CORPORATE GOVERNANCE REPORT

Chartered Finance & Leasing Limited

NBFC Registration No.: B-13.02480

CIN: U65999MH1994PLC416802

Registered Office: A-1404, 14th Floor, Naman Midtown,
Senapati Bapat Marg, Elphinstone West, Mumbai – 400013

For the Financial Year ended 31st March 2026

Paragraph 22(7) of the Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 (RBI/DOR/2025-26/359) dated November 28, 2025, read with the Reserve Bank of India (Non-Banking Financial Companies – Governance) Directions, 2025and the Companies Act, 2013

Board Approved on: 12th October, 2026

Published on Website: https://charteredfinanceleasing.com/

1. PREAMBLE AND COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Chartered Finance & Leasing Limited ("CFL" or "the Company") is registered with the Reserve Bank of India as a Non-Deposit Accepting Non-Banking Financial Company under Section 45-IA of the Reserve Bank of India Act, 1934, bearing Registration Number B-13.02480.

The Company is classified as a Non-Banking Financial Company – Middle Layer (NBFC-ML) under the Scale Based Regulatory Framework prescribed by the Reserve Bank of India (RBI) pursuant to the Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025, dated November 28, 2025 (RBI/DOR/2025-26/339).

The Company is also governed by the applicable provisions of the Reserve Bank of India (Non-Banking Financial Companies – Governance) Directions, 2025, dated November 28, 2025 (RBI/DOR/2025-26/344), as applicable to NBFCs-Middle Layer.

The Company believes that sound corporate governance is the foundation of a well-functioning financial institution. The Board of Directors of CFL is committed to maintaining the highest standards of transparency, accountability, and ethical conduct in all aspects of its operations.

This Corporate Governance Report is prepared in accordance with the requirements of:

- Reserve Bank of India (Non-Banking Financial Companies – Governance) Directions, 2025, dated November 28, 2025 (RBI/DOR/2025-26/344), particularly Chapters II, III and IV, applicable to NBFCs-Middle Layer.
- Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025, dated November 28, 2025 (RBI/DOR/2025-26/339), as applicable to NBFCs-Middle Layer.
- Sections 134, 149, 177 and 178 of the Companies Act, 2013, read with the applicable rules made thereunder.
- Other applicable circulars, notifications and regulatory instructions issued by the Reserve Bank of India, as applicable to the Company.

2. COMPANY INFORMATION

Company Name	Chartered Finance & Leasing Limited
CIN	U65999MH1994PLC416802
RBI Registration No.	B-13.02480
Date of Incorporation	25th October 1994
Registered Office	A-1404, 14th Floor, Naman Midtown, Senapati Bapat Marg, Elphinstone West, Mumbai – 400013
NBFC Layer Classification	Middle Layer (NBFC-ML) under RBI SBR Master Direction 2025
Nature of Business	Non-Deposit Accepting Non-Banking Financial Company
Website	www.charteredfinanceleasing.com
Report Period	Financial Year 2025-26 (1st April 2025 to 31st March 2026)

3. BOARD OF DIRECTORS

3.1 Composition of the Board

As on 31st March 2026, the Board of Directors of the Company comprised the following directors:

Sr. No.	Name of Director	DIN	Category	Date of Appointment	Qualification
1	Mr. Sanjay Kothari	00258316	Managing Director	08/10/2004	FCA, FCS, ACMA, DBF
2	Mr. Dharmesh Bohra	01579162	Independent Director	27/03/2021	Company Secretary (32+ years' experience)
3	Mr. Santoshkumar Pandey	00294327	Executive Director	28/03/2005	Commerce Graduate, Capital Markets
4	Mr. Narendrakumar Somani	00137446	Independent Director	27/03/2021	Commerce Graduate
5	Mrs. Meenakshi Sanjay Kothari	01302149	Executive Director	09/02/2016	Commerce Graduate

Note: The Board shall have an optimum combination of Executive and Non-Executive Directors as per RBI SBR and Companies Act 2013. Section 149 of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, and Paragraph 8 of the RBI (NBFC – Governance) Directions, 2025. All Independent Director details and declarations must be filed with RBI as Paragraphs 12 to 14 read with Annexes II and III of the RBI (NBFC – Governance) Directions, 2025.

3.2 Changes in Board Composition during FY 2025-26

Name of Director	Category	Nature of Change	Effective Date
No changes during FY 2025-26			

3.3 Board Meetings held during FY 2025-26

The Board of Directors met 16 times during the Financial Year 2025-26. The details are as under:

Sr.	Meeting Date	Mr. Sanjay Kothari	Mr. Dharmesh Bohra	Mr. S.K. Pandey	Mr. N. Somani	Mrs. Meenakshi Kothari
1	07/04/2025	P	P	P	P	P
2	20/05/2025	P	P	P	P	P
3	10/06/2025	P	P	P	P	P
4	12/06/2025	P	P	P	P	P
5	16/06/2025	P	P	P	P	P
6	11/07/2025	P	P	P	P	P
7	07/08/2025	P	P	P	P	P
8	04/09/2025	P	P	P	P	P
9	11/09/2025	P	P	P	P	P

10	15/09/2025	P	P	P	P	P
11	29/09/2025	P	P	P	P	P
12	07/10/2025	P	P	P	P	P
13	04/11/2025	P	P	P	P	P
14	04/12/2025	P	P	P	P	P
15	19/02/2026	P	P	P	P	P
16	27/02/2026	P	P	P	P	P

P = Present | A = Absent with leave | L = Leave of Absence granted | The maximum gap between two consecutive Board meetings shall not exceed 120 days (Sec. 173, Companies Act 2013).

4. BOARD COMMITTEES

4.1 Audit Committee

Member Name	Designation in Committee	Category
Mr. Narendrakumar Somani	Chairman	Independent Director
Mr. Dharmesh Bohra	Member	Independent Director
Mrs. Meenakshi Kothari	Member	Executive Director

Meeting Date	Quorum Met	Members Present	Key Matters Discussed
20/05/2025	Yes	Mr. Narendrakumar Somani, Mr. Dharmesh Bohra, Mrs. Meenakshi Kothari	1. Approval of the Related Party Transactions during the Quarter and Year ended on March 31, 2024 2. Noting of the Omnibus Approval by the Committee for entering into the related Party Transactions for the financial year ended 2025-26 3. Noting on Interaction with the Statutory Auditors 4. To take note of the internal audit report for the quarter ended 31st March 2025 5. Review of Company's Investment Portfolio 6. To take note of the resignation of the internal auditor 7. Recommendation of appointment of internal auditor 8. Recommendation for appointment of concurrent auditor
24/07/2025	Yes	Mr. Narendrakumar Somani, Mr. Dharmesh Bohra, Mrs. Meenakshi Kothari	1. To take note of the Internal Audit Report for the quarter ended 30th June 2025 2. Review of Company's Investment Portfolio 3. Noting Performance Review of With Statutory Auditors
04/09/2025	Yes	Mr. Narendrakumar Somani, Mr. Dharmesh Bohra, Mrs. Meenakshi Kothari	1. Noting of conclusion of term of statutory auditors – Messrs. KASG & Co

			2. Consideration And Recommendation of the Appointment of New Statutory Auditors 3. Recommendation for approval of remuneration of statutory auditors for audit and permissible non–audit services during the financial year 2025-26.
07/10/2025	Yes	Mr. Narendrakumar Somani, Mr. Dharmesh Bohra, Mrs. Meenakshi Kothari	1. To take note of the Internal Audit Report for the quarter ended 30th September 2025 2. Approval of the Related Party Transactions during the Quarter ended on September 30, 2025 3. Review of Company's Investment Portfolio Noting on Inter-Corporate Loans and Investments made by the Company during the Quarter ended as on September 30, 2025, and recommend of the same to the board
02/02/2026	Yes	Mr. Narendrakumar Somani, Mr. Dharmesh Bohra, Mrs. Meenakshi Kothari	1. To take note of the Internal Audit Report for the quarter ended 31st December 2025 2. Approval of the Related Party Transactions during the Quarter ended on December 31, 2025 3. Review of Company's Investment Portfolio 4. Noting on Inter-Corporate Loans and Investments made by the Company during the Quarter ended as on December 31, 2025, and recommend of the same to the board

The Audit Committee met at least 4 times during the year which constituted in accordance with Section 177 of the Companies Act, 2013 and Paragraph 17 of the RBI (NBFC – Governance) Directions, 2025

4.2 Nomination and Remuneration Committee (NRC)

Member Name	Designation in Committee	Category
Mr. Narendrakumar Somani	Chairman	Independent Director
Mr. Dharmesh Bohra	Member	Independent Director
Mrs. Meenakshi Kothari	Member	Executive Director

Meeting Date	Members Present	Key Matters Discussed
20/05/2025	Mr. Narendrakumar Somani, Mr. Dharmesh Bohra, Mrs. Meenakshi Kothari	1. Review and approval of nomination and remuneration policy 2. Recommendation for appointment of chief risk officer (CRO) 3. Recommendation of appointment of chief technology officer (CTO)

11/09/2025	Mr. Narendrakumar Somani, Mr. Dharmesh Bohra, Mrs. Meenakshi Kothari	1. Noting of Resignation of Chief Compliance Officer (CCO) and Recommendation to Board 2. Recommendation for Appointment of Mr. Sanjay Kothari (DIN: 00258316) as Managing Director
15/09/2025	Mr. Narendrakumar Somani, Mr. Dharmesh Bohra, Mrs. Meenakshi Kothari	1. Recommendation for Appointment of Chief Compliance Officer (CCO)
02/02/2026	Mr. Narendrakumar Somani, Mr. Dharmesh Bohra, Mrs. Meenakshi Kothari	1. Noting Of Performance Evaluation of Directors
23/02/2026	Mr. Narendrakumar Somani, Mr. Dharmesh Bohra, Mrs. Meenakshi Kothari	1. Recommendation of reappointment of Independent Director Narendra Somani and Dharmesh Bohra

4.3 Risk Management Committee

Member Name	Designation	Category
Mr. Dharmesh Bohra	Chairman	Independent Director
Mr. Narendrakumar Somani	Member	Independent Director
Mrs. Meenakshi Kothari	Member	Executive Director

Meeting Date	Members Present	Key Matters / Risk Areas Reviewed
20/05/2025	Mr. Dharmesh Bohra, Mr. Narendrakumar Somani Mrs. Meenakshi Kothari	1.Recommendation of Appointment of Chief Risk Officer CRO 2. Review of ECL Methodology 3. Review of Loan and Investment Portfolios; Evaluation of Borrowing Proposals
11/07/2025	Mr. Dharmesh Bohra, Mr. Narendrakumar Somani Mrs. Meenakshi Kothari	1.Discussion on Risk Mitigation Strategies
08/08/2025	Mr. Dharmesh Bohra, Mr. Narendrakumar Somani Mrs. Meenakshi Kothari	1.Review of Loan and Investment Portfolios; Evaluation of Borrowing Proposals
04/11/2025	Mr. Dharmesh Bohra, Mr. Narendrakumar Somani Mrs. Meenakshi Kothari	1.Review of Loan and Investment Portfolios; Evaluation of Borrowing Proposals
02/02/2026	Mr. Dharmesh Bohra, Mr. Narendrakumar Somani Mrs. Meenakshi Kothari	1.Review of Loan and Investment Portfolios; Evaluation of Borrowing Proposals

4.4 Assets Liability Management Committee as on 31.03.2026

Member Name	Designation	Category
Mr. Sanjay Kothari	Chairman	Managing Director
Mr. Ashootosh Kothari	Member	Chief Risk Officer
Mr. Pratik Lakhani	Member	Senior Officer

Meeting Date	Members Present	Key Matters Discussed
20/05/2025	Mr. Narendrakumar Somani, Mr. Dharmesh Bohra, Mrs. Meenakshi Kothari	1. Review of Loan and Investment Portfolios; Evaluation of Borrowing Proposals
10/06/2025	Mr. Santoshkumar Pandey Mr. Narendrakumar Somani Mrs. Meenakshi Kothari	1. Noting on Reconstitution of the Asset Liability Management Committee 2. Investment in Equity Shares through Bidding Process 3. Funding Strategy & Borrowing Plan: 4. Approval To Dispose Investments In Goat Holdings Private Limited
12/06/2025	Mr. Santoshkumar Pandey Mr. Narendrakumar Somani Mrs. Meenakshi Kothari	1. Recommendation for Investment in Equity Shares through Initial Public Offering
07/08/2025	Mr. Santoshkumar Pandey Mr. Narendrakumar Somani Mrs. Meenakshi Kothari	1. Review of Loan and Investment Portfolios; Evaluation of Borrowing Proposals
07/10/2025	Mr. Santoshkumar Pandey Mr. Narendrakumar Somani Mrs. Meenakshi Kothari	1. Review of Loan and Investment Portfolios; Evaluation of Borrowing Proposals 2. Recommendation For Grant of Loan to Director
04/11/2025	Mr. Santoshkumar Pandey Mr. Narendrakumar Somani Mrs. Meenakshi Kothari	1. Review And Recommendation of Proposed Loan to Director
04/12/2025	Mr. Santoshkumar Pandey Mr. Narendrakumar Somani Mrs. Meenakshi Kothari	1. Recommendation on Proposal to Raise Loan from Julius Baer Capital (India) Private Limited
19/02/2026	Mr. Sanjay Kothari Mr. Ashootosh Kothari Mr. Pratik Lakhani	1. Noting On Reconstitution Of Asset Liability Management Committee (ALCO) 2. Review of Loan and Investment Portfolios; Evaluation of Borrowing Proposals

4.5 Corporate Social Responsibility Committee

Member Name	Designation	Category
Mr. Santoshkumar Pandey	Chairman	Executive Director
Mr. Dharmesh Bohra	Member	Independent Director
Mr. Narendrakumar Somani	Member	Independent Director

Meeting Date	Members Present	Key Matters Discussed
05/08/2025	Mr. Santoshkumar Pandey, Mr. Dharmesh Bohra, Mr. Narendrakumar Somani	**1.** CSR ANNUAL REPORT
04/09/2025	Mr. Santoshkumar Pandey, Mr. Dharmesh Bohra, Mr. Narendrakumar Somani	3. PROPOSAL TO ALLOCATE FUNDS IN VARIOUS PROJECTS TOWARD CONTRIBUTION OF CSR EXPENDITURE FOR THE FY 2025-26
26/03/2026	Mr. Santoshkumar Pandey, Mr. Dharmesh Bohra, Mr. Narendrakumar Somani	1. REVIEW OF CSR EXPENDITURE FOR THE FINANCIAL YEAR 2025–26

4.6 IT STRATEGY COMMITTEE

Member Name	Designation	Category
Mr. Narendrakumar Somani	Chairman	Executive Director
Mr. Dharmesh Bohra	Member	Independent Director
Mrs. Meenakshi Sanjay Kothari	Member	Independent Director
Mr. Satyanarayan Rajaram Bale	Member	Chief Technical Officer

Meeting Date	Members Present	Key Matters Discussed
16/06/2025	Mr. Narendrakumar Somani Mrs. Meenakshi Kothari Mr. Dharmesh Bohra,	**1.** NOTING ON IT FRAMEWORK
07/08/2025	Mr. Narendrakumar Somani Mrs. Meenakshi Kothari Mr. Dharmesh Bohra, Mr. Satyanarayan Rajaram Bale	**1.** NOTING OF RECONSTITUTION OF IT STRATEGY COMMITTEE **2.** CYBERSECURITY AND IT RISK MANAGEMENT
02/02/2026	Mr. Narendrakumar Somani Mrs. Meenakshi Kothari Mr. Dharmesh Bohra, Mr. Satyanarayan Rajaram Bale	**1.** INFORMATION SECURITY OVERVIEW

5.1 KMP Details as on 31st March 2026

Sr.	Name	Designation	Date of Appointment	Qualification / Experience
1	Mr. Sanjay Kothari	Managing Director	08/10/2004 Appointed as a Managing Director from 11/09/2025	FCA, FCS, ACMA, DBF 22 Yeras

Note: As per RBI Directions Paragraph 26 of the RBI (NBFC – Governance) Directions, 2025, KMPs of NBFC-ML shall not hold any office (including directorships) in any other NBFC-ML or NBFC-UL, except as director in a subsidiary or NBFC-BL. The Company confirms compliance with this requirement.

5.2 Remuneration of Directors and KMPs

Name / Designation	Sitting Fees (Rs.)	Fixed Remuneration (Rs.)	Variable Pay (Rs.)	Total (Rs.)
Mr. Sanjay Kothari — Director	-	90,00,000	-	90,00,000
Mr. Santoshkumar Pandey	-	21,39,038	-	21,39,038
Mr. Meenakshi Sanjay Kothari	-	-	-	-
Mr. Narendrakumar Somani	-	-	-	-
Mr. Dharmesh Mahesh Chandra Bohra	-	-	2,70,000	2,70,000

Note: Remuneration to be disclosed in accordance with Paragraphs 29 to 37 of the RBI (NBFC – Governance) Directions, 2025, and Paragraphs 22(7)(i) and 22(13) of the RBI (NBFC – Financial Statements: Presentation and Disclosures) Directions, 2025— Guidelines on Compensation of KMPs and Senior Management in NBFCs. Variable pay structure, deferral arrangements, and clawback/malus provisions (if any) to be separately described below.

6. FIT AND PROPER CRITERIA FOR DIRECTORS

The Company has put in place a Board-approved Policy on Fit and Proper Criteria for Directors, in accordance with the guidelines prescribed under paragraphs 12 and 13 read with Annexes II and III of the Reserve Bank of India (Non-Banking Financial Companies – Governance) Directions, 2025 (RBI/DOR/2025-26/344) dated November 28, 2025. The Policy provides for due diligence of Directors at the time of their appointment and on a continuing basis

Director Name	Declaration Submitted	Status
Mr. Sanjay Kothari	Yes / 01/04/2025	Compliant
Mr. Dharmesh Bohra	Yes / 01/04/2025	Compliant
Mr. Santoshkumar Pandey	Yes / 01/04/2025	Compliant
Mr. Narendrakumar Somani	Yes / 01/04/2025	Compliant
Mrs. Meenakshi Sanjay Kothari	Yes / 01/04/2025	Compliant

The Board confirms that all Directors have submitted the prescribed declarations and meet the Fit and Proper Criteria as stipulated by RBI as on 31st March 2026.

7. FINANCIAL AND REGULATORY DISCLOSURES

7.1 Capital Adequacy (CRAR)

Particulars	FY 2025-26	FY 2024-25
CRAR (%)	73.92%	78.11 %
Tier I Capital (Rs. Lakhs)	1,10,840.64	1,16,794.85
Tier II Capital (Rs. Lakhs)	4,000.61	4,566.92
Net Owned Fund (NOF) (Rs. Lakhs)	110840.64	1,16,794.85
Risk Weighted Assets (Rs. Lakhs)	1,55,353.48	1,55,363.19
RBI Minimum Requirement	15% (Tier I min 10%)	15% (Tier I min 10%)

7.2 Asset Quality

Particulars	FY 2025-26	FY 2024-25
Gross NPA (Rs. Lakhs)	250.00	6,838.00
Gross NPA Ratio (%)	56.39%	26.61 %
Net NPA (Rs. Lakhs)	-	2,889.30
Net NPA Ratio (%)	-	11.24 %
Provisioning Coverage Ratio (%)	100%	57.75 %
NPA Classification basis (DPD)	90 days	90 days

7.3 Divergence in Asset Classification (RBI Inspection Finding)

Particulars	Details
Divergence in NPA classification	[NIL / INSERT AMOUNT if threshold breached — additional provisioning assessed by RBI > 5% of reported profit before tax and impairment loss, or additional Gross NPAs identified by RBI > 5% of reported Gross NPAs]
Divergence in Provisioning	NIL

Note: Mandatory disclosure under Paragraph 22(9) of the RBI (NBFC – Financial Statements: Presentation and Disclosures) Directions, 2025. If no divergence was found or if the threshold is not breached, state 'NIL'.

7.4 Related Party Transactions (RPTs)

Sr.	Related Party Name	Nature of Relationship	Nature of Transaction	Amount (Rs. Lakhs)
All RPTs were at arm's length and approved by the Audit Committee. Refer to Notes to Financial Statements for complete disclosure under Ind AS 24 / AS 18.				
As per annexure-1				

8. COMPLIANCE, GRIEVANCE REDRESSAL AND OTHER DISCLOSURES

8.1 Compliance Function

Particulars	Details
***Chief Compliance Officer (CCO)Name**	Mrs. Purnima Mulani
CCO Reporting Line	Reports directly to Board
****Chief Risk Officer**	Mr. Ashootosh Kothari
*****Chief Technology Officer**	Mr. Satyanarayan Rajaram Bale
Compliance Department constituted	Yes — 15.09.2025
Any regulatory penalties / directions received	NIL

8.2 Internal Audit

Particulars	Details
Internal Auditor	Mrs. Vaishali Jayeshkumar Savliya
Internal Audit reports to	Audit Committee (functionally independent)
Internal Audit conducted	Yes — Date: 30.09.2026
Significant audit findings	No major adverse observations were reported across financial, statutory, or operational areas. Compliance framework is largely robust with minor procedural gaps.

8.3 Statutory Auditor

Particulars	Details
Firm Name	Jagdish Agarwal & Associates
ICAI Firm Registration No.	320253E
Appointment / Re-appointment date	30/09/2025
Audit fees paid (FY 2024-25)	Rs 6.50 lakhs
Non-audit services	NIL
Audit opinion type	Unmodified

8.4 Vigil Mechanism / Whistle-blower Policy

The Company has a Board-approved Whistle-blower Policy in place. The policy provides a mechanism for directors, employees, and stakeholders to report genuine concerns about unethical behavior, actual or suspected fraud, or violation of the Company's policies without fear of victimisation.

Particulars	Details
Officer	Purnima Mulani
Nodal Officer for Whistle-blower	compliance@skothari.com (CCO)
Escalation to	Chairman of Audit Committee
Complaints received during FY 2024-25	NIL
Complaints resolved	NIL

8.5 Customer Grievance Redressal

Particulars	Details
Officer	Purnima Mulani Chief compliance Officer (CCO) compliance@skothari.com 022-24224480/81/82
Complaints received (FY 2025-26)	NIL
Complaints resolved within TAT	Not Applicable
Complaints pending as on 31 March 2026	NIL
Complaints referred to RBI Ombudsman	NIL