. Insurance Company

  iii. Alternate Investment Fund (AIF) Category I and II

  iv. AIF Category III

  v. Government (Central/State Government)

  vi. Foreign Portfolio Investor (FPI)/ Foreign Institutional Investor (FII) : Foreign Company

  vii. FPI/FII: Others (being Individual, Firm, Trust, AJP, etc.)

  viii. Individual

  ix. Hindu Undivided Family (HUF)

  x. Firm

  xi. Limited Liability Partnership (LLP)

  xii. Association of Persons (AOP), Body of individuals (BOI) or Artificial Juridical Person (AJP)

  xiii. Trust

  xiv. Domestic company

  xv. Foreign company.

IV. Email Address.

V. Address.

Section 2: TDS provisions and documents required, as applicable for relevant category of Members

Members are requested to take note of the TDS rates and document/s, if any, required to be submitted to the Company by the Record Date their respective category, in order to comply with the applicable TDS provisions.

I. For Resident Members:

- It may be noted that tax would not be deducted on payment of dividend to Resident Individual Shareholder, if total dividend to be paid in a financial year does not exceed ₹ 10,000/- per year OR
- The shareholder has provided duly signed Declaration in Form No. 121 (including Individual who is 60 years or above), fulfilling certain conditions for financial year 2026-27.
- Where the dividend payable exceeds ₹10,000/- for financial year 2026-27, please refer to the table below for the details:

Particulars	Applicable Rate	Documents required (if any)*
With PAN	10%	Update / Verify the PAN, and the residential status as per Income Tax Act, 2025 ("the Act") if not already done, with the depositories (in case of shares held in DEMAT mode) and with the Bank's Registrar and Transfer Agents (in case of shares held in physical mode)
Without PAN / Invalid / Inoperative PAN/ Not linked with Aadhaar	20%	-
Submitting Form 121	Nil	The shareholder has provided duly signed Declaration in Form No. 121 (including Individual who is 60 years or above). The form is placed at annexure - A
Submitting Order under Section 395(1) of the Income Tax Act, 2025	Rate provided in the Order	Self-attested copy of certificate under section 395(1) of the Act.
Insurance company	NIL	Declaration that it is an Insurance Company as specified under Sec 393(4) [Table: S.No.10] of the Act 2025 • Self-attested copy of certificate of registration with IRDAI • Self-attested copy of PAN card.
Government, Reserve Bank of India (RBI), Specified Corporations established by or under Central Act whose income is exempt from tax , and Mutual Funds specified under section 10(23D) of the Act	NIL	Self-declaration that they are specified in Schedule VII (Table: Sl. No. 20 or 21) to section 11 of the Act 2025 Self-attested copy of relevant registration documents. Self-attested copy of PAN card.
Category - I & II Alternative Investment Funds (AIF) registered with the Securities and Exchange Board of India (SEBI)	NIL	• Self-declaration that their income is exempt under Schedule V [Table: Sl. No. 1] to section 11 of the Act 2025 and they are established as Category I or Category II AIF under the SEBI Regulations, • Self-attested copy of SEBI AIF registration certificate. • Self-attested copy of the PAN card.
Shareholders exempted from TDS provisions in terms of any provisions of the Act or CBDT Circular or notification	NIL	• Declaration that it is covered by CBDT circular or Notification. • Documentary evidence supporting the exemption status in terms of any provisions of the Act or CBDT Circular or notification. • Self-attested copy of PAN card.

Particulars	Applicable Rate	Documents required (if any)*
All resident shareholders	Rate specified in the low deduction certificate issued by the income tax department	Self-attested copy of certificate under section 395(1) of the Act

Non Resident Shareholder:

Particulars	Applicable Rate	Documents required (if any)*
Non-Resident Shareholders	20% (plus applicable surcharge and cess) OR Tax Treaty Rate** (whichever is lower)	Non-Resident Shareholders (including Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs). Update/Verify the PAN and the residential status as per Income Tax Act, 2025 ("the Act"), if not already done, with the depositories (in case of shares held in demat mode) and with the Bank's Registrar and Transfer Agents (in case of shares held in physical mode). In order to apply the Tax Treaty rate by non-resident shareholders (including FIIs/FPIs), all the following documents would be required: 1. Copy of Indian Tax Identification number (PAN), if available. 2. Valid Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is a resident. 3. Form 41 in electronic format as required under section 159(1) and 159(2) of the Act 2025 a. shareholders are and will continue to remain a tax resident of the country of their resident during the tax year 2026-27; b. Non-resident is eligible to claim the benefit of respective tax treaty; c. Non-resident receiving the dividend income is the beneficial owner of shares held in Company and dividend income and d. Dividend income is not attributable / effectively connected to any Permanent Establishment (PE) or Fixed Base in India.

Particulars	Applicable Rate	Documents required (if any)*
		4. Self-declaration from non-resident of having no Permanent Establishment in India in accordance with the applicable Tax Treaty (The declaration form is given herein below) In the absence of above documents, withholding rates would be as prescribed under the Act.
Submitting Order u/s 395(1) (i.e. lower or NIL withholding tax certificate)	Rate provided in the Order	Lower / NIL withholding tax certificate obtained from tax authority.

Section 3: Other general information for the Members:

I. For all self-attested documents, members must mention on the document "certified true copy of the original". For all documents being sent/ accepted by email, the Member undertakes to send the original document/s on the request by the Company.

II. TDS will be deducted based on details of registered member only. Once TDS is deducted in the name of Registered of Members/ Beneficial Owners as appearing on Record Date, no transfer of such TDS in the name of another person shall be entertained under any circumstances.

III. TDS deduction certificate will be sent to the members' registered email address in due course.

IV. Surcharge will also be deducted at the highest rate.

V. Health and Education Cess of 4% is applicable for non-residents.

VI. Equity shares of the Company, which were transferred by the Company in the name of Investor Education and Protection Fund ('IEPF') in terms of Section 124(6) of the Companies Act 2013 and Rules framed thereunder, the TDS shall be deducted basis the available details of the underlying members.

VII. Application of TDS rate is subject to necessary due diligence and verification by the Company of the member details as available in register of members on the Record Date, documents, information available in public domain, etc. In case of ambiguous, incomplete or conflicting information, or the valid in formation/ documents not being provided, the Company will arrange to deduct tax at the maximum applicable rate.

VIII. In case TDS is deducted at a higher rate, an option is still available with the member to file the return of income and claim an appropriate refund, if eligible. Once deducted, no claim shall lie against the Company in relation to TDS.

IX In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, in accuracy or omission of information provided/ to be provided by the Member/s, such Member/s will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any appellate proceedings.

X If the PAN is not as per the database of the Income-Tax Portal, it would be considered as an invalid PAN. Further as per the Notification of Central Board of Direct Taxes, individual shareholders are requested to link their Aadhaar number with PAN and file your income tax return to avoid deduction of tax at higher rates.

XI Government vide Notification No. 03/2022 have mandated non-resident to issue Form 41 in electronic format duly verified in manner as prescribed in Notification. Accordingly, furnishing of Form 41 in any other format will not be considered valid.

XII Shareholders holding Equity Shares under multiple accounts under different status / category and single PAN, may note that higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts.

As per Rule 37BA, in cases where the dividend is received in the hands of one person but is assessable in the hands of other person, the tax may be deducted in the name of such other person if the first-mentioned person provides a declaration as prescribed in this regard. The aforesaid declaration shall contain (i) name, address, PAN, and residential status of the person to whom credit is to be given; (ii) payment in relation to which credit is to be given; and the reason for giving credit to such person. We request you to provide any such details latest on or before Monday, September 21, 2026.

As per Section 262 of the Act 2025, every person who has been allotted a PAN and who is eligible to obtain Aadhaar, shall be required to link the PAN with Aadhaar. In case of failure to comply to this, the PAN allotted shall be deemed to be invalid/ inoperative and tax shall be deducted at the rate of 20% as per the provisions of Section 397(2) of the Act 2025. The bank will be using functionality provided by the Income-tax department for the above purpose.

All the above referred TDS rates shall be duly enhanced by applicable surcharge and cess, wherever applicable. However, if the TDS rate as per DTAA is applied, no surcharge or cess is leviable.

Note:

Above communication on TDS sets out the provisions of law in a summary manner only, as on the date of the communication, and does not purport to be a complete analysis or listing of all potential tax consequences. Members should consult with their own tax advisors for the tax provisions applicable to their particular circumstances.

Annexure A

FORM NO.121

[See rule 211]

Declaration under section 393(6) for receipt of certain incomes without deduction of tax

PART A

[To be Filled by the person for receipt of certain incomes without deduction of tax]

Details of the declarant		
1.	Name	
2.	Address	
3.	Permanent Account Number	
4.	Status	
5.	Residential status	
5(a).	If resident individual, whether age is 60 years or more:	(Yes/no)
6.	Email id	
7.	Contact number	
8.	Tax Year (for which declaration is made)	
Details of income		
9.	Nature of income	
10.	Estimated income for which declaration is made	
11.	Details of Form No. 121 other than this form filed during the tax year, if any	(Yes/No)
11(a).	Total number of Form No. 121 filed earlier	
11(b).	Aggregate amount of income for which Form No. 121 were filed	
12.	Aggregate amount of income for which declaration is made during the tax year [sum of column 10 and 11(b)]	

Details of income					
13.	Estimated total income of the tax year including the income mentioned in column 12				
14.	Details oflast of the ITR filed for previous two tax years				
	SL No.	Tax Year	Acknowledgment Number	Return Income	
	1.				
	2.				

DECLARATION

I. ..... having Permanent Account Number ..... do hereby declare that

(i) to the best of my knowledge and belief what is stated above is correct, complete and is truly stated.

(ii) the incomes referred to in this form are not includible in the total income of any other person under sections 96 to 99 of the Act.

(iii) tax on my estimated total income as referred to in column 13 of Part A (including the income referred to in column 12 of Part A) for tax year ..... will be nil.

(iv) my income as referred to in column 12 of Part A does not exceed the maximum amount not chargeable to tax for tax year..... *(not to be applicable in case of resident individual of age of sixty years or more)*

(v) in case this declaration is found to be false, I shall be liable to prosecution/penalty under the Act.

Place: .....

Date: .....

Signature of the Declarant

Name:

Annexure A

PART B

[Verification by the person who has received declaration(s) in Part-A from the declarant(s) and responsible for paying the income in respect of which this declaration is made]

Details of the person responsible for paying income			
1.	Name		
2.	Address		
3.	Tax Deduction and Collection Account Number		
4.	Permanent Account Number		
5.	Email id		
6.	Contact number		
7.	Tax Year		
Details of the declarant and the declarations received			
8.	Name of the declarant		
9.	Permanent Account Number		
10.	Unique Identification Number		
11.	Date of Birth/Incorporation		
12.	Address		
13.	Email id		
14.	Contact number	Country Code	Number
15.	Estimated income for which declaration is made (Sr.10 of Part A)		
16.	Estimated total income of the tax year of the declarant (Sr. 13 of Part A)		
17.	Aggregate amount of income for which declaration is made during the tax year (Sr. 12 of Part A)		
	Date on which declaration is received		

DECLARATION

.....having Permanent Account Number..... hereby certify that the information pertaining to the declarant(s) above has been duly furnished as received in Part-A from the declarant(s) and is accurately reported to the best of my knowledge and belief.

Place: .....

Date: .....

Signature of the person responsible for paying the income

Name:

Notes:

1. In case of individual, the first, middle and last name shall be provided in full without any abbreviations. In any other case also, name shall be provided in full.
2. The address shall contain i. Country/Region, ii. Flat/Door/Building, 111. Road/Street/ Block/Sector, iv. PIN/ ZIP Code, v. Post Office, vi. Area/locality, vii. District, viii. State.
3. Declaration can be furnished by an individual being a resident under section 393(6)[Table: SL No. l] or by any person, not being a company or a firm or an individual covered in section 393(6)[Table: SL No. l], under section 393(6)[Table: SL No. 2].
4. Fill _residential status' as (i) Resident (ii) Non-resident (iii) Resident but not ordinarily resident.
5. This application is applicable for following incomes, please fill as applicable:
   (a) payment of accumulated balance due to an employee participating in recognized provident fund
   (b) insurance commission for soliciting or procuring insurance business including business related to continu- ance, renewal, or revival of the insurance policies.
   (c) rent from a specified person
   (d) income in respect of (i) units of a mutual fund, or (ii) units from the Administrator of the specified undertak- ing, or (iii) units from the specified company
   (e) interest on securities, interest other than interest on securities by a banking company or a co-operative socie- ty carrying on the business of banking or interest by a post office for a deposit made under a scheme notified by the Central Government or by Specified person
   (f) payment in respect oflife insurance policy including the sum allocated as bonus on such policy
   (g) dividend (including dividend on preference shares) declared by domestic company Refer Section 393(6) for more details.
6. In case any declaration(s) in Form No, 121 is filed before filing this declaration during the tax year, mention the total number of such Form No. 121 filed along with the total amount of income for which said declaration(s) have been filed.

7. Please mention amount of estimated total income of the tax year for which declaration is filed including the amount of income for which this declaration and earlier declaration(s), if any, is made.

8. The person responsible for paying income referred to in row no. 10 of Part A shall allot a unique identification number to all Form No. 121 received by him during a quarter of the tax year and report the same in TDS statement furnished for the same quarter.

9. The person responsible for paying income referred to in row no. 10 of Part A shall accept the declaration where the tax on declarant's estimated total income as referred to in row no. 13 of Part A of the tax year will be nil.

10. Estimated total income shall be calculated after allowing for deduction(s) under Chapter VIII of the Act, if any, or set off of loss, if any, under the head -Income from house propertyII and rebate allowable under section 156.

11. For a declarant other than the resident individual whose age is 60 years or more at any time during the tax year, the person responsible for paying income referred to in row no. 10 of Part A shall not accept the declaration where the amount of income of the nature referred to in section 393(6) or total amount of such income credited or paid or likely to be credited or paid during the tax year in which such income is to be included exceeds the maximum amount which is not chargeable to tax.

12. Before signing the verification, the declarant should satisfy himself that the information furnished in the declaration is true, correct and complete in all respects. Any person making a false statement in the declaration shall be liable to prosecution under section 482.

13. Some of the information in the form would be pre-filled to the extent possible.

14. Amounts to be filled in< unless otherwise provided.

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PNB GILTS LTD

(Subsidiary of Punjab National Bank)

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