

DRIVEN  
**DIGITALLY.**  
DELIVERED  
**PERSONALLY.**



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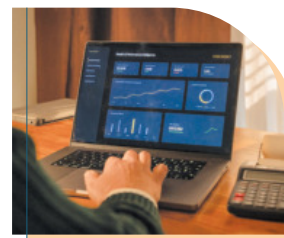
For more investor-related information, please visit

<https://www.ikffinance.com/financials>

Or, scan this QR code



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### Disclaimer

This document contains statements about expected future events and financials of IKF Finance Limited ('The Company'), which are 'forward-looking'. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.



# DRIVEN DIGITALLY. DELIVERED PERSONALLY.

A good opportunity rarely waits. A business may need capital to accept a larger order. A transporter may need to add a vehicle at the right time. A family may be preparing for its next important step. In each case, timely access to finance can turn intent into progress.

IKF Finance uses technology to respond with greater speed and simplicity. Digital processes help reduce turnaround time, improve connectivity and make the customer journey easier to navigate. Alongside this, our teams bring local understanding and personal attention

to every relationship. The strength of our approach lies in how these capabilities work together. Technology helps us move quickly. Our people help us understand what matters. Together, they allow us to deliver finance that is accessible, dependable and suited to individual needs.

Because progress should move quickly, but never lose the human connection behind it.

**Driven Digitally. Delivered Personally**



ABOUT IKF FINANCE

# DEEPENING TRUST. ACCELERATING INCLUSION.

With a rich legacy spanning over three and half decades, IKF Finance Limited ('IKF Finance', 'The Company' or 'We') is one of India's major, trusted retail NBFCs. From our roots in commercial vehicle financing, we have built a diversified lending portfolio that bridges the credit gap for underserved populations. By combining localised insights with disciplined operational underwriting, we empower self-employed individuals, micro-entrepreneurs, and small transport operators, turning credit access into upward economic mobility.



## Mission

To build a profitable and scalable business by offering reliable, responsible financial solutions that support our customers, value our people, reward stakeholders, and contribute to a sustainable future.



## Vision

To empower millions across India by enabling mobility, shelter, and entrepreneurship through trusted, inclusive, and purpose-driven finance



## Core Values

**TRIBE** represents the values that shape who we are and how we work. More than a set of principles, it reflects the culture we have built together, grounded in Transparency, Resilience, Integrity, Business Prudence and Excellence in Customer Service. These values guide our decisions, strengthen our relationships with customers and stakeholders, and keep us focused on creating sustainable, long-term value.

T

Transparency

R

Resilience

I

Integrity

B

Business  
Prudence

E

Excellence in  
Customer Service





## Our Edge

### › Customer-Centric Architecture

Tailored product structures and flexible repayment models aligned with the cash-flow cycles of rural and semi-urban borrowers.

### › Tech-Enabled Operations

An optimised 'phygital' model utilising digital onboarding, automated credit evaluation, and seamless collection systems to maximise efficiency.

### › Institutional Resilience

A robust capital base, diversified funding sources, and a seasoned leadership team committed to prudent risk management and long-term value creation.



## Our Offerings



Commercial Vehicle (CV) Loans



2/3-Wheeler Loans



Cars and Multi-Utility Vehicles (MUV) Loans



Secured MSME Loans



Construction Equipment Loans



Loan Against Property (LAP)



Tractor Loans



Home Loans



## Our Reach

Dominant presence across Southern India, coupled with accelerated, strategic expansion into high-growth markets across Western and Central India.

**11 and 1**

States and Union Territory

**340+**

Branches

**65+**

Lending Partners

**1,00,000+**

Customers



GROUP PROFILE

# DIVERSE STRENGTHS. ONE SHARED PURPOSE.

For over three and a half decades, the IKF Group has widened access to responsible finance for individuals, entrepreneurs and businesses. Once a single-product commercial vehicle financier, we are today a diversified financial services group, spanning asset finance and affordable housing finance. Built on prudent governance, disciplined risk management and a close understanding of customer needs, we serve over 1 Lakh customers through a pan-India branch network, pairing personalised service with technology to advance financial inclusion

Our diversified business model is further strengthened by our specialised subsidiary, IKF Home Finance Limited, which extends our financing capabilities to home loans and loans against property, with a strong focus on the self-employed segment and underserved customer segment. Building on our experience in asset financing, particularly in supporting micro-entrepreneurs engaged in vehicle and construction

equipment activities, we have expanded our offerings to address their broader financial needs across their business and personal journeys. This enables us to support customers through a more comprehensive lifecycle of funding, from financing productive assets that enable them to build their businesses to providing housing and property-backed finance as their needs evolve.





As our flagship company, IKF Finance Limited provides financing solutions across commercial vehicles, construction equipment, tractors, passenger vehicles and MSMEs. With a strong presence in semi-urban and rural markets, we empower entrepreneurs and transport operators with timely and flexible credit that helps them expand their businesses, improve productivity and build sustainable livelihoods.



Through IKF Home Finance Limited, we extend our commitment to financial inclusion by making homeownership more accessible for underserved and emerging customer segments. Our affordable home loans and loans against property enable families to fulfil their aspirations while contributing to inclusive housing development and economic progress.





HIGHLIGHTS OF THE YEAR

# OPTIMISING EFFICIENCIES. AMPLIFYING GROWTH.

We delivered strong growth this fiscal by balancing expansion with disciplined risk management. Through asset quality control, optimised borrowing and last-mile penetration, we turned operational efficiencies into strong financial outcomes. Our key metrics demonstrate sustainable value creation and a highly resilient balance sheet.

## Financial

|                       |                     |             |
|-----------------------|---------------------|-------------|
| ₹ <b>1,189</b> Crores | ₹ <b>215</b> Crores | <b>2.8%</b> |
| Consolidated Revenue  | Consolidated PAT    | ROA         |
| <b>14.0%</b>          | <b>2.3%</b>         | <b>1.6%</b> |
| ROE                   | Gross NPA           | Net NPA     |

## Operational

|                               |                       |                       |
|-------------------------------|-----------------------|-----------------------|
| ₹ <b>8,618</b> Crores         | ₹ <b>4,785</b> Crores | <b>97.9%</b>          |
| Assets under Management (AUM) | Disbursements         | Collection Efficiency |

## ESG

|                                  |                                                |                                        |                     |
|----------------------------------|------------------------------------------------|----------------------------------------|---------------------|
| <b>50+</b>                       | <b>94%</b>                                     | <b>50+</b>                             | ₹ <b>2.7</b> Crores |
| Road Safety Awareness Programmes | Average Board and Committee Meeting attendance | Employee Training Programmes Conducted | CSR Spend           |

**Note:** All the numbers in this page are on a consolidated basis.

## IKF FINANCE BRANCHES ACROSS INDIA

# GROWING NETWORK STRENGTHENING REACH.

Our footprint grows where credit demand is vast but underserved. During the year under review, we expanded into Haryana and Chhattisgarh, taking our presence to 11 states and 1 Union Territory across India.



### No. of Branches across India as of March 31, 2026

|                  |    |                  |    |
|------------------|----|------------------|----|
| 📍 Rajasthan      | 18 | 📍 Telangana      | 37 |
| 📍 Gujarat        | 23 | 📍 Odisha         | 08 |
| 📍 Maharashtra    | 39 | 📍 Madhya Pradesh | 16 |
| 📍 Karnataka      | 17 | 📍 Haryana        | 08 |
| 📍 Tamil Nadu     | 31 | 📍 Chhattisgarh   | 02 |
| 📍 Andhra Pradesh | 20 | 📍 Puducherry     | 01 |

**Disclaimer:** This map is a generalised illustration for ease of understanding and not to be considered to scale or for reference. Boundaries and geographical names may not reflect actual positions. The Company accepts no responsibility for its use or accuracy.

CHAIRMAN'S MESSAGE

# FROM THE DESK OF THE CHAIRMAN



“

**As I reflect on FY 2025-26, I see a year whose measure lies not only in what we earned, but in the strategic choices we made to strengthen IKF Finance for the long term.**

**Vupputuri Gopala Kishan Prasad**  
Chairman and Executive Director

## Dear Shareholders,

Transformation is never easy, but it is often necessary to build for the future. It requires us to look beyond immediate priorities, make the right choices and remain committed to strengthening the institution for the years ahead.

As I reflect on FY 2025-26, I see a year defined not only by what we achieved, but also by the choices we made to strengthen IKF Finance. We expanded our reach, accelerated our digital transformation, reinforced our governance framework and continued to earn the trust of our customers and stakeholders.

These choices reflect a belief that has guided us throughout our journey: lasting success comes from disciplined execution, responsible growth and a clear sense of purpose.

## The World Economy in a Transition

The global economy is going through a period of change. Technological innovation, geopolitical uncertainties, supply chain realignments and evolving trade dynamics continue to influence the outlook. The prolonged Russia-Ukraine conflict, the war in the Middle East and strategic competition between major economies have also brought greater focus on resilient supply chains, stronger domestic manufacturing capabilities and sustainable economic policies.

For businesses, these shifts reinforce the need to stay prepared and adaptable. Financial performance remains important, but long-term success also depends on how well we anticipate change, embrace innovation and create value that lasts.

India, meanwhile, has continued to demonstrate resilience and offer opportunities. Strong domestic demand, rising investments, progressive reforms and sustained public capital expenditure supported GDP growth of 7.7% in FY 2025-26. Moderate inflation and a stable monetary environment have further strengthened the country's investment climate and supported business confidence. These structural strengths continue to position India among the world's most promising long-term growth markets.

## Strengthening Financial Inclusion across Bharat

Against this backdrop, the non-banking financial company (NBFC) sector continues to play an



important role in India's financial ecosystem. NBFCs complement the banking sector by extending formal credit to underserved communities and helping address financing gaps for entrepreneurs, transport operators, farmers and small businesses. These are the businesses and individuals that form an important part of the nation's economic backbone.

For more than three decades, IKF Finance has worked towards this purpose. Our approach is built on a simple belief: access to timely and responsible credit can transform lives, create livelihoods and strengthen local economies. Every commercial vehicle financed, every tractor supported, every small enterprise enabled and every affordable home financed contributes to India's inclusive growth.

## Balancing Growth with Prudence

FY26 was a year of profitable, granular growth. Consolidated AUM crossed ₹8,600 Crores (up ~29%) on disbursements of ~₹4,785 Crores (up ~21%). Our core Vehicle Finance portfolio anchored overall growth, while rapid expansion in our longer-tenure LAP, MSME, and Home Loan books successfully drove deeper portfolio diversification.

The three categories are grouped by product nature, not legal entity: Vehicle and MSME sit in the parent (IKF Finance), while LAP and affordable Home Loans sit in the subsidiary (IKF Home Finance).

## Vehicle Loans — the Core book

Accounting for ~68% of AUM with a ~38% growth rate, the Vehicle Finance book maintains a well-diversified footprint anchored by its primary engines—Commercial Vehicles (CV) and Construction Equipment (CE), which led sub-segment growth on infrastructure tailwinds. This core is further reinforced by a resilient used-vehicle portfolio and broad-based

backed portfolios address distinct market segments: MSME (parent) caters to business expansion with ticket sizes up to ₹50 Lakhs based on business cash flows, while LAP (subsidiary) serves self-employed affordable customers with smaller ticket sizes secured against residential or commercial properties. Beyond structurally keeping Loss-Given-Default (LGD) low, the fully collateralized nature of these books provides strong asset quality defense, enabling prudent balance sheet growth across varying economic cycles.

## Home Loans — affordable housing, the subsidiary's core

Affordable home loans grew ~27% to ~₹1,163 Crores. This is the most granular, lowest-risk book — small tickets to first-time buyers in tier-2/3 towns, across formal and assessed-income customers. Long tenors and self-occupied property drive the strongest asset quality of the three, giving the group a sticky, long-duration asset that balances the shorter vehicle book.

## The bigger picture

Step back from the individual products and one pattern stands out: growth, quality and efficiency improved together rather than at each other's expense. A largely fixed cost base absorbed the ~29% AUM expansion and consistent in opex leverage, secured collateral kept credit cost anchored at ~1.2%; and NIMs held in the ~6.5–7% band. Net interest income expanded further as the cost of funds eased — a direct benefit of the entity's improved



**Our approach is built on a simple belief: access to timely and responsible credit can transform lives, create livelihoods and strengthen local economies.**

category presence across Small Light Commercial Vehicles (SLCV), Passenger Cars, Tractors, and Two/Three-Wheelers. This spread reduces dependence on any single asset class and smooths segment-specific cycles. Asset quality held steady for a granular, secured book, and the vertical remained the group's primary NII generator.

## MSME / LAP — the secured growth engine

Reaching a combined book of ~₹1,560 Crores, these collateral-

credit rating profile, which widened access to lower-cost borrowing and lifted spreads even as lending yields stayed disciplined. That alignment is what distinguishes a franchise that is compounding from one that is merely growing.

Governance is an equally important part of how we operate. The investment by Norwest Capital, LLC and Creador VI LP (Secondary) during the year further reinforces the confidence institutional investors place in our governance standards, business fundamentals and long-term strategy. We remain committed to responsible lending, strong controls and prudent decision-making, recognising that sustainable growth depends on sound risk management and lasting stakeholder trust.

## Building an Institution that Endures

Growth alone does not define a sustainable institution. We remain committed to high standards of corporate governance, ethical conduct and disciplined risk management. Responsible lending, sound underwriting practices and prudent capital allocation will continue to guide our approach.

Our commitment to society is another important part of our work. Through our CSR initiatives, we support healthcare, women's empowerment, environmental sustainability and disaster relief. We believe business success and social progress should move forward together, and our

efforts in these areas reflect that belief.

Our people remain the foundation of our organisation. Their commitment, integrity and customer-first mindset have helped IKF Finance navigate changing environments while



**Responsible lending, sound underwriting practices and prudent capital allocation will continue to guide our approach.**

delivering steady value to our stakeholders. I extend my sincere appreciation to every member of the IKF family for their dedication and passion. Their contribution has been central to our progress.

## Looking Ahead with Confidence

As we look to the future, the opportunities before us are substantial. The rising formalisation of the economy, increasing digital adoption, expanding MSME activity and improving financial inclusion will continue to drive demand for responsible credit across India. We are well positioned to meet this

demand through a resilient business model, a strengthened capital base, technology-led capabilities and a deeply customer-centric approach. We will continue to embrace innovation and scale our operations, but we will do so without compromising the principles that have shaped our course over the past three decades. Integrity, prudence, customer trust and long-term value creation will continue to guide us as we move forward. On behalf of the Board, I express my heartfelt gratitude to our customers, employees, lenders, regulators, business partners and shareholders for their continued trust and unwavering support. Their confidence has been an important part of our journey, and we remain committed to earning it every day. Together, we will continue building an institution that not only finances aspirations but also contributes to India's progress.

Best Regards,

**V.G.K. Prasad**

Chairman and Executive Director







MANAGING DIRECTOR'S STATEMENT

# MANAGING DIRECTOR'S STRATEGY AUDIT



**A significant milestone during this fiscal year was the successful completion of our largest capital raise to date, amounting to ₹750 Crores.**

**Vasumathi Devi Koganti**  
Managing Director

Fiscal Year 2025-26 served as a pivotal period for IKF Finance, a year defined by strategic consolidation and the establishment of a robust foundation for the next phase of growth. Amidst shifting macroeconomic dynamics, our organization remained steadfast in its commitment to responsible lending, customer-centric innovation and disciplined operational execution.

India's economic momentum remained favorable for financial institutions through the year. Sustained GDP growth, improving consumption, rising infrastructure investment and the steady formalization of the economy drove demand for organized credit across rural and semi-urban markets. As financial inclusion gathered pace, entrepreneurs, transport operators, MSMEs and first-generation business owners increasingly sought dependable institutional financing partners.

Against this backdrop, our objective remains consistent: to build a scalable, resilient and technology-enabled institution that delivers sustainable value to our customers, employees, investors and society.

## Financial Performance and Capital Allocation

Our performance through the year was characterized by high-quality execution and improved operational discipline. What gives me the greatest confidence is not the pace of our growth but its composition, growth that was diversified across our verticals, secured by collateral, and funded at a steadily lower cost. Profitability strengthened as loan book expansion outpaced the increase in finance costs, a direct outcome of prudent liability management and disciplined borrowing. Our capital adequacy remained comfortably above regulatory requirements, and our liquidity position strengthened materially over the previous year.

Asset quality remained a central area of focus. Strengthened underwriting standards, sharper portfolio monitoring and an enhanced collections infrastructure held credit costs within our internal thresholds through the year. The detailed financial performance is set out in the sections that follow.

A significant milestone during this fiscal year was the successful completion of our largest capital raise to date, amounting to ₹750 Crores (Including ₹50 Crores by Promoter group). This transaction marked the strategic entry of Norwest Capital,

LLC as a new investor and reflected the continued confidence of Motilal Oswal Alternates, our partner since 2015, through their reinvestment. Taken together, these developments provide us with the requisite capital base to accelerate investment in technology, talent and distribution, positioning us favorably for our next phase of sustainable, profitable growth.

## Strategic Digital Transformation

Investing in technology is an annual commitment for us, but true inflection points are rarer. Our systems saw their last major transformation in the wake of COVID, when a changed world demanded a new way of working. This year, we built on that foundation with our most strategic upgrade since, advancing from incremental improvement to a comprehensive reimagining of our core. Our digital agenda was centered on driving efficiency and responsiveness while upholding the integrity of our client relationships. **Key advancements during the year included:**

- **Enterprise Data Management:** The rollout of a unified Data Fabric has consolidated a once-fragmented data landscape into a single, governed source of truth-powering advanced analytics and real-time insight that materially sharpen decisions across credit, collections, operations and business planning.
- **Infrastructure Modernization:** Our shift to cloud-native infrastructure has unlocked operational agility and a consumption-based cost model, giving us the elastic scalability to grow without proportionate cost,

capacity that expands with demand rather than ahead of it.

- **Process Optimization:** Our Digital Loan Origination System (DLOS) was upgraded to strengthen credit policy alignment and governance, materially reducing turnaround times while tightening credit controls.
- **Customer Experience:** Enhancements to e-KYC, e-signatures, paperless documentation and real-time dashboards have streamlined the customer journey, ensuring speed and accuracy without compromising the quality of personal engagement that has long distinguished IKF Finance.

Together, these initiatives mark a decisive shift from digitizing individual processes to building an integrated, data-led operating model. The foundation now in place positions IKF Finance to scale faster, decide sharper and serve better, turning technology from an enabler into a durable source of competitive advantage.

## Verticalization and Contiguous Expansion

To sharpen accountability and build genuine domain depth, we transitioned to a product-centric operating model, organizing the business into five focused verticals: Cars, Commercial Vehicles (CV), Small & Light Commercial Vehicles (SLCV), Construction Equipment (CE) and MSME. This verticalization has enhanced risk-assessment precision, service delivery and decision-making velocity across the lending lifecycle, allowing each vertical to read

customer-specific risks more closely and structure financing accordingly.

Concurrently, our entry into Haryana and Chhattisgarh reflects a deliberate focus on high-potential, underserved regions, extending our footprint deeper into rural and semi-urban markets where customers remain inadequately served by the formal credit system.

## Outlook

Entering the coming year, our priorities remain clear: deepening our five product verticals to sharpen domain focus, strengthening our digital capabilities, deepening our market presence across existing and new geographies, diversifying our product portfolio, and maintaining rigorous capital and risk management frameworks. The complementary balance across our portfolio, the shorter-tenor vehicle book alongside the longer-duration, secured housing and MSME/LAP franchise, remains central to how we grow: diversified by design, secured by preference, and granular by choice.

We remain dedicated to our core purpose, empowering individuals, enterprises and communities through responsible finance. With a strengthened capital base, a resilient business model and the confidence of our stakeholders, IKF Finance is well positioned to deliver its next phase of sustainable and profitable growth.

Best Regards,  
**Vasumathi Devi Koganti**  
Managing Director

OUR JOURNEY

# DEEPENING ROOTS. BUILDING TRUST.

- Became a Public company and made first public issue

- Established Multiple Business channel Partners

- Launched IKF Home Finance as an independent entity
- Broadened geographical footprint to Rajasthan
- Credit rating upgraded to 'A-'

1991

1994-95

1998-03

2004-10

2012-15

2016-17

- Incorporated as a Private Limited Company
- Commenced operations with Medium and Heavy Commercial Vehicle (MCV & HCV) financing

- Commenced Construction Equipment Finance

- Received maiden PE investment from Motilal Oswal Private Equity (MOPE) (Now renamed as Motilal Oswal Alternates)
- Extended operations to west
- Commenced SME Financing
- Focus shifted to On book AUM growth



- Consolidated AUM crossed ₹2,143 Crores
- Formed strategic partnership with Central Bank of India
- Consolidated AUM surpassed ₹4,811 Crores
- Received ₹120 Crores equity infusion from Accion LP
- Disbursements exceeded ₹2,676 Crores
- Workforce grew to over 1,500 employees
- Expanded operations into Odisha
- ₹750 Crores fund raise, the largest in IKF's history, with Norwest Capital, LLC joining as a new investor and Motilal Oswal Alternates reinvesting, reaffirming strong investor confidence.
- AUM crossed ₹8,000 Crores, while maintaining a best-in-industry ROA profile.
- Expanded to 11 states, entering Haryana and Chhattisgarh during the year.
- Received an AA- credit rating from India Ratings, strengthening our credit profile.

2018-20

2021-22

2023

2024

2025

2026

- 2nd round of equity infusion
- Consolidated AUM crossed ₹1,500 Crores
- Diversification of portfolio into Cars and Multi-Utility Vehicles (MUVs), Small Commercial Vehicles (SCVs) and Light Commercial Vehicles (LCVs), Housing and LAP financing
- Credit Rating upgraded to "A"
- AUM surged past ₹3,147 Crores
- Secured ₹255 Crores in equity infusion led by Accion
- Introduced low-ticket MSME lending product
- Started Product Verticalisation
- Consolidated AUM surpassed ₹6,650+ Crores
- Upgraded the credit rating to A+
- Started relationship with Mutual Fund entities

STRATEGY IN ACTION

# DIVERSIFYING PURPOSEFULLY. GROWING PRUDENTLY.

Our strategy is centred on building a diversified, secured lending franchise that delivers sustainable growth and holds firm across economic cycles. By expanding across complementary lending verticals, we reduce concentration risk, broaden our customer base and reach deeper into India's underserved retail, affordable housing finance and MSME segments. This balanced portfolio strengthens earnings quality while keeping us agile in a dynamic business environment.



## Strengthening Our Core Vehicle Finance Franchise

Commercial vehicle (CV) and CE financing remains the cornerstone of our business. Built on longstanding dealer relationships, deep local market knowledge and a strong branch network, this portfolio gives us exposure to India's expanding infrastructure, logistics and transportation sectors. We continue to strengthen this core while maintaining disciplined underwriting and prudent risk management.



## Expanding across Complementary Mobility Segments

We have broadened our vehicle finance portfolio to include cars, multi-utility vehicles (MUVs) and tractors, serving individual customers, rural households and the agricultural economy. By drawing on our established underwriting strengths, distribution network and collections infrastructure, we scale these segments efficiently while widening the asset base.



## Driving Financial Inclusion through Affordable Housing

Through IKF Home Finance Limited, we provide affordable housing loans and Loan Against Property (LAP) to self-employed and informal-income customers across Tier II and III markets. The specialised subsidiary model allows focused underwriting and sector-specific funding, while drawing on the Group's established brand, distribution reach and treasury strengths.



## Empowering India's MSMEs

Our MSME lending business extends secured, cash flow-based financing to small enterprises across our markets. By serving existing and new customers with tailored credit solutions, we strengthen local entrepreneurship while diversifying our portfolio beyond traditional asset-backed lending.



## A Diversified Portfolio for Sustainable Growth

Our four lending verticals complement one another by catering to distinct economic drivers. Vehicle and equipment financing is tied to infrastructure and transport activity, affordable housing to the aspiration to own an asset, and MSME lending to local business growth. This diversified approach strengthens portfolio resilience, reduces cyclicalities and steadies our long-term growth trajectory.

# ENABLING OUR STRATEGY

Our growth rests on three enablers.

## 01 Digital Transformation

We continue to invest in digital loan origination, paperless documentation and data-driven underwriting using alternate data sources to improve customer experience, sharpen credit assessment and accelerate decision-making.

## 02 Phygital Distribution

Our network of over 340+ branches, backed by close on-ground engagement, remains central to sourcing, underwriting and collections, particularly across semi-urban and rural markets where trusted relationships are decisive.

## 03 Prudent Capital and Risk Management

We pursue growth with financial discipline, holding a strong capital position, diversified borrowing relationships and conservative asset-liability management. Our focus remains on deepening our presence in existing markets before measured expansion into new ones.



PERSPECTIVES

# CHIEF EXECUTIVE OFFICER'S MESSAGE



## Dear Shareholders,

The year marks another important milestone in IKF Finance's evolution into a more diversified, technology-led NBFC. Our journey continues to be anchored in six strategic priorities that shape how we operate and create sustainable value: technology-first thinking, verticalisation, geographical distribution, portfolio granularity, cost consciousness, and investment in our people.

Technology is central to this transformation. We view our digital stack not as a support function, but as a genuine product differentiator and a strategic capability. We continue to invest in our origination, underwriting and collections platforms, while embedding technology into every new line of business from inception. Our objective is to make data and digital processes foundational to the way we assess risk, serve customers and scale responsibly.

We have also embraced a clearly defined vertical structure, with each business supported by its own underwriting playbook, operating rhythm and performance accountability. This focused approach reflects an important learning from our journey: depth of expertise and clarity of ownership are essential to sustaining underwriting quality and protecting margins as we scale.

Geographical diversification is equally integral to our growth strategy. We believe meaningful growth must be built across the length and breadth of India rather than concentrated in a handful of markets. Accordingly, we continue to expand our branch network thoughtfully into newer states and regions. Each new branch is designed to offer our full product suite from the outset, enabling our distribution network to serve as a source of diversification, rather than simply an engine of scale.

Underlying these priorities is our continued emphasis on portfolio

granularity and risk distribution. High-frequency lending demands disciplined risk management, and as our verticals and geographic footprint expand, we remain equally focused on maintaining granularity across the portfolio. This discipline provides the foundation for measured growth while strengthening the overall resilience and quality of our lending franchise.

The objective is not simply to grow, but to build an increasingly efficient and sustainable business as we scale.

Finally, none of these priorities can be realised without investing in our people. As we establish new business lines and enter new geographies, we are strengthening our capabilities across underwriting, collections and relationship management. We are equally focused on deepening the leadership bench across our branch network, ensuring that our expanding footprint is supported by the talent, expertise and accountability required to sustain our ambitions.

Together, these six priorities form a cohesive operating philosophy—one that brings technology, focused businesses, diversified distribution, disciplined risk management, cost efficiency and people capability into a single framework for sustainable growth.

On behalf of the entire IKF team, I thank all our stakeholders for their continued confidence and partnership as we advance the next chapter of IKF Finance's journey.

Best Regards,

**Debnil Chakravarty**  
Chief Executive Officer

# CHIEF FINANCIAL OFFICER'S MESSAGE



## Dear Shareholders,

Over the years we have held to one ideology: growth is only worth having when it earns an adequate return for the risk we take. We judge ourselves not by how fast the book grows, but by what it earns after paying for its own risk. By that measure, FY 2025-26 was one of our better years and it ended with an external endorsement of the model we have built.

We serve India's small road transport operators and self-employed entrepreneurs, and our edge with them is our execution with the least possible credit cost and operating expenditure: IKF runs one of the leanest operations in the industry, a field-led, technology-enabled model.

Our business model is built to deliver consistent performance and sustainable, profitable growth. The clearest external marker of that discipline was the upgrade of our long-term credit rating to AA-. Getting

into the AA band is more than a technical milestone: it recognises that our business model has evolved -more granular, better diversified and resilient across cycles-and it widens and lengthens the capital available to us, validating how far the franchise has come and giving us the platform to scale.

Looking ahead, our strategic priority remains unchanged: expand where returns clear our hurdle rate, preserve our cost and margin discipline as IKF Group scales, and keep credit costs well within our pricing model. As our cost of funds trends lower, driven by our credit rating upgrade, we anticipate potential expansion in our Net Interest Margin. However, we view this upside as an operational opportunity rather than a baseline guarantee due to volatile macro and tighter liquidity in the market.

My sincere gratitude goes to our lenders, investors, and Board for their

ongoing trust, and to every team member whose discipline in pricing, underwriting, and collections powers our execution.

Best Regards,  
**Prakash Bhawnani**  
Chief Financial Officer

WHAT WE OFFER AT IKF FINANCE

# DRIVING INCLUSIVITY. DELIVERING ASPIRATIONS.

At IKF Finance, our asset-financing model is built to create productive wealth across India's enterprising regions. Rather than lend against a standard template, we run a diversified retail loan book shaped to the specific cash flows of our borrowers. By balancing high-yielding vehicle finance with secured enterprise MSME lending, we optimise risk-adjusted returns and a resilient balance sheet.



## Commercial Vehicle Loans

We finance the CV economy, focusing on first-time users (FTUs), driver-turned-owners, and small road transport operators. Our underwriting reads seasonal freight variations and route economics, and we shape repayment around them, which keeps collections strong and asset strain low.

**₹2,254 Crores**

AUM as of March 2026

**33.6%**

of Total AUM as of March 2026

## Cars and Multi-Utility Vehicle Loans

Catering to the accelerating demand for personal mobility, commercial taxi operations, and tourist transport infrastructure across Tier II and III markets. A digital onboarding platform validates borrower profiles quickly, speeds turnaround and prices risk by segment across new and pre-owned vehicle categories.

**₹1,135 Crores**

AUM as of March 2026

**16.9%**

of Total AUM as of March 2026





## 2/3-Wheeler Loans

We provide small-ticket credit that helps hyper-local delivery partners, daily wage earners, and rural commuters buy reliable transport. This segment runs on automated digital scorecards and light documentation, which lets us scale it widely while keeping unit costs low.

**₹ 60 Crores**

AUM as of March 2026

**0.9%**

of Total AUM as of March 2026

## Construction Equipment Loans

We offer specialised financing solutions for a wide range of equipment, including backhoe loaders, cranes and other essential machinery, helping businesses meet their evolving operational needs. With flexible repayment tenures of up to five years, our customised loan solutions are structured to align with specific equipment requirements and business operations.

**₹2,386 Crores**

AUM as of March 2026

**35.5%**

of Total AUM as of March 2026



## Tractor Loans

We advance rural productivity with farm equipment and tractor loans across agricultural hubs. Our underwriting teams draw on local knowledge to map repayment directly to crop cultivation timelines and regional harvesting cycles, which shields asset quality from sudden monsoon variances.

**₹64 Crores**

AUM as of March 2026

**1.0%**

of Total AUM as of March 2026

## Secured MSME and Other Loans

We empower micro, small, and medium enterprises (MSMEs) with secured growth capital and structured LAP. We look beyond formal cash-flow records to assess the real health of a business, extending credit that helps small-scale manufacturers and retailers expand, build a working capital cushion and grow.

**₹817 Crores**

AUM as of March 2026

**12.1%**

of Total AUM as of March 2026



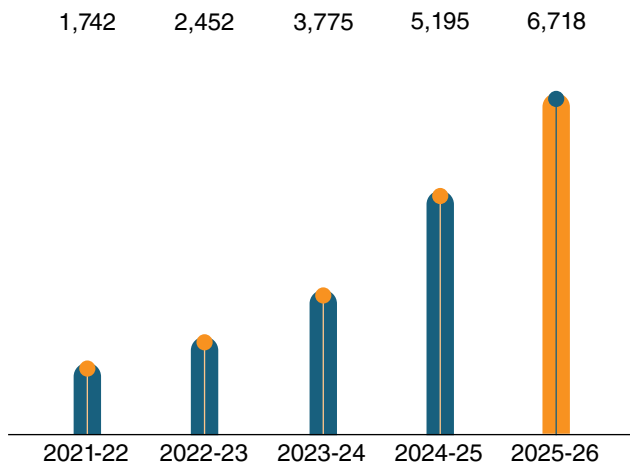


STRONG FINANCIAL TRACK RECORD - STANDALONE

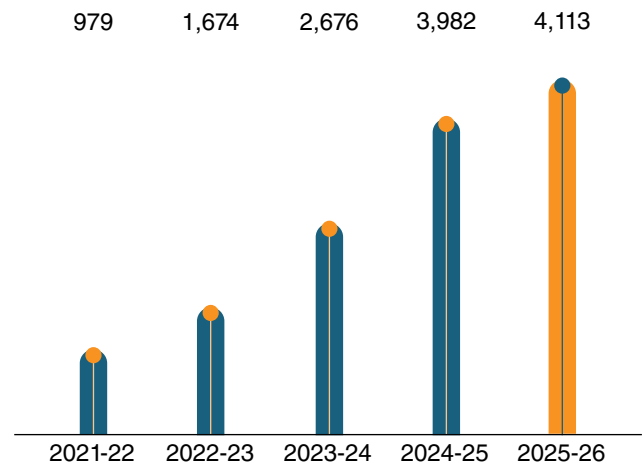
# COMPOUNDING DISCIPLINE. DRIVING GROWTH.

A risk-calibrated approach to lending drove strong balance sheet growth while keeping asset quality intact. Through digital efficiency and strict underwriting, we turned discipline into results, and built a resilient, well-capitalised retail institution.

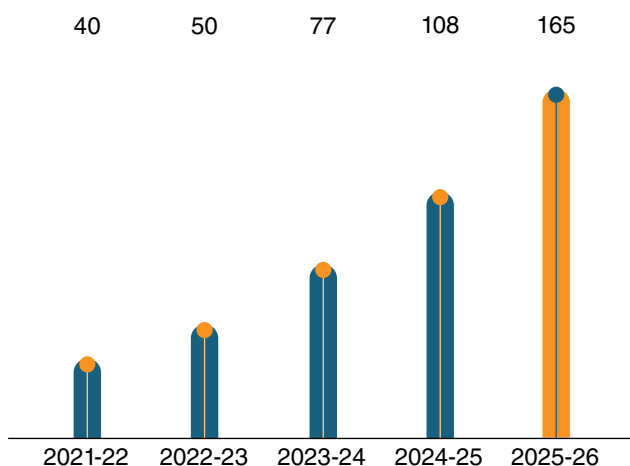
## Assets Under Management (₹ in Crores)



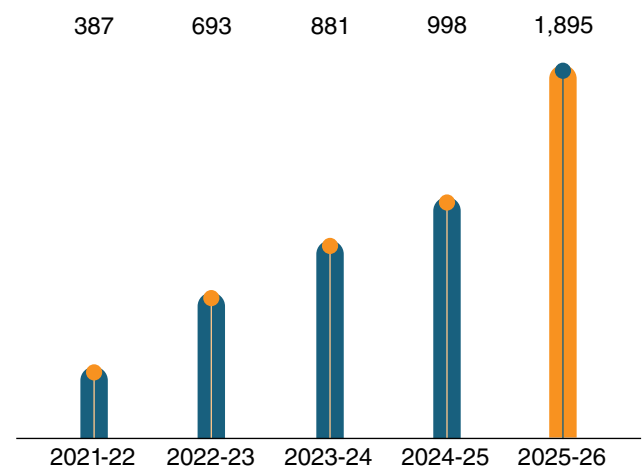
## Disbursement (₹ in Crores)



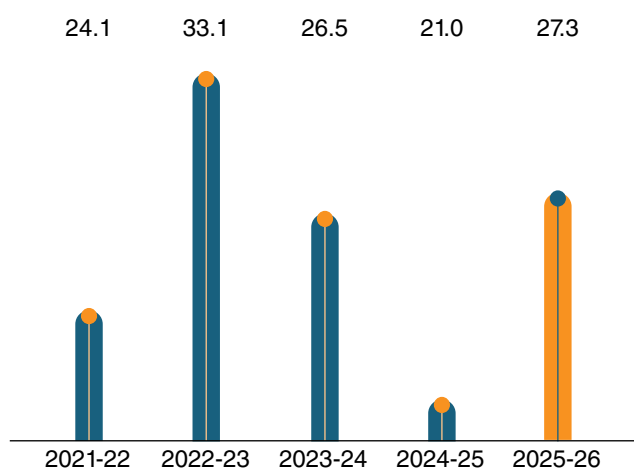
## Profit After Tax (₹ in Crores)



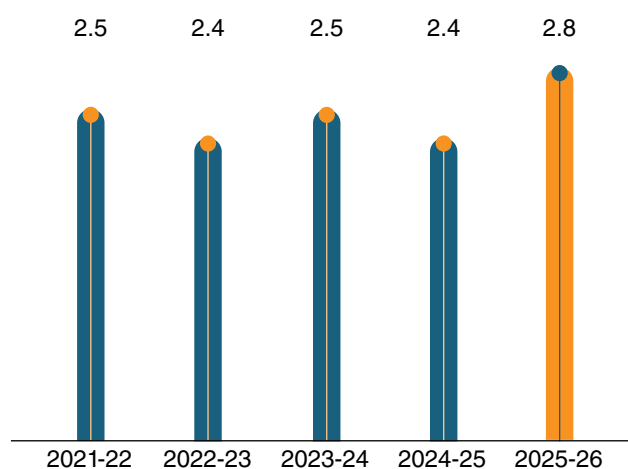
## Net Worth (₹ in Crores)



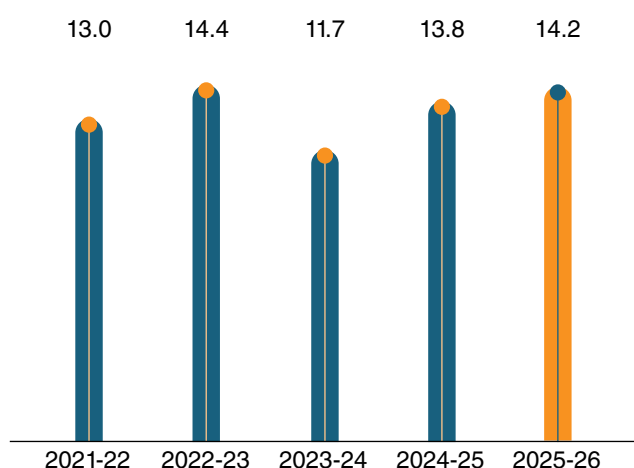
### CRAR (%)



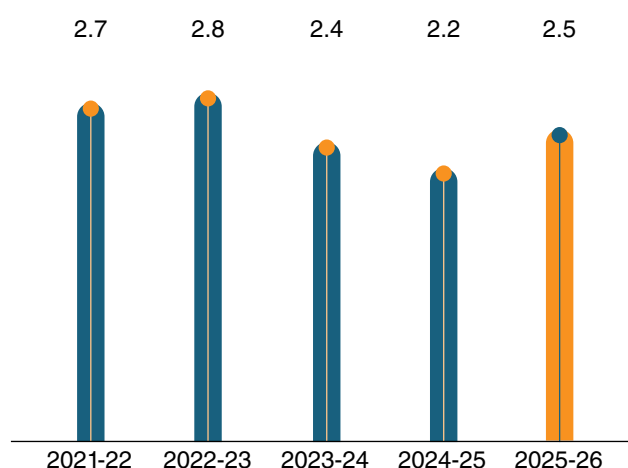
### ROA (%)



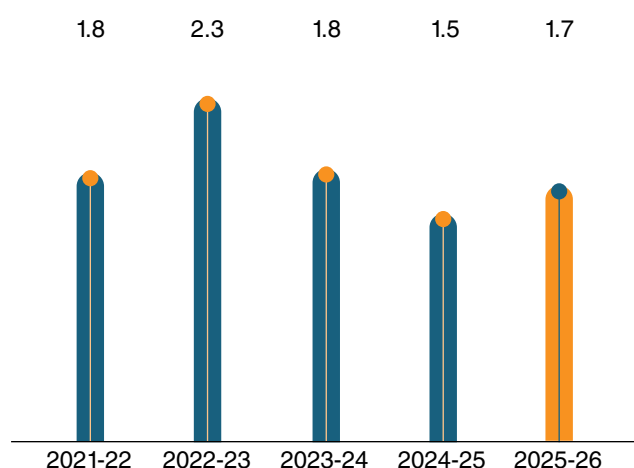
### ROE (%)



### Gross NPA (%)



### Net NPA (%)



VOICES OF IMPACT

# TOUCHING **LIVES.** INSPIRING **PROGRESS.**



"I run a flex printing business in Borivali West, Mumbai, and had been planning to buy a car during Diwali. I approached several banks and finance companies, but was unable to secure a loan. A friend then recommended IKF Finance. I applied through IKF, and within just two days, my loan was approved and disbursed. Their timely support made it possible for me to bring my dream car home during Diwali. I am truly grateful to IKF Finance for making the entire experience so smooth."

**Pravin Mohan Shinde**

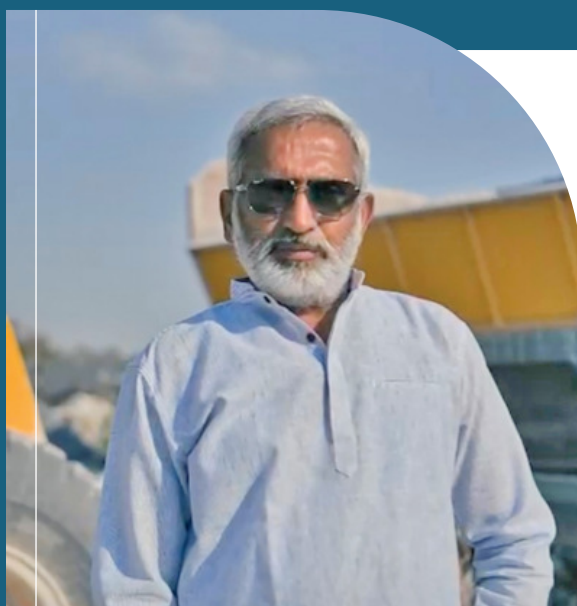
Flex Printing Business Owner



"I work as a commercial driver, while my wife manages our household. We already owned our home, but wanted to expand our living space by adding more floors for our family. A mutual acquaintance recommended IKF Home Finance, and approaching them proved to be the right decision. Their team came to our home, understood our requirements and guided us through the entire process. The loan was approved and disbursed within 10-15 days, making the process remarkably simple. Thanks to their timely support, we were able to turn our plans for a better home into reality."

**Jajumogga Sailu**

Commercial Driver



“When I was establishing my business in 2018, I approached IKF Finance for funding to purchase commercial vehicles. From our very first interaction, the team understood my requirements and provided the financial support I needed to get my operations moving. Over the years, our relationship has grown into a trusted partnership. When we recently decided to expand our business and needed finance for another set of commercial vehicles, we once again turned to IKF Finance. Their continued support has made our growth journey smoother and given us the confidence to take our business forward.”

**Sreekanth**  
Business Owner



“I work as a Sales Executive at Laxmi Surgicals in the MIDC industrial area of Jalgaon and recently needed a loan of ₹12 Lakhs. I approached the Jalgaon branch of IKF Home Finance, where Mr. Kirti Kumar, the Branch Manager, guided me through the entire process. He explained the loan structure and repayment terms clearly and ensured that the disbursement was completed smoothly. I truly appreciate the IKF Home Finance team for their professional, transparent and supportive approach when I needed financial assistance.”

**Shyam Shahadu Rajput**  
Sales Executive, Laxmi Surgicals



ABOUT IKF HOME FINANCE

# FINANCING THE DREAM OF HOMEOWNERSHIP

We believe that homeownership should be accessible to every family. This belief drives our commitment to providing affordable home loans to lower- and middle-income families through our dedicated housing finance subsidiary, IKF Home Finance Limited. With a focus on semi-urban and emerging markets, we offer accessible and flexible financing solutions to support homeownership and the evolving financial needs of our customers.

## Milestones

- Registered as a Housing Finance Company (HFC) in FY 2016-17
- Joined the IKF Finance family in FY 2018-19
- 15,000+ Customers helped onto the property ladder
- 45.95% CAGR in AUM over the last five years

## Our Stable Growth Journey

**2016**

Launched operations in Vijayawada, Andhra Pradesh, the first step towards our mission of accessible housing finance.

**2018**

Entered Tamil Nadu, pushing on-books AUM to ₹60 Crores.

**2017**

Expanded into Telangana, Maharashtra, and Karnataka, closing the year with an on-books AUM of ₹1.5 Crores.

**2019**

Became a subsidiary of IKF Finance, gaining stronger backing as loan disbursements crossed ₹100 Crores.

**2020**

Secured funding from the National Housing Bank (NHB), fueling further expansion. AUM passed ₹200 Crores.



## 2022

A ₹17 Crores infusion from our parent company accelerated growth, taking AUM to ₹429 Crores.

## 2021

Extended into Gujarat and gained access to the SARFAESI Act, strengthening our recovery framework. AUM climbed to ₹288 Crores.

## 2023

A further ₹49 Crores infusion from our parent company and promoters pushed AUM to ₹690 Crores.

## 2024

AUM crossed ₹1,000 Crores. Annual disbursements reached ₹469 Crores, and net worth exceeded ₹213 Crores.

## 2026

Our 125<sup>th</sup> branch opened its doors. Disbursements for FY 2025-26 hit ₹672 Crores, closing the year with AUM of ₹1,908 Crores. Parent Company infused Fresh amount of ₹196 Crores and purchased entire stake from existing promoters pursuant to which Subsidiary Company became a Wholly Owned Subsidiary Company.

## 2025

Our 100<sup>th</sup> branch opened its doors. Disbursements for FY 2024-25 hit ₹597 Crores, closing the year with AUM of ₹1,477 Crores.

## Our Product Range

At IKF Home Finance Limited, our product range is designed to address the diverse housing and financing needs of our customers from homeownership and home improvement to property-backed funding for personal and business requirements. Our solutions are designed to provide accessible and flexible credit across different stages of our customers' financial journeys.

### Home Loans



#### Regular Home Loan

Financing to build, purchase, extend or renovate your home



#### Ashray Home Loan

Home financing for customers with limited documentation, including those outside the formal financial system



#### Vandana Home Loan

Home financing exclusively for women borrowers, covering diverse housing needs



#### Composite Loan

Combined financing for plot purchase and residential construction



#### Home Improvement Loan

Funding to renovate, extend or upgrade your existing home

### Loan Against Property



#### LAP

Property-backed funding for personal and business needs



#### Unnati Loan

Property backed financing for customers in Tier II cities with limited or no formal income documentation

## Expanding Our Footprint

Turning the dream of homeownership into reality for a diverse set of customers means building on the strong presence and trust our parent company has earned in asset financing across key cities and extending tailored home finance solutions across our expanding network. Our growing presence across semi-urban and emerging markets enables us to deepen our customer reach while addressing evolving housing and financing needs.

6

States

125

Branches

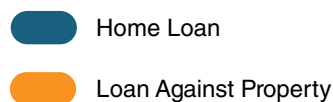


**Disclaimer:** This map is a generalised illustration only for the ease of the reader to understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. Our Company or any of our Directors, officers or employees cannot be held responsible for any misuse or misinterpretation of any information or design thereof. Our Company does not warrant or represent any kind of connection with its accuracy or completeness.

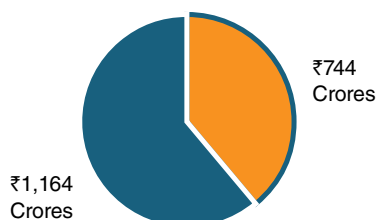
| Metric                     | FY 2023-24 | FY 2024-25 | FY 2025-26 |
|----------------------------|------------|------------|------------|
| Disbursement (₹ in Crores) | 469        | 597        | 672        |
| AUM (₹ in Crores)          | 1,050      | 1,477      | 1,908      |
| Net Worth (₹ in Crores)    | 213        | 247        | 493        |
| PAT (₹ in Crores)          | 24         | 34         | 49         |
| Debt-to-Equity Ratio       | 3.4x       | 4.4x       | 2.4x       |
| ROA (on avg. AUM)          | 2.8%       | 2.8%       | 2.9%       |
| ROE (on avg. Net Worth)    | 14.9%      | 14.8%      | 13.3%      |

\* Numbers have been rounded off

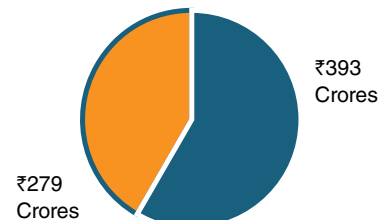
## Product Mix, FY 2025-26



### Assets Under Management



### Disbursements





MANAGEMENT PERSPECTIVE: IKF HOME FINANCE

# MANAGING DIRECTOR'S COMMUNIQUE



“

**We delivered a 45.7% growth in PAT to ₹49 Crores, reflecting the strength of our business model and the quality of our execution.**

**Vasantha Lakshmi Vupputuri**  
Managing Director

## Dear Shareholders,

I close FY 2025-26 with a strong sense of pride in what IKF Home Finance Limited has built and a clear sense of responsibility for what lies ahead. The year marked an important chapter in our journey, defined not only by financial progress, but by the steady reinforcement of the institution behind the franchise and operational capabilities built for the next stage of growth.

What gives us the greatest confidence is the quality of our growth. At a time when the pursuit of scale can sometimes outpace the systems required to support it, we remained focused on building deliberately and sustainably. Our priorities extended beyond expanding our presence across markets to strengthening underwriting, risk controls, processes and capabilities. As our balance sheet expanded, we remained equally committed to ensuring that

the foundations supporting it grew stronger. For us, meaningful growth is growth that creates scale while strengthening the institution.

## A Changing Macroeconomic Landscape

The operating environment for housing finance over the last 12 to 15 months has remained both complex and provided opportunities for growth. On one hand, monetary policy easing by the Reserve Bank of India improved the affordability and demand for housing finance. On the other, stress in microfinance and evolving geopolitical uncertainties leading to pressure on rupee, liquidity and overall cashflows available to customers called for greater sensitivity. We remain focused on secured finance through disciplined credit assessment and measured expansion during FY 2025-26.

## Strengthening with Every Milestone

FY 2025-26 was a year in which we translated our growth ambitions into strong financial outcomes. We expanded our AUM by 29.2% to ₹1,908 Crores, supported by disbursements of ₹672 Crores, while our revenue from operations grew 33.6% to ₹267 Crores. More importantly, we delivered a 45.7% growth in PAT to ₹49 Crores, reflecting the strength of our business model and the quality of our execution. Our parent company infused ₹196 Crores of capital during the year and net worth also grew significantly as a result, to ₹493

Crores, providing a stronger capital foundation for the next phase of our journey.

We also made real progress in reinforcing our balance sheet. Total assets grew 23.1% to ₹1,703 Crores, while borrowings increased by 6.4% to ₹1,163 Crores. Our debt-to-equity ratio improved sharply from 4.43x to 2.36x, while ROA improved from 2.8% to 2.9%, demonstrating our continued focus on profitable and responsible growth. With 15,000+ active loan accounts, we are expanding our reach while remaining firmly focused on the fundamentals that matter: healthy growth, stronger capitalisation and sustainable value creation.

### Building a Smarter, More Connected Institution.

Technology is becoming an increasingly important part of how we serve our customers and manage our business. Our focus remains on building a connected technology ecosystem that supports sharper credit decisions, tighter risk controls and a more seamless customer experience. As we scale, we will continue to invest in digital platforms and analytics that enable us to operate with greater intelligence, efficiency and consistency.

### Building the Next Phase of Growth

As we look ahead, our opportunity is both significant and purposeful. The demand for affordable housing across India's semi-urban and emerging markets remains strong, supported

by rising aspirations, increasing formalisation and improving financial inclusion. We will continue to deepen our presence in existing markets, expand selectively into new geographies and strengthen our product capabilities while remaining uncompromising on credit quality and risk discipline. Our ambition is not simply to grow larger, but to



**Our priorities extended beyond expanding our presence across markets to strengthening underwriting, risk controls, processes and capabilities. As our balance sheet expanded, we remained equally committed to ensuring that the foundations supporting it grew stronger.**

build a stronger, more trusted and technology-enabled housing finance institution that can create sustainable value over the long term.

I would like to place on record my sincere appreciation to our employees, whose commitment and ownership have been central to everything we have achieved this year. I am equally grateful to our customers for placing their trust in us, and to our investors, lenders, banking partners and other stakeholders for their continued confidence and support. Their partnership gives us the strength to pursue our ambitions with conviction. As we enter the new financial year, we do so with gratitude for the journey so far and confidence in the opportunities that lie ahead

Best Regards,

**Vasantha Lakshmi Vupputuri**  
Managing Director

OUR DIGITAL EVOLUTION

# AUTOMATING INTELLIGENTLY. SECURING OPERATIONS.

We use our technology to run operations more efficiently, manage risk more closely and reach further into our markets. Automating our workflows from onboarding to back-end collections has tightened how we deliver credit. This lowers processing costs while giving borrowers faster, clearer access to finance.



## Digital Onboarding and Underwriting

Our upgraded Digital Loan Origination System (DLOS), integrated with the Loan Management System through APIs, digitises the lending journey. Integrations with e-KYC, CKYC, credit bureaus and penny-drop verification have reduced manual intervention, strengthened controls and improved turnaround times.



## Data Lake and Analytics

Our centralised Data Lake brings together data from across the organisation, enabling a unified view of customers and portfolios. It strengthens analytics, supports real-time decision-making and creates the foundation for AI-led insights and predictive capabilities.





## Phygital: The Best of Both Worlds

Our phygital model combines human trust with digital speed, making formal credit more accessible and convenient.

- **Speed with familiarity:** Local branch and field interactions complemented by digital processing
- **Inclusion with discipline:** Human understanding of customer circumstances supported by standardised digital underwriting
- **Convenience with protection:** Digital repayments, e-NACH and instant receipts backed by transparent digital records
- **Efficiency with access:** Automation enables us to serve smaller-ticket and underserved customers more efficiently



## Building the Digital Future

Our cloud-native, API-first architecture and Data Lake provide a strong foundation for the next phase of digital transformation. **Key priorities include:**

- Business Rule Engine for faster, consistent credit decisions
- Account Aggregator and alternate data for deeper underwriting
- AI and machine learning for early-warning signals and collection prioritisation
- Digital self-service while retaining human support at branches
- Cybersecurity and data governance aligned with evolving regulatory expectations





CARING FOR OUR EMPLOYEES

# FOSTERING RELATIONS. STRENGTHENING ENGAGEMENT.

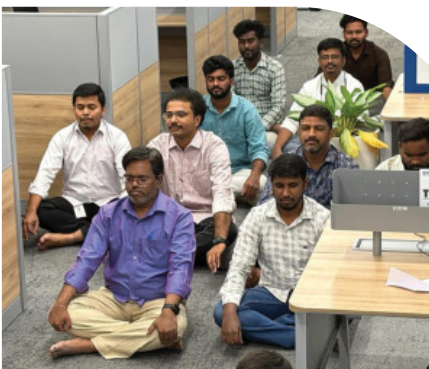
Our people are the driving force behind our continued success. We believe that a thriving workplace is built by nurturing employee well-being, celebrating achievements, embracing diversity, and creating opportunities for meaningful engagement. Throughout FY 2025-26, we ran initiatives that strengthened our workplace culture, encouraged collaboration, and reinforced a sense of belonging across the Company.



## Celebrating Milestones Together

The year began with the celebration of our 35-year milestone, bringing together employees and distinguished industry leaders to commemorate the Company's growth, resilience, and success over three decades. The celebration reflected our shared achievements and inspired employees to contribute to the next phase of our growth.

## Prioritising Employee Well-Being





## Strengthening Bonds through Cultural Celebrations

We continued to celebrate India's rich cultural diversity by organising festivities across our branches throughout the year. Employees took part in Independence Day celebrations, Ganesh Utsav, Navratri, Diwali, Christmas, Holi, and Ugadi, with traditional décor, cultural activities, festive interactions, and refreshments. These celebrations strengthened relationships, deepened cultural appreciation and teamwork, and created an inclusive workplace where employees felt connected beyond their work.

## Recognising Every Contribution

We believe appreciation is fundamental to an engaged and motivated workforce. During the year, we celebrated International Men's Day by recognising the contributions of male employees through engagement activities and token appreciation across all branches, with a special address from the Managing Director and Chief Executive Officer at the corporate office. On International Women's Day, women employees across all branches were honoured through appreciation initiatives and personalised wish cards, reaffirming our commitment to a diverse, equitable, and inclusive workplace where every individual is valued and respected.



## Rewarding Excellence

To reinforce a culture of high performance, we continued our monthly rewards and recognition programme, celebrating employees for their performance, dedication, and achievements. By consistently acknowledging individual and team contributions, the programme motivated employees to strive for excellence while strengthening engagement, morale, and organisational pride.



## Aligning for the Future

The Annual Business Meet 2026 brought employees together for strategic discussions on the Company's performance, future roadmap, and growth aspirations. Inspiring addresses by the chairman, managing director, and chief executive officer highlighted achievements, priorities and opportunities, and built alignment and shared commitment towards the Company's long-term vision.



COMMUNITY ENGAGEMENT

# UPLIFTING COMMUNITIES. GIVING BACK.

At IKF Finance, corporate social responsibility (CSR) is an extension of our commitment to inclusive and sustainable development. Through focused interventions in healthcare, women empowerment, environmental conservation and disaster relief, we continued to improve the quality of life for communities while creating long-term social value. During FY 2025-26, every initiative was designed to address local needs and deliver measurable impact across the regions we serve.



## Empowering Students and Drivers Through Road Safety Education

Conducted 300 road safety awareness programmes for students across 130 colleges and truck drivers in the Krishna, NTR, West Godavari and East Godavari districts, reaching a total of 28,800 beneficiaries

### Impact at a Glance

**28,800**

Beneficiaries  
Attending Road  
Safety Awareness  
Programme

**₹20.7 Lakhs**

CSR Spend on  
Education and Skill  
Development

## Healthy Communities. Healthier Futures.

Access to quality healthcare is fundamental to building resilient communities. During the year, we organised preventive healthcare camps across Tadigadapa, Kanuru, Auto Nagar and Gollapudi in and around Vijayawada. Beneficiaries received comprehensive health assessments, including blood investigations, kidney function tests, cholesterol screening, eye examinations and dental check-ups. Extending our commitment to nutrition and food security, we also partnered with Harekrishna Foundation to distribute food and grocery kits to economically weaker families.



### Impact at a Glance

**3,123+**

Beneficiaries Received  
Preventive Healthcare Services

**5,133**

Families Supported with Food  
and Grocery Distribution

**₹59 Lakhs**

CSR Spend on Healthcare  
Initiatives

## Empowering Women. Enabling Livelihoods.

Economic empowerment enables lasting social transformation. During FY 2025-26, we supported widowed and single-parent women by providing sewing machines to help establish sustainable livelihoods. Through our partnership with Jagruthi Foundation, we also conducted vocational training programmes that equipped women with employable skills, enabling greater financial independence and self-reliance.



### Impact at a Glance

**530**

Beneficiaries Received  
Preventive Healthcare Services

**200**

Women Received Vocational  
Skill Training

**₹40.6 Lakhs**

CSR Spend towards  
Women Empowerment

## Building a Greener Tomorrow.

Environmental stewardship remained a key focus during the year. We undertook large-scale plantation drives across public spaces to improve green cover, reduce pollution and restore ecological balance. In addition, fruit-bearing saplings were distributed to farmers across Krishna and NTR districts, supporting sustainable agriculture and long-term conservation.



### Impact at a Glance

**8,216**

Plants Added to Strengthen  
Green Cover

**4,156**

Fruit-bearing Saplings  
Distributed to Farmers

**₹50.1 Lakhs**

CSR Spend on Environmental  
Initiatives

## Supporting Communities During Emergencies.

Responding swiftly in a crisis, we extended relief support to communities affected by the Montha Cyclone across Krishna and Guntur districts. We distributed essential food and grocery supplies, helping affected families meet their immediate needs and rebuild with dignity.



### Impact at a Glance

**2,577**

Cyclone-affected People  
Received Relief Support

**₹40.7 Lakhs**

CSR Spend on Disaster  
Relief Initiatives



BOARD OF DIRECTORS OF IKF FINANCE LIMITED

# GUIDING **JUDICIOUSLY.** STEERING **GROWTH.**



As the founder of IKF Finance, Mr. V.G.K. Prasad has guided the Company since its incorporation in 1991. A respected figure in Indian asset financing, he served as President of the Federation of Indian Hire Purchase Associations (FIHPA), helping shape non-banking financial frameworks across the industry. Over his tenure, he built collaborations with institutions including TELCO, HDFC Bank and Vysya Bank. Under his leadership, the Company expanded by incubating IKF Home Finance Limited as a specialised subsidiary, broadening its reach.

**Mr. Vupputuri Gopala Kishan Prasad**

Chairman and Executive Director



Mrs. Vasumathi Devi Koganti brings 16 years of operational leadership to IKF Finance, steering core business execution with a focus on Credit & Risk, Management Information Systems (MIS) and Digital Infrastructure. Backed by over 12 years of prior experience in Information Technology and Telecommunications in the US, she brings a global perspective to the Company's retail credit delivery. Her leadership has expanded the Company's asset base across Western and Central India, modernising its IT systems and deploying process automation to improve last-mile efficiency.

**Mrs. Vasumathi Devi Koganti**

Managing Director



Dr. Satyanand Sinha Chunduri brings over four decades of international experience to the Board, having worked as a specialist in the medical and diagnostic sectors in the US. He has served as a consultant and director across multiple international institutions, bringing insight into organisational behaviour, corporate ethics and governance.

**Dr. Satyanand Sinha Chunduri**

Director



Mr. Sunil Chandiramani is a specialist in corporate governance, IT security and risk advisory, with a 25-year tenure at Ernst & Young LLP, where he led India's largest advisory practice of over 3,000 professionals and co-developed the Global Innovation Strategy for EY Global. He brings over three decades of leadership in financial services, with advisory expertise across internal audits, enterprise risk management, core banking transformations and cybersecurity. He serves as an Independent Director on the boards of Sapphire Foods India Limited, Updater Services Limited, Kalpataru Limited, Ganesh Consumer Products Limited.

#### **Mr. Sunil Rewachand Chandiramani**

Independent Director



Mr. Kannan is a banking professional with over four decades of experience across commercial banking and asset reconstruction. His leadership roles include Chairman and Managing Director of Vijaya Bank and Executive Director of Oriental Bank of Commerce. He serves as an Independent Director on the board of Maximus Asset Reconstruction Company and has held key roles with the Indian Banks' Association and the Foreign Exchange Dealers Association of India. His training includes programmes at the Kellogg School of Management, Chicago, and engagement with the Financial Services Authority (FSA) of the United Kingdom.

#### **Mr. Kannan**

Independent Director



Mr. Raman Uberoi is a financial services leader with over three decades of expertise spanning corporate credit, rating methodologies and public policy. He has had a long association with CRISIL Limited, where his roles included President of Ratings & Corporate Affairs and Chief Operating Officer (COO) of CRISIL Risk & Infrastructure Solutions. He serves as a member of the SEBI Market Data Advisory Committee and an expert committee Member for MSMEs under the Government of Tamil Nadu, and has advised multilateral bodies including the World Bank and ADB. His prior directorships include Magma Housing Finance, Piramal Capital and Receivable Exchange of India. He is a Chartered Accountant (ACA) and an alumnus of Hans Raj College, Delhi University.

#### **Mr. Raman Uberoi**

Independent Director



Mr. Sethuraman Ganesh brings over 30 years of central banking experience from senior leadership roles at the Reserve Bank of India (RBI), including Principal Chief General Manager. His regulatory work spanned banking supervision, ombudsman frameworks and nominee directorships on the boards of UCO Bank and Oriental Bank of Commerce. He previously served as Principal of the Reserve Bank Staff College, Chennai. He currently serves as an Independent Director on the board of Indel Money Limited, and is a member of the Advisory Board of the Infimind Institute. He is a Certified Associate of the Indian Institute of Bankers (CAIIB).

### **Mr. Sethuraman Ganesh**

Independent Director



Mr. Robin Agarwal, representing Rajadhi Raja Limited, SPV of Creador VI LP has over 14 years of experience across private equity and consulting. He serves as an Executive Director at CR Advisors LLP, where he focuses on growth investments in India and Southeast Asia. He holds board positions in several companies, including Kogta Financial and APAC Financial Services. He is an alumnus of the Indian School of Business Hyderabad and the Indian Institute of Technology Bombay.

### **Mr. Robin Bhanwarlal Agarwal**

Nominee Director



Mr. Vinit Mukesh Mehta, representing Motilal Oswal Alternates, brings over 15 years of expertise across private equity, investment banking and corporate transaction structuring. His career includes roles at Kotak Investment Bank, KPMG and HDFC Bank. He has led and executed over 40 corporate transactions, deploying over USD 2.5 Bn across mergers & acquisitions (M&A), private equity and capital markets. He is a Chartered Accountant and holds a Bachelor of Commerce from Mumbai University.

### **Mr. Vinit Mukesh Mehta**

Nominee Director

## LEADERSHIP TEAM

# SENIOR MANAGEMENT TEAM – IKF FINANCE



Mr. Debnil Chakravarty leads the growth agenda and day-to-day business operations at IKF Finance. A veteran executive in retail banking and financial services, he brings over 25 years of experience across asset lending, balance sheet expansion and market scaling. He has held leadership roles across banking institutions and retail NBFCs, including ICICI Bank, CITI, SREI and South Indian Bank, and has guided early-stage startups and financial enterprises through rapid growth. He holds a Bachelor's degree in Economics, along with a PGDBA, a CFA charter and executive training from the London Business School.

**Mr. Debnil Chakravarty**  
Chief Executive Officer



Mr. Prakash Bhawnani oversees financial management, corporate treasury, capital allocation and financial reporting. Backed by over 15 years of experience in corporate finance and risk management, he has held senior roles at ICICI Bank, Union Bank, Reliance Industries, Home Credit and India Shelter Finance Corporation. Before joining IKF, he was CFO at Keertana Finserv. He holds a Chartered Financial Analyst (CFA) designation from CFAI, USA, and is a qualified Company Secretary (CS) and CAIIB, with an MS in Finance and an executive certification from IIM Calcutta's leadership programme for CFOs.

**Mr. Prakash Bhawnani**  
Chief Financial Officer



Mr. Sreenivasa Rao Chapalamadugu manages corporate compliance. He brings more than 25 years of experience as a qualified Company Secretary, Cost and Management Accountant and Chartered Accountant (Finalist). His career includes secretarial roles at Natco Pharma Limited, Krebs Biochemicals, Coastal Local Area Bank Limited and Bhubaneswar Power Private Limited (a Tata Group entity amalgamated into Tata Steel Limited).

**Mr. Sreenivasa Rao Chapalamadugu**  
Company Secretary





Mr. Chakrapani Gollamudi leads enterprise risk management, asset-quality controls and automated underwriting. He brings over 30 years of experience across credit analytics, asset recovery and risk management, having built large asset portfolios for Kotak Mahindra Bank, HDFC Bank, Citicorp Finance India Limited and Ashok Leyland Finance. During his 14-year tenure at Kotak Mahindra Bank, he served as Zonal Head (West & South) for commercial vehicle financing before becoming National Credit Head for Used Vehicle Loans, building credit frameworks that strengthened asset quality. He led the pan-India integration of automated CRM platforms and algorithmic credit scorecard approval systems. He holds an ISB certification in Leadership with AI and an executive certificate in Risk Management from IIM Bangalore.

### **Mr. Chakrapani Gollamudi**

Chief Risk Officer



Mr. Raghuram K. guides commercial strategy, sales development and market expansion at IKF Finance. Backed by over 25 years of asset financing experience, he oversees portfolio distribution while keeping performance aligned with the budget. His career includes leadership roles at ICICI Bank, GE Capital, HDFC Bank and SREI Finance. He holds an MBA with a specialisation in Finance.

### **Mr. Raghuram Kotamarthi**

Chief Business Officer



Mr. Raman Chidambarasubramanian directs human resource strategy, talent acquisition and workforce planning. He has led cultural transformations at organisations including Equitas Small Finance Bank (where he served as Vice President of Human Resources), Srei-BNP Paribas JV, Randstad India Ltd. and ABC Consultants. He holds a Master's degree in Management Studies and a postgraduate diploma in Personnel Management and Industrial Relations.

### **Mr. Raman Chidambarasubramanian**

Head of Human Resources



Mr. Shailendra Kumar Lath leads business transformation, centralised operations, and customer delivery systems. He brings over two decades of experience across banking, NBFC, fintech and insurance sectors. He previously managed transformations at SREI Equipment Finance and SPURVY Financial Solutions, where he designed co-lending platforms, decentralised lending processes and automated performance tracking. He is a Chartered Accountant (CA), Cost Accountant and Company Secretary (Finalist).

**Mr. Shailendra Kumar Lath**

National Operations Manager



Mr. Srinivas Thuta manages the credit underwriting framework and risk pricing for the Vehicle Finance Division. He brings over 20 years of retail banking and finance experience, with 17 years in credit underwriting, asset-quality maintenance and portfolio risk management. Before joining IKF Finance in 2022, he managed diversified credit portfolios at ICICI Bank, Kotak Mahindra Bank, HDFC Bank and IndusInd Bank. He is an Associate of the Institute of Cost Accountants of India (ACMA) and holds an MBA in Marketing and Finance from GITAM, Visakhapatnam.

**Mr. Srinivas Thuta**

National Credit Manager

# SENIOR MANAGEMENT TEAM – IKF HOME FINANCE



Mr. Praveen Kumar Vecha is a banking and financial services leader with over 25 years of experience in building, transforming and scaling lending businesses. His expertise spans mortgage lending, business finance and diversified retail lending across banks, housing finance companies, NBFCs and business correspondent models. He has led the development of multi-product lending portfolios, expanded distribution networks and built high-performing teams, with expertise across the lending value chain—from strategy and product development to credit, risk management, operations, collections and digital transformation.

Prior to joining the Company, Praveen served as the Managing Director & Chief Executive Officer of IDFC FIRST Bharat Ltd., where he led the transformation of the organisation into one of India's leading rural and semi-urban financial services platforms. Earlier, as Chief Executive Officer of APAC Housing Finance, he built and scaled the company's mortgage lending business. He has also held senior leadership positions with IDFC FIRST Bank, Fullerton India Credit Company, ICICI Lombard General Insurance, and Coromandel International.

Praveen holds a Post Graduate Diploma in Agri-Business Management from MANAGE, Hyderabad, and a Bachelor's degree in Agriculture from Professor Jayashankar Telangana State Agricultural University.

## **Praveen Kumar Vecha**

Chief Executive Officer



Mr. Prashant Rawat, a qualified Chartered Accountant and a seasoned finance professional with over a decade of experience in fundraising, corporate finance, treasury management, strategic financial leadership and M&As. He has a strong track record in raising significant debt to fuel the expansion of the businesses. He has implemented risk management strategies and delivering significant value through effective financial reporting, forecasting and system implementation.

He has consistently driven value through strategic financial planning, investment portfolio optimisation, and liquidity management. His experience in managing complex financial transactions is a testament to his ability to navigate and deliver on key organisational objectives. His experience is complemented by strong technical skills and a proven ability to work in multidisciplinary environments.

## **Prashant Rawat**

Chief Financial Officer



A strategic leader with a demonstrated history in building, mentoring and delivering consistent revenue growth. Mr. Pasha has 26 years of experience and was associated with Chola mandalam Investments and Finance Company Limited, Muthoot Fincorp and Shriram Financial Services. He is recognised for navigating competitive markets, executing long-term strategies and forging strong client relationships.

### **Mohammad Moize Pasha**

Business Head



With an experience of 8 years, Ms. Komal Ratlani is an experienced and highly skilled Company Secretary with expertise in corporate governance, legal compliance, and regulatory affairs. She has a comprehensive understanding of corporate laws and regulations and plays a crucial role in ensuring the company's adherence to statutory obligations. With excellent communication and organisational skills, she efficiently manages board meetings, maintains company records, and facilitates effective communication between the board of directors and shareholders. Her commitment to upholding ethical practices and promoting transparency contributes to the Company's strong corporate governance framework.

### **Komal Ratlani**

Chief Compliance Officer



Ms. Aakanksha Puligilla has about 5 years of experience in ensuring statutory compliance, corporate governance, regulatory affairs and track record of providing expert guidance on Company law and secretarial practices. She has a comprehensive understanding of corporate laws and regulations and plays a crucial role in ensuring the company's adherence to statutory obligations. She is well-versed in SEBI compliances. She has good liaison with regulatory authorities and ensures adherence to best practices in corporate governance.

Her expertise in corporate law, company secretarial practice, and governance and risk management makes her a valuable asset to the organisation. Her commitment to upholding ethical practices and promoting transparency contributes to the Company's strong corporate governance framework.

### **Aakanksha Puligilla**

Company Secretary



RECOGNITIONS THAT INSPIRE US

# ACHIEVING **RECOGNITION.** BUILDING **CREDIBILITY.**



Honoured at the Telugu Business Excellence Awards for entrepreneurial leadership and business achievements



Recognised with the prestigious 'Masters of Risk – NBFC' award at the 12th Edition of the India Risk Management Awards (IRMA), held in August 2026 presented by CNBC TV.



NHB Recognition Loans to Women Category



Earned the Great Place to Work® certification, reaffirming our commitment to a high-trust, people-centric workplace.



IKF Group achieved Bronze-level certification under the Client Protection Pathway, recognising adherence to globally accepted client protection standards.

# CORPORATE INFORMATION

## Board of Directors

**Mr. Vupputuri Gopala Kishan Prasad**

Founder and Chairman

**Mrs. Vasumathi Devi Koganti**

Managing Director

**Dr. Satyanand Sinha Chunduri**

Director

**Mr. Vinit Mukesh Mehta**

Nominee Director

**Mr. Sethuraman Ganesh**

Independent Director

**Mr. Kannan**

Independent Director

**Mr. Sunil Rewachand Chandiramani**

Independent Director

**Mr. Raman Uberoi**

Independent Director

**Mr. Robin Bhanwarlal Agarwal**

Nominee Director

## Key Managerial Personnel

**Mr. Prakash Bhawnani**

Chief Financial Officer

**Mr. Sreenivasa Rao Chapalamadugu**

Company Secretary

## Board Committees

### Audit Committee

**Mr. Sunil Rewachand Chandiramani**

**Mr. Vinit Mukesh Mehta**

**Mr. Kannan**

**Mr. Sethuraman Ganesh**

**Mr. Raman Uberoi,**

**Mr. Robin Bhanwarlal Agarwal**

**Mrs. Vasumathi Devi Koganti**

### Stakeholders Relationship and Redressal Committee

**Mr. Vinit Mukesh Mehta**

**Mr. Sunil Rewachand Chandiramani**

**Mr. Raman Uberoi**

## Nomination and Remuneration Committee

**Mr. Raman Uberoi**

**Mr. Vinit Mukesh Mehta**

**Mr. Sethuraman Ganesh**

**Mr. Robin Bhanwarlal Agarwal**

## Risk Management Committee

**Mr. Vupputuri Gopala Kishan Prasad**

**Mrs. Vasumathi Devi Koganti**

**Mr. Vinit Mukesh Mehta**

**Mr. Raman Uberoi**

**Mr. Robin Bhanwarlal Agarwal**

## Asset Liability Management Committee

**Mr. Vupputuri Gopala Kishan Prasad**

**Mrs. Vasumathi Devi Koganti**

**Mr. Vinit Mukesh Mehta**

**Mr. Debnil Chakravarty**

**Mr. Srinivas Thuta**

**Mr. Chakrapani Gollamudi**

**Mr. Prakash Bhawnani**

## Corporate Social Responsibility Committee

**Mr. Vupputuri Gopala Kishan Prasad**

**Mr. Vinit Mukesh Mehta**

**Mr. Kannan**

## IT Strategy Committee

**Mrs. Vasumathi Devi Koganti**

**Mr. Sunil Rewachand Chandiramani**

**Mr. Vinit Mukesh Mehta**

## Management Committee

**Mr. Vupputuri Gopala Kishan Prasad**

**Mrs. Vasumathi Devi Koganti**

**Mr. Kannan**

## Auditors

### Statutory Auditors

**M/s. Mukund M. Chitale & Co.**

Chartered Accountants

2<sup>nd</sup> Floor, Kapur House, Paranjape B Scheme Road No. 1, Vile Parle E, Mumbai - 400 057, Maharashtra, India

### Secretarial Auditors

**B S S & Associates**

Company Secretaries

Parameswara Apartments, # 6-3-626, 5<sup>th</sup> Floor, 5 - A, Anand Nagar, Khairatabad, Hyderabad - 500 004, Telangana, India

## Debenture Trustee

**Vardhman Trusteeship Private Limited**

3<sup>rd</sup> Floor, Building, Unit No. 15, Turner Morrison, 6, Lyons Range, Murgighata, B.B.D. Bagh, Kolkata - 700 001, West Bengal, India

**IDBI Capital Trusteeship Services Limited**

Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400 001, Maharashtra, India

**Catalyst Trusteeship Limited**

901, 9<sup>th</sup> Floor, Tower-B, Peninsula Business Park, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400013, Maharashtra, India

## Registrar and Security Transfer Agent

**Bigshare Services Private Limited**

Plot No-306, 3<sup>rd</sup> Floor, Right Wing, Amrutha Ville Opp. Yashoda Hospital, Rajbhavan Road Somajiguda, Hyderabad-500 082

## Registered Office

40-1-144, 3<sup>rd</sup> Floor, Corporate Centre, M.G. Road, Vijayawada - 520 010, Andhra Pradesh, India

## Corporate Office

11<sup>th</sup> Floor, Tower 3, Phoenix Equinox, Nagarjuna Residency Driveway, Diamond Hills, Lumbini Avenue, Gachibowli, Hyderabad - 500 032, Telangana, India.

## NOTICE

**NOTICE** is hereby given that the 35<sup>th</sup> Annual General Meeting ("**AGM**") of the members of **IKF Finance Limited** will be held on Wednesday, the September 30, 2026, at 11.30 A.M. (IST) at the Registered Office of the Company situated at #40-1-144, 3<sup>rd</sup> Floor, Corporate Center, M.G. Road, Vijayawada – 520010, Andhra Pradesh, to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider, approve and adopt:
  - (a) the Audited Standalone Financial Statements for the financial year ended March 31, 2026, together with the Reports of the Directors' and Auditors' thereon and
  - (b) the Audited Consolidated Financial Statements for the financial year ended March 31, 2026, together with the Report of Auditors' thereon.

In this regard, to consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the year ended March 31, 2026 together with the Reports of the Directors' and Auditors' thereon and the Audited Consolidated Financial Statements of the Company for the year ended March 31, 2026 together with the Report of Auditors' thereon be and are hereby received, considered, approved and adopted."

2. To appoint a Director in place of Smt. Vasumathi Devi Koganti (DIN: 03161150), who retires by rotation and being eligible, offer herself for re-appointment and in this regard, to consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** Smt. Vasumathi Devi Koganti (DIN: 03161150), who retires by rotation in accordance with Section 152 of the Companies Act, 2013 be and is hereby re-appointed as a director liable to retire by rotation."

### SPECIAL BUSINESS:

3. **To enhance the Borrowing Powers of the Company to Rs. 8,000 Crores:**

To consider and if thought fit, to pass, the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (the Act) including any statutory modifications or re-enactments thereof and in supersession of all the earlier resolutions passed in this regard, the Board of Directors

(hereinafter referred to as the "Board", including any committee thereof for the time being, exercising the powers conferred on them by this resolution), be and is hereby authorized to borrow money, as and when required, from, including without limitation, any Bank and/or Public Financial Institution as defined under Section 2(72) of the Act and/or eligible foreign lender and/or any entity/entities and/or authority/authorities and/or through suppliers credit, any other securities or instruments, such as floating rate notes, fixed rate notes, syndicated loans, debentures, commercial papers, short term loans or any other instruments etc., and/or through credit from official agencies and/or by way of commercial borrowings from the private sector window of multilateral financial institution, either in rupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemed appropriate by the Board for an aggregate amount not exceeding Rs. 8,000 Crores (Rupees Eight Thousand Crores Only), notwithstanding that money so borrowed together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company, its free reserves and securities premium that is to say, reserves not set apart for any specified purpose.

**"RESOLVED FURTHER THAT** the Board including any committee for the time being, be and is hereby authorized to take such steps as may be necessary for obtaining necessary approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

4. **To enhance power of Board of Directors of the Company to lease and mortgage of the property(ies) of the Company:**

To consider and if thought fit, to pass, the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, and in supersession of all earlier resolutions passed in this regard, consent of the Company be and is hereby given to the Board of Directors (hereinafter

referred to as the “Board”, including any committee thereof for the time being, exercising the powers conferred on them by this resolution) of the Company to create charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such assets and properties of the Company, both present and future and in such manner as the Board may direct, in favour of all or any Banks, financial institutions and their subsidiaries, any other bodies corporate and any other lenders (hereinafter collectively referred to “the Lending Agencies”) and/or Trustees for the holders of debentures/bonds/other instruments to secure borrowing of the Company by way of loans/issue of debentures/bonds/other instruments which may be issued for a sum not exceeding Rs. 8,000 Crores (Rupees Eight Thousand Crores only) over and above the aggregate of the paid up capital of the Company, its free reserves and securities premium which have been or propose to be obtained from or privately placed with the Lending Agencies together with interest thereon at agreed rates, further interest, liquidated damages, premium on prepayment or on redemption, costs, charges, expenses, and all other monies payable by the Company to the Trustees under the trust deeds and/or to the Lending Agencies under their respective agreements/loan agreements/debentures trust deeds entered into/to be entered by the Company in respect of said borrowings.

**“RESOLVED FURTHER THAT** the Board including any committee for the time being, be and is hereby authorized to finalize with the Lending Agencies/ Trustees, the documents for creating the aforesaid mortgages, charges and/or hypothecations and to accept any modifications to, or to modify, alter or vary, the terms and conditions of the aforesaid documents and to do all such acts and things and to execute all such documents as may be necessary for giving effect to this Resolution.”

**5. Authorization to issue of Non-Convertible Debentures (NCD)/Tier II Debt(s)/Commercial Papers/Bonds on Private Placement Basis:**

To consider, and if thought fit, to pass, the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 42, 71 and other applicable provisions of the Companies Act, 2013, read with Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable provisions of the Companies Act, 2013, as amended and in force, in accordance with the Memorandum and Articles of Association, the Board of Directors (hereinafter referred to as the “Board”, including any committee thereof for the time

being) of the Company be and is hereby authorized to issue, offer or invite and allot secured/unsecured, redeemable, non-convertible, listed/unlisted, senior/subordinated bonds/debentures/Commercial Paper/ Tier II Debt/Other debt securities of value aggregating upto Rs. 3,000 Crores (Rupees Three Thousand Crores Only) through private placement offer letter(s) in one or more tranches in conformity and in compliance with the all applicable rules, regulation, directions made in this regard, as amended from time to time to such person or persons, including one or more companies, bodies corporate(s), statutory corporations, commercial banks, lending agencies, financial institutions, insurance companies, mutual funds, alternative investment funds, pension/provident funds and individuals, as the case may be or such other person/persons as the Board may decide so.

**“RESOLVED FURTHER THAT** the Board including any committee thereof for the time being, be and is hereby authorized to do all such acts, deeds and things as may be deemed necessary in respect of issue of Bonds/Debentures including but not limited to number of issues/tranches, face value, issue price, issue size, timing, amount, security, coupon/interest rate(s), yield, listing, allotment and other terms and conditions as they may, in their absolute discretion be necessary for giving effect to this Resolution.”

**6. To appoint M/s B S S & Associates, Practicing Company Secretaries (Firm Registration No:3744) as the Secretarial Auditors of the Company, for a term of five consecutive years, commencing from FY 2026-27 to FY 2030-31:**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s)/amendment(s)/re-enactment(s) thereof, for the time being in force) and basis the recommendation of the Board of Directors of the Company, approval of the members of the Company, be and is hereby accorded for appointment of M/s. B S S & Associates, Practicing Company Secretaries, (Firm Registration No:3744) a peer reviewed Company Secretary firm, as the Secretarial Auditors of the Company, for a term of five consecutive financial years commencing from FY 2026-27 to FY 2030-31, at such remuneration and on such terms and conditions as may be determined by the Board of Directors (including its



committees thereof as authorised in this regard), and to avail any other services, certificates, or reports as may be permissible under applicable laws.

**“RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to take such steps and do all such acts, deeds, matters, and things as may be considered necessary, proper, and expedient to give effect to this Resolution.”

For and on Behalf of the Board  
**IKF Finance Limited**

**Ch Sreenivasa Rao**

Company Secretary and Compliance Officer  
Membership No.: ACS-14723

Place: Vijayawada  
Date: May 11, 2026

## NOTES

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, ('the Act') relating to the Special Business to be transacted at the Annual General Meeting ('AGM') is annexed hereto. The Board of Directors have considered and decided to include the Item No. 3 to 6 given above as Special Businesses in the forthcoming AGM, as they are unavoidable in nature.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and MCA Circular dated September 22, 2025 and other previous circulars issued in this regard, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The Company is providing remote e-Voting facility to its members in respect of the business to be transacted at the AGM and facility for those Members participating in the AGM to cast vote through e-Voting system during the AGM.
3. Pursuant to the provisions of the Act, normally, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf who may or may not be a Member of the Company.
4. In compliance with the MCA Circulars, Notice of the AGM along with the Annual Report for the FY 2025-26 is being sent only through electronic mode to those members whose e-mail ids are registered with the Company or Depository Participants.
5. The Company has fixed September 22, 2026 as the cut-off date for identifying the Members who shall be eligible to vote through remote e-voting facility or for participation and voting in the AGM. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date shall be entitled to vote on the resolutions through the facility of Remote e-Voting or participate and vote in the AGM.
6. The Register of Members and Transfer Book of the Company will be closed from September 22, 2026, to September 30, 2026 (both days inclusive).
7. In line with the MCA Circulars, Notice of the AGM has been uploaded on the website of the Company at [www.ikffinance.com](http://www.ikffinance.com). The Notice can also be accessed from the websites of the Stock Exchange i.e., BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e., [www.evotingindia.com](http://www.evotingindia.com).
8. The relevant details required to be given under Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of directors seeking appointment/re-appointment at this AGM are given in the Annexure.
9. In terms of Section 152 of the Act, Smt. Vasumathi Devi Koganti is liable to retire by rotation at this Annual General Meeting and being eligible, offers herself for re-appointment.
10. Pursuant to the provisions of Section 72 of the Companies Act, 2013, the member(s) holding shares in physical form may nominate, in the prescribed manner, a person to whom all the rights in the shares shall vest in the event of death of the sole holder or all the joint holders. Member(s) holding shares in demat form may contact their respective Depository Participant for availing this facility.
11. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under

Section 189 of the Act, and the relevant documents referred to in the Notice will be available for inspection by the members at the registered office from the date of dispatch of this notice up to the date of AGM from 9.30 A.M to 6.30 P.M. All documents referred to in the Notice will also be available for inspection at the registered office during the AGM. Members seeking to inspect such documents can send an email to [sreenivas@ikffinance.com](mailto:sreenivas@ikffinance.com).

12. Members whose shareholding is in electronic mode are requested to update the change of address, with a view to using natural resources responsibly, we request the shareholders to update respective email addresses with your Depository Participants, if not already done, to enable the Company to send communications electronically.
13. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

14. 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 will be entitled to vote at the AGM.

#### THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

**Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (i) The voting period begins on Sunday, September 27, 2026 at 9.00 a.m. IST and ends on Tuesday, September 29, 2026 at 5.00 p.m. IST. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Tuesday, the September 22, 2026 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).

Pursuant to **SEBI Circular SEBI/HO/CFD/CMD/CIR/P/2020/242** dated December 09, 2020 and other relevant circulars as updated from time to time, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

| Type of shareholders                                                          | Login Method                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Shareholders holding securities in Demat mode with CDSL Depository | <ol style="list-style-type: none"> <li>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 URL for users to login to Easi/Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by Company. On clicking the e-Voting 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 &amp; 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.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol> |

| Type of shareholders                                                                                               | Login Method                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|--------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>                               | <ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting 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 name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com">https://www.evoting.nsdl.com</a> 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>4) Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility for seamless voting experience.</li> </ol> |
| Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b> | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you 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 name and you will be redirected to e-Voting service provider website 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., CDSL and NSDL

| Login type                                                                | Helpdesk details                                                                                                                                                                                                           |
|---------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Shareholders holding securities in Demat mode with <b>CDSL</b> | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33 |
| Individual Shareholders holding securities in Demat mode with <b>NSDL</b> | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30         |

**Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (iv) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.

- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any Company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

|                                                           | <b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>                                                                                                                                                                                                                                                                            |
|-----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| PAN                                                       | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul> |
| Dividend Bank Details<br><b>OR</b> Date of Birth<br>(DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or Company, please enter the member id/folio number in the Dividend Bank details field.</li> </ul>                   |

- (v) After entering these details appropriately, click on "SUBMIT" tab.
- (vi) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on the EVSN 260901009 for the relevant **IKF FINANCE LIMITED** on which you choose to vote.
- (ix) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (x) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xi) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xiv) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xv) There is also an optional provision to upload BR/ POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
  - Non-Individual shareholders (i.e., other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.



- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required mandatory to send the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [sreenivas@ikffinance.com](mailto:sreenivas@ikffinance.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

1. For Physical shareholders - please provide necessary details like 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 [bsshyd@bigshareonline.com](mailto:bsshyd@bigshareonline.com).
2. For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), 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 [bsshyd@bigshareonline.com](mailto:bsshyd@bigshareonline.com)
3. The RTA shall co-ordinate with CDSL and provide the login credentials to the above-mentioned shareholders.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL), Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call at toll free no. 1800 22 55 33

**GENERAL INSTRUCTIONS AND INFORMATION FOR SHAREHOLDERS**

- 1 Details of Scrutinizer: B S S & Associates, Practicing Company Secretaries (Unique Code of Partnership Firm: P2012AP02600) has been appointed as the Scrutinizers to scrutinize the e-voting process in a fair and transparent manner.
- 2 The Scrutinizer's decision on the validity of the vote shall be final.
- 3 The Scrutinizer after scrutinizing the votes cast by remote e-voting and e-voting during the AGM will make a consolidated Scrutinizer's Report and submit the same forthwith within two working days conclusion of the AGM to the Chairman of the Company/meeting or a person authorised by him in writing, who shall countersign the same.
- 4 The Results declared along with the consolidated Scrutinizer's Report shall be hosted on the website of the Company i.e., [www.ikffinance.com](http://www.ikffinance.com) and on the website of BSE Limited at [www.bseindia.com](http://www.bseindia.com) immediately after the declaration of results by the Chairman or a person authorized by him. The result shall also be displayed on the Notice Board at the Registered Office of the Company.
- 5 The Resolutions shall be deemed to be passed at the registered office of the Company on the date of the AGM, subject to receipt of the requisite number of votes in favour of the Resolutions.

For and on Behalf of the Board  
**IKF Finance Limited**

**Ch Sreenivasa Rao**

Company Secretary and Compliance Officer  
Membership No: ACS-14723

Place: Vijayawada  
Date: May 11, 2026

## STATEMENT SETTING OUT THE MATERIAL FACTS CONCERNING AND RELATING TO THE SPECIAL BUSINESS TO BE TRANSACTED AT THE MEETING PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("THE ACT")

### Special Business:

#### Item No. 3

As per Section 180(1)(c) of the Companies Act, 2013, borrowings together with the monies already borrowed (apart from temporary loans obtained from the Company's bankers in ordinary course of business) by the Company beyond the aggregate of the paid-up capital of the Company, its free reserve and securities premium requires approval from the shareholders of the Company.

With a view to meet the funds requirements of the Company for both short term as well as long term, the Company may be required to borrow from time to time by way of loans and/or issue of Bonds, Debentures or other securities and in this regard, the existing approved limit of Rs. 6,000 Crores (Rupees Six Thousand Crores Only) be enhanced to Rs. 8,000 (Rupees Eight Thousand Crores only). Accordingly, the Board recommends the resolution for members' approval as a Special Resolution.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item No.3 of the Notice.

#### Item No. 4

As mentioned in item No. 3, it is proposed to enhance the existing borrowing powers Rs. 6,000 Crores (Rupees Six Thousand Crore only) to Rs. 8,000 (Rupees Eight Thousand Crores only). To secure such borrowings, the Company would be required to mortgage and/or charge its movable and/or immovable properties, the whole or substantially the whole of the undertaking(s) or any other assets of the Company (both present and future) in favour of the financial institutions/banks/other lender(s)/trustees. The approval of the shareholders is required as per Section 180(1)(a) of the Companies Act, 2013. Accordingly, the

Board recommends the resolution for members' approval as a Special Resolution.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item No. 4 of the Notice.

#### Item No. 5

The Companies (Prospectus and Allotment of Securities) Rules, 2014 prescribed under Section 42 and other applicable provisions, if any, of the Companies Act, 2013 deals with private placement of securities by a Company. Sub-rule (1) of the said Rule 14 states that in case of an offer or invitation to subscribe for Non-Convertible Debentures, on private placement, the Company shall obtain previous approval of its members by means of a special resolution only once in a year for all the offers or invitations for such debentures during the year. Rule 18 of the Companies (Share Capital and Debentures) Rules, 2014 prescribed under Section 71(3) and other applicable provisions, if any, of the Companies Act, 2013 deals with issue of secured debentures. In order to augment long term resources for financing, inter alia, for the strategic business expansion in future and for general corporate purposes, the Board, which term shall include any Committee constituted by the Board, may at an appropriate time, offer or invite subscriptions for NCDs, Bonds, Tier II Debt, Commercial Paper or any other debt securities on a private placement basis, in one or more tranches, upto an amount not exceeding Rs. 3,000 Crores, within the overall borrowing limits of the Company, as approved by the Members from time to time, with authority to the Board to determine the terms and conditions, including the issue price, of the NCDs, Tier II Debt, Commercial Paper or any other Debt Instruments.

Accordingly, approval of the members is sought to pass the Special Resolution as set out at Item No.5 of the Notice. This resolution is an enabling resolution and authorizes the Board of Directors of the Company to offer or invite subscription for Non-Convertible Debentures, Tier II Debt, Commercial Paper or any other Debt Instruments as may be required by the Company, from time to time for a year from the date of passing this resolution.

Pursuant to Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 ("Prospectus and Allotment Rules"), the following disclosures are made:

| S. No. | Particulars                                                            | Disclosure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|--------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1      | Particulars of the offer including date of passing of Board resolution | <p>Pursuant to the proviso to Rule 14(1) of the Prospectus and Allotment Rules, where the amount to be raised through offer or invitation of Non-Convertible Debentures (NCDs), it shall be sufficient if the Company passes a special resolution only once in a year for all the offers or invitations for such NCDs during the year.</p> <p>Accordingly, pursuant to the special resolution proposed under Section 42 of the Companies Act, 2013, the specific terms and conditions for each offer/issuance of NCDs shall be determined at the time of such issuance. The date of the relevant resolution of the Board</p> |

| S. No. | Particulars                                                                                                               | Disclosure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|--------|---------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|        |                                                                                                                           | and/or its Committee authorizing each issuance shall be disclosed in the private placement offer cum application letter for the respective issuance.<br><br>The Board of Directors, had at its Meeting held on May 11, 2026 approved the issuance of debt securities, subject to approval of the Members for an amount not exceeding Rs. 3,000 Crores (including NCDs, Bonds, Tier II Debt, Commercial Paper or any other debt securities), on private placement basis in one or more tranches.<br><br>The proposed borrowings, together with the existing borrowings of the Company, shall not exceed the overall borrowing limits as approved by the Members. |
| 2      | Kinds of securities offered and the price at which security is being offered                                              | Secured/unsecured, redeemable, non-convertible, listed/unlisted, senior/subordinated bonds/debentures/Commercial Paper/Tier II Debt/Other debt securities as may be determined by the Board.<br><br>The said securities will be offered/issued either at par or at premium or at a discount to face value, which will be decided by the Board of Directors, or any Committee authorised by the Board of Directors, for each specific offer/issue, on the basis of the interest rate/effective yield determined, based on market conditions prevailing at the time of the respective offer/issue.                                                                |
| 3      | Basis or justification for the price (including premium, if any) at which the offer or invitation is being made           | Not applicable.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 4      | Name and address of valuer who performed valuation                                                                        | Not applicable.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 5      | Amount which the Company intends to raise by way of such securities                                                       | The proposed borrowings, together with the existing borrowings of the Company, shall not exceed Rs. 3,000 Crores (including NCDs, Bonds, Tier II Debt, Commercial Paper or any other debt securities), on a private placement basis in one or more tranches.                                                                                                                                                                                                                                                                                                                                                                                                    |
| 6      | Material terms of raising such securities                                                                                 | The specific terms of each offer/issue of such securities shall be as approved by the Board or any Committee authorised by the Board, at the time of issuance of the respective securities. These disclosures will be specifically made in each private placement offer cum application letter for each tranche.                                                                                                                                                                                                                                                                                                                                                |
| 7      | Proposed time schedule                                                                                                    | The aforesaid resolution shall be valid for issuance of Secured/unsecured, redeemable, non-convertible, listed/unlisted, senior/subordinated bonds/debentures/Commercial Paper/ Tier II Debt/Other debt securities as may be determined by the Board.<br><br>The allotment shall be done within 60 (Sixty) days from the date of receipt of the application money for such securities.                                                                                                                                                                                                                                                                          |
| 8      | Purposes or objects of offer                                                                                              | The proceeds of the said securities issued shall be utilised for the expansion and growth of business of the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 9      | Contribution being made by the Promoters or Directors either as part of the offer or separately in furtherance of objects | None of the Promoters or Directors or Key Managerial Personnel of the Company shall be subscribing to the said securities issued.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 10     | Principle terms of assets charged as securities                                                                           | The assets charged along with the amount and extent of charge creation for specific offer/ issue of Secured securities shall be as approved by the Board or any Committee authorised by the Board of Directors, at the time of issuance of the respective securities. The terms and class of assets to be charged will be provided in the relevant Deed of Hypothecation and the charge will be created within timelines stipulated under the Companies Act, 2013.                                                                                                                                                                                              |

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.5 of the Notice.

## Item No. 6

In accordance with the provisions of Section 204 and other applicable provisions of the Companies Act, 2013, relevant rules made thereunder and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”), every listed Company and certain other prescribed categories of companies are required to annex a Secretarial Audit Report, issued by a Practicing Company Secretary, to their Board's report, prepared under Section 134(3) of the Act.

In terms of Regulation 24A of LODR Regulations as amended from time to time, and other applicable provisions, shareholders' approval is required for appointment of Secretarial Auditors. Further, such Secretarial Auditor must be a peer reviewed Company Secretary from Institute of Company Secretaries of India (ICSI) and should not have incurred any of the disqualifications as specified by SEBI. The maximum tenure of the Secretarial Auditor in case it is a firm shall not be for not more than two (2) terms of five (5) consecutive years. In light of the aforesaid, the Board of Directors of the Company in its meeting held on May 11, 2026, after considering the experience, market standing, efficiency of the audit teams and independence, has recommended the appointment of M/s. B S S & Associates, Practicing Company Secretaries, as the Secretarial Auditors of the Company for a period of five years, commencing from April 01, 2026 to March 31, 2031.

M/s. B S S & Associates, a leading firm of practicing Company Secretaries with over 16 years of experience

in delivering comprehensive professional services across Corporate Laws, SEBI Regulations and FEMA Regulations. Their expertise includes conducting secretarial audits, due diligence audits, compliance audits etc.

M/s. B S S & Associates has given their consent to act as secretarial auditors of the Company and confirmed that their aforesaid appointment (if approved) would be within the limits specified by Institute of Company Secretaries of India. Furthermore, in terms of the amended regulations, they have provided a confirmation that they have subjected themselves to the peer review process of the Institute of Company Secretaries of India and hold a valid peer review certificate.

The Board of Directors have approved and recommended the aforesaid proposal for approval of members taking into account the eligibility of the firm's qualification, experience, independent assessment & expertise of the partners in providing secretarial audit related services, competency of the staff and Company's previous experience based on the evaluation of the quality of audit work done by them in the past.

None of the Directors, Key Managerial Personnel (KMP), or their relatives have any financial or other interest in the proposed resolution.

The Board of Directors recommends the resolution for approval by the Members, as set out at Item No. 6 of the Notice.



## ANNEXURE TO THE NOTICE

### ADDITIONAL INFORMATION ON DIRECTORS RECOMMENDED FOR APPOINTMENT/RE-APPOINTMENT/FIXATION OR VARIATION OF TERMS OF REMUNERATION AS REQUIRED UNDER SECRETARIAL STANDARD-2 NOTIFIED UNDER SECTION 118 (10) OF THE COMPANIES ACT, 2013

| Name of the Director                                          | Vasumathi Devi Koganti                                                                                                                                                                                                       |
|---------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| DIN                                                           | 03161150                                                                                                                                                                                                                     |
| Date of Birth                                                 | May 05, 1975                                                                                                                                                                                                                 |
| Date of first Appointment on the Board                        | October 31, 2006                                                                                                                                                                                                             |
| Age                                                           | 51 Years                                                                                                                                                                                                                     |
| Qualification                                                 | BE (Electronics & Communications),<br>MBA (Global Management, USA)                                                                                                                                                           |
| Experience                                                    | Having nine (9) years of working experience in IT and Telecommunications in several US Companies. Associated with IKF Finance Limited as Executive Director since 2007                                                       |
| Terms and conditions of appointment                           | As per the shareholders' resolution dated 30.09.2025                                                                                                                                                                         |
| Remuneration sought to be paid                                | Rs 7,20,000/- per month                                                                                                                                                                                                      |
| Remuneration last drawn                                       | Rs 7,20,000/- Per Month                                                                                                                                                                                                      |
| Relationship with other director/ Manager and other KMP       | 1. Daughter of Mr.V.G.K.Prasad, Executive Director<br>2. Relative of Mr. Satyananad Sinha Chunduri, Director                                                                                                                 |
| No of Meetings of the Board Attended during the FY- 2025-2026 | 8                                                                                                                                                                                                                            |
| No of Shares held in the Company as on date of this notice    | 52,94,532 Equity Shares of Rs 5/- Paid up each amounting to 2.76% of Paid-up Share Capital of the Company.                                                                                                                   |
| Directorships on the other Board                              | Director of IKF Home Finance Limited                                                                                                                                                                                         |
| Membership/Chairmanship of Committees of other Board          | Member of 5 Committees of IKF Finance Limited:<br>1. Audit Committee<br>2. Asset Liability Management Committee<br>3. Risk Management Committee<br>4. IT Strategy Committee<br>5. Management Committee<br>Chairmanship - Nil |

## IKF FINANCE LIMITED

Regd. Office: 40-1-144, 3<sup>rd</sup> FLOOR, Corporate Centre, M.G.Road, Vijayawada, Andhra Pradesh-520 010

### Form No. MGT- 11 PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies  
(Management and Administration) Rules, 2014]

Name of the member(s): .....

Registered address: .....

E-mail Id: .....

Folio No/Client Id: .....

DP ID: .....

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

Name:.....

E-mail Id: .....

Address:.....

Signature: ..... or failing him

Signature: ..... or failing him as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on September 30, 2026 at 11.30 A.M., at the registered office of the Company situated at Office 40-1-144,3rd Floor, Corporate Centre, M.G.Road, Vijayawada, Andhra Pradesh-520 010 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Sl No | Special Businesses                                                                                                                                                                                                       | For | Against | Abstain |
|-------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|---------|---------|
| 1.    | To enhance the Borrowing Powers of the Company to Rs. 8,000 Crores                                                                                                                                                       |     |         |         |
| 2.    | To enhance power of Board of Directors of the Company to lease and mortgage of the property(ies) of the Company                                                                                                          |     |         |         |
| 3.    | Authorization to issue of Non-Convertible Debentures (NCD)/Tier II Debt(s)/ Commercial Papers/Bonds on Private Placement Basis                                                                                           |     |         |         |
| 4.    | To appoint M/s B S S & Associates, Practicing Company Secretaries (Firm Registration No:3744) as the Secretarial Auditors of the Company, for a term of five consecutive years, commencing from FY 2026-27 to FY 2030-31 |     |         |         |

Signed this..... day of September 2026

Signature of shareholder.....

Signature of Proxy holder(s) .....

Affix  
Revenue  
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at Registered Office of the Company, not less than 48hours before the commencement of the Meeting.

## IKF FINANCE LIMITED

Regd. Office: 40-1-144, 3<sup>rd</sup> FLOOR, Corporate Centre, M.G.Road, Vijayawada, Andhra Pradesh-520 010  
(To be handed over at entrance of the Meeting Venue)

### ATTENDANCE SLIP

Folio No. ....

DP. ID No./Client ID .....

Name of the Member .....

Signature .....

Name of Proxy Holder .....

Signature .....

No. of share held .....

E-mail ID .....

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company. I hereby record my presence at the Annual General Meeting of the Company, to be held on September 30, 2026 at 11.30 A.M at the registered office of the Company situated at Office 40-1-144, 3<sup>rd</sup> Floor, Corporate Centre, M.G.Road, Vijayawada, Andhra Pradesh-520 010

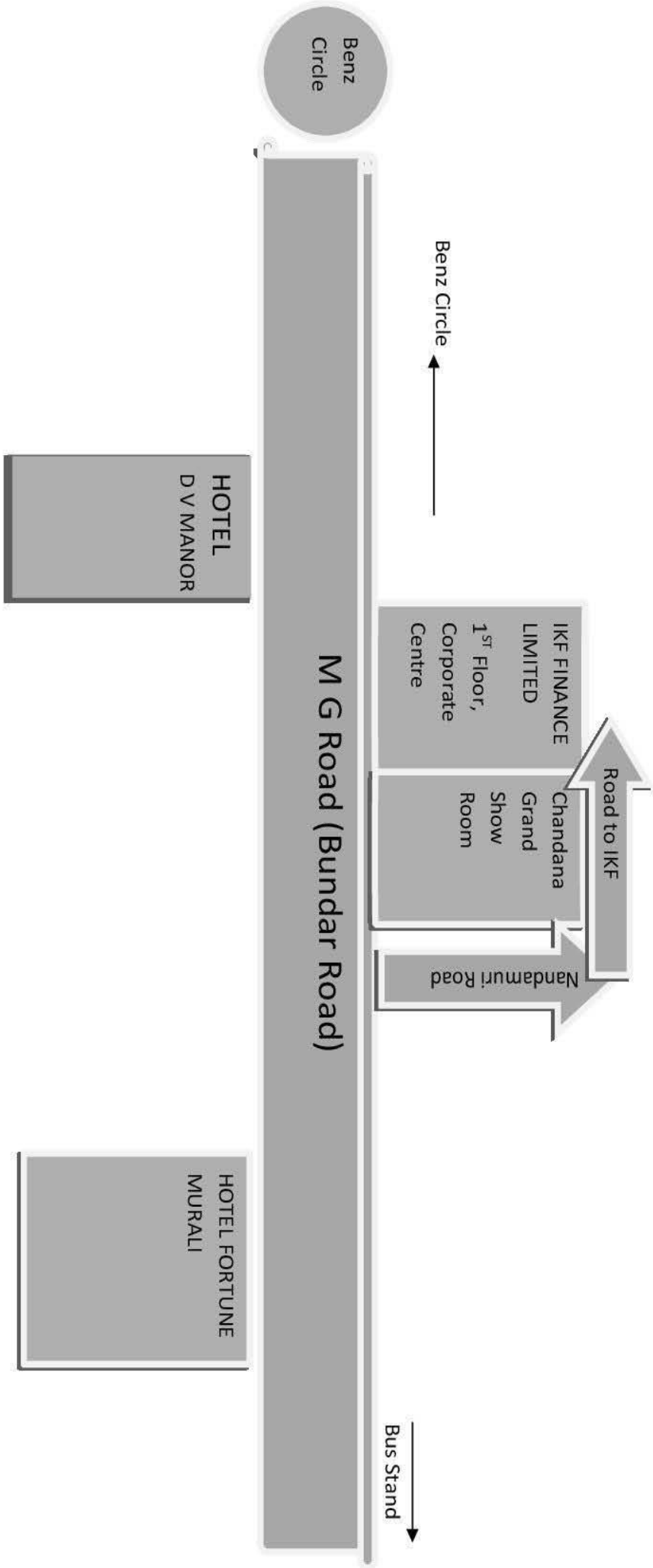
1. Only Member/Proxy holder can attend the Meeting.
2. Member/Proxy holder should bring his/her copy of the Annual Report for reference at the Meeting.

Note: Please fill this Admission Slip and hand it over at the entrance. Shareholders who come to attend the meeting are requested to bring the copies of the Notice of AGM also with them.

**IKF Finance Limited**

Address :#40-1-144, Corporate Centre, M.G.Road, Vijayawada-520010.

**Route Map**





# MANAGEMENT DISCUSSION AND ANALYSIS

## STRATEGIC FOCUS AND GROWTH STRATEGY

At IKF Finance, our strategic focus for FY 2025-26 continued to build on the product-focused, granular growth strategy established in the preceding year, with our dedicated retail lending vertical for small and light commercial vehicles and cars maintaining its position as the core engine of portfolio growth. We continued to prioritise high-yielding retail loans in these segments to diversify portfolio growth, while continuing to build our Heavy Commercial Vehicle, Construction Equipment and MSME lending books. This targeted approach continues to allow us to manage business cycles and concentrate on more profitable segments, ensuring sustainable growth in margins even as the broader NBFC sector's overall AUM growth moderated from the exceptional pace of the preceding two years.

Our commitment to these products reflects our continued dedication to reaching niche markets and curating underwriting within the underbanked and unbanked segments that remain crucial to the economic fabric of rural and semi-urban India. We aim to continue optimizing our portfolio and harnessing high-yield opportunities to deliver stronger returns for our stakeholders.

## COMMITMENT TO DIGITALISATION AND CUSTOMER-CENTRIC SOLUTIONS

In line with our strategic priorities, we remain committed to offering curated and intuitive customer journeys and financial solutions, on the back of robust digital investments. This focus on digital transformation enhances the customer experience, streamlining our processes and making it easier for our clients to access financial services. Our transparent communication practices empower customers to make informed decisions, reinforcing our reputation as a trusted and preferred lender in a competitive landscape.

The continued growth in our portfolio and margins is evidence of the trust our customers place in our core loan products and our ability to meet the financial needs of underserved markets effectively.

## LIQUIDITY MANAGEMENT

Unlike the prior fiscal year, in which the Company experienced a modest increase in its cost of debt due to prevailing market rates, FY 2025-26 saw a broadly favorable funding environment, aided by the Reserve Bank of India's cumulative 125-basis-point repo rate cut and 100-basis-point CRR reduction during the year. The borrowing mix continues to diversify across bank term loans, NCDs, subordinated debt and institutional refinance.

All Asset-Liability Management (ALM) buckets remain positive, with a significant cumulative surplus up to one

year. The Company continues to maintain sufficient liquidity buffers to manage its liability repayments effectively.

## FUTURE OUTLOOK

### Global Economic Scenario:

The global economy proved more resilient than expected through calendar year 2025, with growth now estimated at approximately 3.3%, an upward revision from earlier projections made during the year. Growth is projected to hold steady at around 3.3% in 2026 before moderating slightly to 3.2% in 2027, according to the IMF's January 2026 World Economic Outlook Update. This resilience reflects a combination of front-loaded activity ahead of tariff changes, lower-than-feared effective tariff rates, easier financial conditions, and continued fiscal support in several major economies, with technology-related investment particularly around artificial intelligence providing a further tailwind in North America and Asia.

Global headline inflation has continued its gradual decline, falling from an estimated 4.1% in 2025 to a projected 3.8% in 2026 and 3.4% in 2027. Major central banks, including the US Federal Reserve and European Central Bank, extended their gradual policy-easing cycles through 2025, though the pace and timing varied by geography as services-sector inflation remained comparatively sticky in several developed markets. Geopolitical tensions, including the ongoing conflict in the Middle East and continued disruption in Eastern Europe, remain a source of volatility for energy markets and a key downside risk to the global outlook, even as global supply chains have continued to demonstrate improved adaptability.

Looking ahead, the outlook for 2026-27 remains constructive but is described by the IMF as "steady amid divergent forces" with tailwinds from technology investment and accommodative financial conditions broadly offsetting headwinds from shifting trade policy. Downside risks include a reassessment of technology-sector valuations and any escalation of geopolitical tensions, while emerging markets, particularly in Asia, are expected to continue leading global growth.

### Indian Economic Scenario:

India has maintained its position as the world's fastest-growing major economy. Following the National Statistics Office's release of a revised GDP series with base year 2022-23 in early 2026, India's real GDP growth for FY 2024-25 has been placed at approximately 7.1%, while the provisional estimate for FY 2025-26 stands at approximately 7.7% the fastest pace of expansion since FY 2021-22, and ahead of the Reserve Bank of India's own in-year projection of 7.3%. Growth in FY 2025-26 was

underpinned by an acceleration in private consumption expenditure, a pick-up in gross fixed capital formation, robust rural demand, and steady public expenditure.

A defining feature of the year was the Reserve Bank of India's monetary easing cycle: the MPC cut the repo rate cumulatively by 125 basis points during 2025 from 6.50% to 5.25% alongside a 100-basis-point reduction in the Cash Reserve Ratio, before holding rates steady through the first half of FY 2026-27. This easing cycle, combined with GST rate rationalization ("GST 2.0") and personal income-tax relief announced during the year, meaningfully improved household affordability and corporate borrowing costs, and is a direct tailwind for NBFC funding costs of the kind discussed later in this report.

India's fintech ecosystem has continued to expand, and the country's digital public infrastructure including UPI continues to deepen financial inclusion. The Production Linked Incentive (PLI) schemes have continued to attract investment in electronics, renewable energy and, increasingly, electric-vehicle component manufacturing. The Union Budget for FY 2025-26 allocated approximately Rs. 11.21 lakh crore to infrastructure capital expenditure, with the Union Budget for FY 2026-27 introducing a further dedicated incentive scheme for the construction and infrastructure equipment manufacturing sector.

Looking ahead to FY 2026-27, most external agencies including India Ratings (Fitch Group) and the Asian Development Bank expect growth to moderate from FY 2025-26's exceptional pace to a still-robust 6.9-7.2%, supported by continued monetary and fiscal support, easing global trade tensions, and sustained domestic demand.

### Indian Financial Services Sector:

The financial services sector saw robust, broad-based credit expansion through FY 2025-26. Non-food bank credit grew 15.9% year-on-year sharply up from 10.9% in FY 2024-25 with aggregate outstanding credit reaching approximately Rs. 212.9 lakh crore as of March 2026, an increase of Rs. 29.2 lakh crore over the year. Growth was led by the services sector (up 19%, from 12% a year earlier), driven substantially by bank lending to NBFCs, trade and commercial real estate, while credit to micro and small industries grew a particularly strong 33.1% and medium industries grew 21.7%.

NBFCs: The sector's assets under management crossed the Rs. 50 trillion milestone in FY 2024-25 and are estimated to be approaching Rs. 60 trillion during FY 2025-26, even as year-on-year AUM growth moderated to an estimated 16-18% for NBFC-Retail portfolios (from approximately 18-19% in FY 2024-25), reflecting a high base, more conservative underwriting in unsecured segments, and continued regulatory emphasis on governance and capital adequacy. Secured retail asset classes, including gold loans, loans against property and vehicle finance,

continued to outperform unsecured segments over the year.

Digital Financial Services: The adoption of digital lending platforms has continued to accelerate, with NBFCs increasingly partnering with fintech companies and leveraging GST, UPI and Account Aggregator data for alternative, cash-flow-based credit assessment. Insurance and Mutual Funds: The insurance sector has continued to see steady growth in penetration across tier-2 and tier-3 cities, while mutual fund assets under management have continued to reach new highs, supported by sustained retail participation through systematic investment plans.

### Sectoral Performance Updates:

#### Commercial Vehicles:

The Commercial Vehicle sector delivered its strongest performance in seven years in FY 2025-26, with domestic sales reaching a record 10.80 Lakh units, up 12.6% year-on-year, according to the Society of Indian Automobile Manufacturers (SIAM). This was driven by increased capital expenditure, lower financing costs following the RBI's rate cuts, improving freight demand, and continued fleet replacement and modernization. The fourth quarter alone delivered 3.25 Lakh units, up 18.9% year-on-year, while exports grew 17.4% to 0.95 Lakh units on steady demand from neighboring countries and the Middle East.

#### Passenger Vehicles:

The Passenger Vehicle market closed FY 2025-26 with record annual sales of 46.43 Lakh units, a growth of 7.9% over FY 2024-25 notable given a subdued first half (down 1.4%) that gave way to a strong second-half rebound (up 16.7%) following the GST 2.0 rate rationalization, personal income-tax relief, and successive RBI repo rate cuts. Utility vehicles continued to dominate the segment, and electric passenger vehicle registrations surged by more than 80% year-on-year during the year, a marked acceleration from the low single-digit EV penetration of prior years.

#### Two-Wheelers and Three-Wheelers:

Two-Wheelers: The segment closed FY 2025-26 at a record 2.17 crore units, up 10.7% year-on-year and surpassing the pre-pandemic FY 2018-19 benchmark that the industry had long treated as its high-water mark. The fourth quarter alone delivered 57.73 Lakh unit, up 26.4% year-on-year, aided by the same GST and rate-cut tailwinds supporting the broader auto sector.

Three-Wheelers: The segment also posted record sales of 8.36 Lakh units in FY 2025-26, up 12.8% year-on-year, driven by rising economic activity, urban mobility demand and continued expansion of electric autorickshaws. Electric three-wheelers (L5 category) have emerged as India's most electrified mainstream vehicle segment, with penetration exceeding 31% of the category meaningfully ahead of the 15-20% levels seen in the prior year. Across

all vehicle categories, India registered approximately 2.55 Mn EV sales in FY 2025-26, a 25% year-on-year increase, taking overall EV penetration to approximately 8.3-8.5% of total vehicle sales, with electric two-wheelers contributing close to 58% of total EV volumes.

### Construction Equipment:

The construction equipment industry had a more mixed FY 2025-26 than in the preceding year: total equipment sales eased by approximately 2%, to 136,995 units from 140,191 units in FY 2024-25, as domestic demand declined by around 7% across most categories amid slower infrastructure execution, project delays and land-acquisition-related bottlenecks. The industry nonetheless remained resilient, supported by a robust 31.5% surge in exports, reinforcing India's position as the world's third-largest construction equipment market. India's construction equipment market is now estimated at approximately USD 10 billion (FY 2024-25) and is projected to grow to approximately USD 14.76 billion by 2030, an 8.3% CAGR, aided by the Union Budget FY 2026-27's new incentive scheme for domestic equipment manufacturing and an expected recovery in project awarding and execution activity through FY 2026-27.

### MSME Sector Performance:

The MSME sector continued to show resilience through FY 2025-26, even as the pace of formalization and credit expansion showed some signs of moderation from the exceptional growth of the preceding two years:

- MSME credit outstanding crossed Rs. 40 trillion as of March 2025, having grown approximately 20% year-on-year in FY 2024-25, with credit to micro and small industries specifically growing a further 33.1% during FY 2025-26 per Ministry of Finance data — among the strongest-growing segments of the entire credit system.
- Despite this, the overall MSME credit gap remains substantial, with recent independent estimates ranging from approximately Rs. 25 lakh crore to Rs. 30 lakh crore, and formal credit access reportedly reaching only around 14% of India's MSMEs, underscoring the scale of opportunity that remains for NBFCs and other formal lenders.
- Government initiatives, including Udyam registration formalisation, revised MSME turnover-based classification thresholds, and continued priority-sector-lending push, have continued to support credit flow, alongside deepening integration of GST, UPI and Account Aggregator data into underwriting.
- Digital Transformation: Digital lending, e-commerce integration and cash-flow-based underwriting have continued to expand, materially improving turnaround times and formal credit access for previously underserved MSME borrowers.

### Key Outlook and Trends for FY 2026-27:

- Continued Economic Growth: India is expected to remain the fastest-growing major economy, with growth likely to moderate from FY 2025-26's exceptional 7.7% toward a still-robust 6.9-7.2%.
- Digital Finance Expansion: Continued integration of AI, alternative data and cash-flow-based underwriting into financial services, particularly for MSME and last-mile borrowers.
- Electric Vehicle Ecosystem: Continued acceleration across all vehicle segments EV penetration has already moved from low single digits to approximately 8.3-8.5% of total vehicle sales, with three-wheelers and two-wheelers leading adoption supported by improving charging and battery-swap infrastructure.
- Infrastructure Investment: Continued government and private-sector investment, with construction-equipment demand expected to recover through FY 2026-27 as project execution normalises.
- MSME Formalisation and Financial Inclusion: Continued closing of the credit gap through formal, digitally-enabled, cash-flow-based lending channels, including supply chain and anchor-led financing models.

### RISK MANAGEMENT & CREDIT MONITORING:

#### 1. Risk Management Philosophy and Approach

##### 1.1 Our Philosophy

Risk management at IKF Finance Limited is not a separate function anchored onto the business. It is built into the way we lend, the way we borrow, the way we operate branches, the way we use technology, and the way we govern the institution. Three decades of lending to under-served and unbanked customers across Bharat has taught us that the right time to think about risk is before a loan is made, and the wrong time is after a loss has occurred. This belief sits at the heart of our risk philosophy.

Our approach rests on four convictions. The first is that risk and return are inseparable. Every lending decision involves a deliberate trade-off, and the discipline lies in pricing the risk correctly, not avoiding it. The second is that secured lending against tangible assets, underwritten by people who understand the asset and the customer, is the most durable form of credit. The third is that diversification, of borrowers, of asset classes, of geographies and of funding sources, is the strongest defence against tail risks. The fourth is that the cost of recognising stress promptly is always lower than the cost of recognising it late.

These convictions translate into operating principles. We underwrite the customer and we underwrite the asset, in both vehicle finance and secured MSME lending. We maintain capital and liquidity buffers comfortably above regulatory minima. We diversify our borrowing base. We invest in field-level credit and collection capability. We provide for stress early under Ind AS 109. We write off promptly. And we measure ourselves not by the loans we make but by the loans we recover.

The risk environment in which your Company operates continues to evolve. The Reserve Bank of India has progressively converged the prudential standards for Middle Layer NBFCs with bank-equivalent norms. Cyber threats have grown more sophisticated. The Digital Personal Data Protection Act, 2023 has changed how customer data must be handled. Climate considerations have entered the credit conversation. Artificial Intelligence, while a powerful capability, has brought a new category of model risk. Our risk management framework has been built to absorb these shifts and to keep the franchise resilient through them.

## 1.2 Risk Appetite Framework

The Risk Appetite Framework articulates the level and type of risk your Company is willing to assume in pursuit of its strategic objectives. The framework has been approved by the Board and is reviewed on an annual basis. It cascades from a Board-level Risk Appetite Statement into specific tolerance thresholds at the business unit, product and portfolio level. These thresholds inform day-to-day credit decisioning, treasury limits, operational risk parameters and compliance expectations.

The Risk Appetite Statement covers four dimensions. On capital, we maintain a Capital to Risk-Weighted Assets Ratio meaningfully above the regulatory minimum of 15.0 per cent applicable to NBFC-Middle Layer, and a Tier I ratio above the regulatory minimum of 10.0 per cent. As on March 31, 2026, CRAR stood at 27.34 per cent and Tier I of 26.34 per cent. On asset quality, we operate within defined thresholds for gross stage-3 ratio, net stage-3 ratio and credit cost, with the explicit principle that growth will not be pursued at the expense of these thresholds.

On liquidity, we maintain cumulative ALM surpluses across all maturity buckets at all times, and a contingency liquidity buffer that can support normal operations for at least 6

months under base-case projections without fresh borrowing. On concentration, we operate within Board-approved limits on single-borrower exposure, group exposure, sectoral exposure, and exposure to individual states or regions. These limits are calibrated to our business mix and are tightened where we see early signs of concentration build-up.

Compliance with the Risk Appetite Framework is monitored monthly by management and quarterly by the Board Risk Management Committee. Any breach, actual or potential, is escalated promptly with an action plan and timeline for restoration. The framework is reviewed annually to ensure it remains aligned with the strategy, the operating environment and regulatory expectations. The IND AA- rating awarded by India Ratings during FY 2025-26, with a Stable outlook, is an external endorsement of the discipline with which this framework is applied.

## 2. Risk Governance Architecture

### 2.1 The Three Lines of Defence

Your Company operates a structured three-lines-of-defence model. This is the foundation of how risk responsibility is allocated, how independence between risk ownership and risk oversight is preserved, and how the Board is given comprehensive assurance on the control environment.

The first line of defence is the business and operations function. Branches, credit underwriters, collection teams, treasury, technology, customer service and the supporting back-office functions own the risks they create in the course of their work. They are responsible for following approved policies, applying defined controls, identifying issues, and escalating concerns. The first line is where credit decisions are made, where customers are met, where cash and collateral are handled, and where loans are recovered. The quality of risk management at the first line determines the overall risk profile of the franchise.

The second line of defence is the independent risk and compliance functions. The Risk Management function, headed by the Chief Risk Officer, owns the overall risk framework, sets the policies, monitors portfolio metrics, runs stress tests, and challenges the first line where required. The Compliance function, headed by the Chief Compliance Officer, owns the compliance framework, tracks regulatory requirements, monitors compliance with applicable laws and Reserve Bank directions, and reports



independently to the Board. Both functions are independent of the business and have direct reporting lines to the Managing Director and to the appropriate Board committees.

The third line of defence is the Internal Audit function. It provides independent assurance to the Audit Committee and the Board on the design and operating effectiveness of the first and second lines. It conducts risk-based audits across branches, processes and information systems on a recurring basis. It tests the controls that the first line operates and the oversight that the second line provides. The function is governed by a Board-approved Internal Audit Charter and an annual Risk-Based Internal Audit Plan.

## 2.2 Board and Management Committees

Risk oversight at the Board level is exercised through a structured set of committees, each operating under a Board-approved charter with defined terms of reference, meeting frequency and quorum requirements. The Board Risk Management Committee, constituted in accordance with the Reserve Bank's Scale-Based Regulation framework, is chaired by an Independent Director and meets quarterly. It oversees the risk framework, reviews portfolio risk metrics, approves risk policies, monitors risk appetite compliance, and provides directional guidance on emerging risk themes.

The Audit Committee, also chaired by an Independent Director, meets at least quarterly. It oversees financial reporting, internal audit, statutory audit and internal financial controls. It receives and acts on whistle-blower complaints. It approves the Risk-Based Internal Audit Plan and tracks closure of audit findings. The IT Strategy Committee, constituted in line with the Reserve Bank's Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated November 07, 2023, oversees technology strategy, cyber security and information security.

At the management level, the Asset Liability Committee meets monthly under the chairmanship of the Managing Director. It includes the Chief Financial Officer, the Chief Risk Officer, the Treasurer, the head of credit, head of business and other invitees. It reviews structural and dynamic liquidity statements, interest rate sensitivity reports, and the performance of treasury investments. It issues directional guidance on borrowing strategy, fixed-floating mix, and the Contingency Funding Plan. The

Credit Committee operates in tiered structures across branch, regional and head office levels with defined sanctioning authorities. The Information Security Committee, the Operational Risk Management Committee, the Model Governance Committee, and the Outsourcing Risk Management Committee operate at the management level on their respective domains.

The interaction between these committees is structured, not ad hoc. Committee minutes are exchanged where there are dependencies. Cross-committee escalations are made formally. The Risk Management Committee receives summarised inputs from the management-level committees on a quarterly basis. The Audit Committee receives audit findings on the operation of all committees. This architecture is designed to ensure that no risk falls between governance gaps.

## 2.3 The Chief Risk Officer

The Chief Risk Officer holds a position of independent authority within your Company, in line with the Reserve Bank of India's expectations for NBFCs in the Middle Layer. The CRO reports administratively to the Managing Director and functionally to the Board Risk Management Committee. The functional reporting line ensures that the CRO has direct access to the Board and that the CRO can raise concerns to the Board independent of management.

The CRO's mandate covers the overall risk framework in its entirety. This includes credit risk, market and interest rate risk, liquidity risk, operational risk, model risk, climate and ESG risk, and reputation risk. Compliance and cyber risk are governed separately by the Chief Compliance Officer and the Chief Information Security Officer respectively, with structured coordination arrangements between the three functions. The CRO chairs the Model Governance Committee and is a permanent invitee to the Asset Liability Committee, the Operational Risk Management Committee and the Credit Committee.

The CRO's office is staffed with a team of credit analysts, model validators, operational risk specialists and stress-testing capability. The team prepares the monthly risk dashboard for management, the quarterly risk report for the Board Risk Management Committee, the annual capital planning exercise aligned to ICAAP principles, and the annual review of the Risk Appetite Framework. The team also drives the second-line review of new product approvals,

new geographies, model deployments and material policy revisions.

Beyond the formal mandate, the CRO plays a cultural role. Risk culture is built through repeated, visible example. The CRO's challenges in the Credit Committee, the comments at the Asset Liability Committee, the questions at the Board Risk Management Committee, and the standards held in model validation set the tone for how risk is treated across your Company. We see the CRO function not as an administrative compliance role but as a substantive partner to the business in building a durable franchise.

### 3. Principal Risks and Mitigation

#### 3.1 Credit Risk

Credit risk is the most material risk to which your Company is exposed. It is the risk that a borrower will fail to meet contractual obligations as they fall due, and that the security held against the loan will not fully recover the amount outstanding. Credit risk arises in every lending decision. It is managed through a combination of policy, process, people and technology, and through the dual-track underwriting discipline.

The credit policy framework is approved by the Board and reviewed at least annually. It defines the customer segments we serve, the asset classes we finance, the underwriting standards we apply, the loan-to-value caps, the income assessment norms, the documentation requirements, the legal and technical due diligence expectations, and the delegation of sanctioning authority across branch, regional and head office levels. In vehicle finance, the credit framework requires independent valuation of the asset by a panel of empanelled valuers, application of an asset-grade depreciation matrix, and verification of vehicle history, registration and insurance. In secured MSME lending, the framework requires legal title verification, technical valuation by empanelled valuers, marketability assessment, and triangulation of borrower income through formal documents and income proxies including kucha bills, stock analysis, supplier checks, peer references and on-site business observations.

Credit decisioning is supported by scorecards. The Retail Credit Scorecard for used Small Commercial Vehicles and used Cars, built using machine learning techniques and embedded in the new Loan Origination System, outputs one of three decisions for each application: Go, No-Go or Refer-to-Credit. The scorecard has been built with explainability principles in line with the

regulator's expectations. It improves consistency, speeds up decision turnaround, and routes complex cases to credit underwriters for human evaluation. The scorecard methodology will be progressively extended to other asset classes. Across all decisions, scorecards inform but do not replace human judgement, and underwriter discretion is preserved within defined parameters.

Concentration limits are an active part of credit risk management. Single-borrower exposure, group exposure, sectoral exposure and geographic concentration are monitored against Board-approved thresholds. Asset class concentration within vehicle finance, including the relative weights of used HCV, used LCV, used SCV, used cars, used CE and used tractor exposures, is monitored monthly. Where concentration approaches threshold, business teams are guided to recalibrate origination towards underweight segments. The Early Warning System scans the performing book on a recurring basis to identify accounts displaying early signs of stress, based on behavioural patterns, transactional indicators, bureau triggers and external signals. This enables proactive engagement before formal delinquency.

#### 3.2 Expected Credit Loss and Provisioning

Your Company recognises impairment provisions on financial instruments under Ind AS 109, using the Expected Credit Loss model. The model is structured around three stages. Stage-1 covers performing loans with no significant increase in credit risk since origination, where 12-month ECL is recognised. Stage-2 covers loans that have experienced a significant increase in credit risk, where lifetime ECL is recognised. Stage-3 covers credit-impaired loans, where lifetime ECL is recognised on a credit-impaired basis. The staging criteria are aligned to RBI guidance and to internal credit policy. Stage-2 is triggered at 30 days past due or on qualitative triggers. Stage-3 is triggered at 90 days past due.

ECL is computed as the product of Probability of Default, Loss Given Default and Exposure at Default, applied at the segment level. PD is estimated using through-the-cycle data from internal cohorts, supplemented with macroeconomic overlays. LGD is estimated from historical workout recoveries, with secured exposures carrying lower LGD than unsecured. EAD reflects the outstanding exposure at the point of default, including expected drawdowns where applicable. The model is applied uniformly across

the loan book, with segment-specific parameters for vehicle finance and secured MSME.

The ECL methodology is reviewed annually by the Risk Management function and is subject to independent validation. Back testing is conducted quarterly to compare modelled outcomes against actual loss experience. Where back testing reveals material divergence, parameters are recalibrated and the change is approved by the Model Governance Committee chaired by the Chief Risk Officer. The Statutory Auditors review the methodology and the application of the model as part of the annual audit.

### 3.3 Market and Interest Rate Risk

Market risk is the risk of loss arising from movements in market prices, principally interest rates. Your Company does not have a trading book, does not take proprietary positions in equities or commodities, and does not have material foreign currency exposure. The principal market risk we are exposed to is interest rate risk in the banking book, which arises from the mismatch between the repricing characteristics of our assets and our liabilities.

Interest rate risk is managed within the framework approved by the Board and operationalised by the Asset Liability Committee. The framework measures interest rate sensitivity through Earnings at Risk and Economic Value of Equity perspectives. Earnings at Risk captures the impact on the next twelve months of Net Interest Income from a parallel shift in the yield curve. As on March 31, 2026, a parallel upward shift of 100 basis points in the yield curve would have an impact of approximately Rs. 43.77 Crore, equivalent to 7.6% of projected Net Interest Income, well within the threshold approved by the Board. Economic Value of Equity captures the impact on the present value of equity from a parallel shift, and is similarly maintained within Board-approved tolerances.

The repo rate trajectory through FY 2025-26, was supportive of the overall margin profile. The cumulative reduction of around 125 basis points in the repo rate during calendar year 2025 began to transmit into our incremental cost of borrowings from the second half of the year. Looking forward, we will continue to manage fixed-floating mix and asset-liability tenor to balance the predictability of interest expense with responsiveness to monetary policy easing. Currency risk is not

material to your Company. Where any foreign currency borrowing is undertaken in future, hedging will be on a fully covered basis with no open exposure.

### 3.4 Liquidity and Funding Risk

Liquidity risk is the risk that your Company is unable to meet its obligations as they fall due, or is able to meet them only at unsustainable cost. For an NBFC, where the asset side is largely illiquid and the liability side is largely wholesale, liquidity management is among the most critical risk disciplines. Your Company manages liquidity risk through the framework set out in the Reserve Bank of India's Liquidity Risk Management Framework for NBFCs, supplemented by Board-approved policy and operationalised through the Asset Liability Committee.

The framework operates across multiple horizons. Short-term liquidity is managed through the cash and liquid investments buffer, the undrawn but committed bank credit lines, and the day-to-day cash flow forecasting that the Treasury team operates. Structural liquidity is managed through the maturity match between assets and liabilities, as expressed in the structural liquidity statement. Dynamic liquidity is managed through forward projections of inflows and outflows under base, stress and severe-stress scenarios. As on March 31, 2026, structural liquidity reflects cumulative surplus across all maturity buckets, with the cumulative position in the up-to-one-year bucket comfortably positive.

Your Company's Assets size crossed the Reserve Bank's threshold of Rs. 5,000 Crores in March 2025, bringing it within the ambit of the Liquidity Coverage Ratio (LCR) framework applicable to non-deposit-taking NBFCs of this asset size. The LCR framework requires maintenance of unencumbered High Quality Liquid Assets sufficient to meet net cash outflows over a 30-day stress horizon. Accordingly, your Company has complied with the LCR requirement, and as on March 31, 2026, its LCR stood at 495.73%, comfortably above the regulatory floor. The position is reviewed monthly.

The Contingency Funding Plan is the framework that activates when liquidity stress emerges. The Plan defines triggers based on internal liquidity metrics, market indicators and idiosyncratic events. It identifies the actions to be taken at each trigger level, the responsibilities of the Treasury team, the Asset Liability Committee and

the Managing Director, and the communication protocols with lenders, rating agencies and the Board. The Plan is tested annually under simulated scenarios. The diversification of the borrowing base, is the structural foundation that makes the Contingency Funding Plan credible.

### 3.5 Operational Risk

Operational risk is the risk of loss arising from inadequate or failed internal processes, people and systems, or from external events. It is the most diverse category of risk your Company manages, covering everything from a cash counting error at a branch to a vendor outage to a fraud attempt by an external party. Operational risk is managed through a structured framework that combines policy, process design, control testing, loss data collection and escalation.

The Risk and Control Self-Assessment process is conducted annually across all critical processes and across the branch network. Process owners identify the risks in their processes, assess the design and operating effectiveness of the controls in place, identify gaps and define mitigation actions. The output of the RCSA process feeds into the Key Risk Indicator dashboard, which is reviewed quarterly by the Operational Risk Management Committee. Loss events are captured in a Loss Event Database, categorised in line with Basel operational risk categories, and analysed for thematic learnings.

Fraud risk is managed through a dedicated framework. The framework covers fraud prevention through control design, fraud detection through monitoring, and fraud response through structured investigation. The Fraud Risk Management Committee reviews material fraud events, the trend in fraud incidents, the effectiveness of preventive controls, and the recovery action on confirmed cases. Fraud Monitoring Returns are filed with the Reserve Bank of India in the manner prescribed for NBFC-Middle Layer entities.

Business Continuity and Disaster Recovery preparedness is the third pillar of operational resilience. Your Company maintains a Business Continuity Plan that covers people, premises, technology and third-party dependencies. The Disaster Recovery site for critical IT systems is operational and is tested annually through simulated drills. Recovery Time Objectives and Recovery Point Objectives are defined for each critical system. Outsourcing arrangements with third-party vendors are

governed by the Outsourcing Risk Management framework, aligned to the Reserve Bank's Master Direction on Outsourcing of Financial Services. Material outsourcing relationships are reviewed periodically by the Outsourcing Risk Management Committee.

### 3.6 Information and Cyber Security Risk

Information and cyber security risk has emerged as one of the most rapidly evolving risk categories in financial services. The Reserve Bank of India addressed this in November 07, 2023 through the Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices, which sets out comprehensive expectations on IT governance, cyber security, business continuity and information assurance. Your Company has implemented the requirements of this Master Direction and continues to strengthen the underlying capabilities.

The cyber security framework is governed by a Board-approved Cyber Security Policy. The Chief Information Security Officer leads an independent function responsible for cyber risk identification, defence, monitoring and incident response. The CISO has a direct reporting line to the IT Strategy Committee of the Board, ensuring that cyber risk receives independent governance attention. The Information Security Committee at the management level meets at defined intervals to review cyber posture, threat intelligence, security incidents and the effectiveness of preventive and detective controls.

Defensive capabilities span multiple layers. A 24x7 Security Operations Centre monitors security events across the network, supported by Security Information and Event Management tools. Endpoint Detection and Response controls operate on all critical endpoints. Web Application Firewalls protect public-facing applications. Privileged Access Management controls govern administrative credentials. Multi-Factor Authentication is in force across remote and privileged access. Vulnerability Assessment and Penetration Testing are conducted on a recurring basis by qualified external specialists, with quarterly scans on critical applications. Cyber security awareness training is mandatory for all employees and is refreshed annually.

The Digital Personal Data Protection Act, 2023 has formalised the obligations of data fiduciaries in handling personal data. Your Company has appointed a Data Protection Officer, conducted a gap assessment against the Act, and is



operationalising the consent architecture, data retention norms and data subject rights process. Customer data is encrypted at rest and in transit. Role-Based Access Control governs internal access to personal data. Incident reporting obligations under CERT-In, including the requirement to report material cyber-security incidents within six hours, are implemented through standard operating procedures. We continue to invest in cyber and data protection capabilities as an ongoing strategic priority.

### 3.7 Compliance and Regulatory Risk

Compliance risk is the risk of regulatory or legal action, financial loss or reputational damage arising from failure to comply with applicable laws, regulations or codes of conduct. For an NBFC operating under the Reserve Bank of India's progressively converging prudential framework, compliance is both a regulatory expectation and an operating discipline. Your Company maintains an independent Compliance function led by the Chief Compliance Officer, in line with the Reserve Bank's expectations for NBFCs in the Middle Layer.

The Compliance function maintains a comprehensive regulatory tracker covering RBI Master Directions, applicable circulars, the Companies Act, 2013, the Income-tax Act, 1961, the Goods and Services Tax framework, the Prevention of Money Laundering Act, 2002, the Digital Personal Data Protection Act, 2023, the Information Technology Act, 2000, and other applicable laws. The tracker is updated continuously as new regulations are notified or existing regulations amended. The function performs periodic compliance testing, escalates breaches, and reports independently to the Audit Committee of the Board.

Customer protection is a specific area of focus within the compliance framework. The Fair Practices Code, approved by the Board and placed on your Company's website, governs the conduct of all customer-facing functions. The Reserve Bank of India's Integrated Ombudsman Scheme and Internal Ombudsman framework, where applicable, are implemented. Customer grievances are tracked, triaged and resolved within defined turnaround thresholds. The Anti-Money Laundering and Counter-Financing of Terrorism framework, including risk-based KYC, Central KYC Registry uploads, AML transaction monitoring, and Suspicious Transaction Report filings, is maintained in line with PMLA requirements.

The regulatory environment for NBFCs continues to evolve at pace. During FY 2025-26, the Reserve Bank notified the Co-Lending Arrangements Directions, 2025, refined the Liquidity Risk Management Framework, updated Fair Practices Code guidance, and continued the implementation of the Master Direction on IT Governance issued in November 2023. Each of these has been reviewed by the Compliance function and operationalised within your Company in letter and in spirit. Looking forward, we expect the convergence between NBFC and bank prudential standards to continue, and we have built compliance and operational capability to absorb this convergence without disruption.

### 3.8 Model Risk and AI Governance

Model risk is the risk of adverse outcomes arising from errors in the development, implementation or use of analytical models. As your Company has expanded its use of machine learning and Artificial Intelligence in credit decisioning and operational processes, the importance of disciplined model governance has grown. The Company follows Artificial Intelligence policy, that defines the principles and protocols under which AI and machine-learning models are developed, validated and deployed.

The Model Governance Committee, chaired by the Chief Risk Officer, oversees the model inventory across the institution. Each model in production, including the Retail Credit Scorecard for used SCV and used Cars, the Early Warning System, the collection prioritisation logic, the fraud detection rules, and the ECL estimation model, is documented in a structured Model Documentation Standard. Documentation covers the business purpose, the data sources, the methodology, the assumptions, the performance metrics, and the operating boundaries within which the model is to be used.

Validation is performed independently of the model development team. New models are validated before production deployment. Models in production are subject to ongoing performance monitoring against pre-defined metrics, with quarterly backtesting and annual full revalidation. The principle of champion-challenger is applied to credit scorecards, with challenger models maintained alongside production champions to test for performance drift and to inform the timing of model refresh. Where any model exhibits performance deterioration beyond tolerance, it is recalibrated or retired under a defined protocol approved by the Model Governance Committee.

Explainability is a non-negotiable principle. The Retail Credit Scorecard has been built using machine learning techniques in line with the regulator's emphasis on explainability of AI-based credit models. For every applicant, the scorecard provides not only the Go, No-Go or Refer-to-Credit output but also the principal contributing factors. This ensures that adverse decisions can be communicated to applicants in a manner consistent with the Fair Practices Code and that human underwriters can challenge model outputs where they appear inconsistent with on-ground observations.

### 3.9 Climate, ESG and Transition Risk

Climate-related risk is an emerging dimension of credit risk that has begun to feature in regulatory thinking globally and in India. For your Company, climate risk manifests through two channels. The first is physical risk, where extreme weather events affect borrower cash flows in agricultural geographies, freight movement on key routes, and the value of property collateral in flood-prone or drought-affected zones. The second is transition risk, principally the transition from internal-combustion engine vehicles to electric vehicles, which could affect the residual value of pre-owned ICE vehicles in our portfolio over the medium to long term.

Your Company has begun the work of integrating climate considerations into the risk framework. We have identified geographies that are particularly exposed to climate-related events, based on historical patterns and forward-looking indicators. We monitor weather and climate developments through the year and adjust origination and collection intensity in affected zones. Property valuation guidelines for secured MSME lending consider climate-related marketability factors, particularly in the technical assessment of residential and commercial properties offered as collateral.

On the EV transition, your Company is monitoring closely. The transition is currently most visible in two-wheelers and three-wheelers. In commercial vehicles, electrification is gaining ground in last-mile delivery and small commercial vehicles, while heavy commercial vehicles remain predominantly internal-combustion. We do not see near-term residual value risk to our portfolio from EV transition. Over the medium term, we expect a phased evolution. We are assessing the framework under which used-EV financing might become a meaningful part of our portfolio, including the unique considerations around

battery health, charging infrastructure availability, and secondary-market depth.

ESG considerations are integrated into credit underwriting for secured MSME exposures above defined thresholds. Sectors with elevated environmental concerns are subject to additional review. A negative list of sectors and activities is maintained in the credit policy. The Board-approved ESG Policy, provides the broader framework. We expect climate and ESG risk integration to deepen progressively, in line with regulatory developments and our own capability build-out.

### 3.10 Reputation, Concentration and Strategic Risk

Reputation risk is the risk of damage to the standing of your Company in the eyes of customers, lenders, regulators, employees and other stakeholders. In a lending business that depends on customer trust and lender confidence, reputation is among the most valuable assets we hold. Reputation risk arises from many sources, including service failures, unfair customer treatment, compliance breaches, social media discourse, and adverse media coverage. The Risk Management function works closely with the Compliance, Customer Service and Communications teams to monitor reputation indicators on a continuous basis, and to ensure that escalations are handled with discipline and care.

Concentration risk is the risk that the franchise becomes disproportionately exposed to a single borrower, group, sector, geography or product. Your Company's geographic concentration in southern Indian states, while a natural outcome of three decades of franchise building, is a sensitivity that the rating agencies have noted. The progressive expansion of the branch network into new geographies, will moderate this concentration over the medium term. The diversification of the borrowing base, addresses concentration on the funding side. Both dimensions of concentration are monitored against Board-approved thresholds.

Strategic risk is the risk that strategic decisions fail to deliver the intended outcomes, or that the operating environment shifts in ways that undermine the strategic premise. Your Company's strategic premise is built across vehicle finance, construction equipment, secured MSME and affordable housing, served to under-served and unbanked customers in Tier I, Tier II, Tier III cities and beyond. Each of these is a multi-year, structural opportunity, and we do not see near-

term scenarios that would invalidate the strategic premise. The calibration of growth pace, the selection of new geographies, the pace of secured MSME scale-up, and the deployment of new technology platforms are tactical strategic decisions where execution risk is managed through structured project governance and Board oversight.

Across reputation, concentration and strategic risk, the common discipline is that of measured judgement. We do not chase scale at the cost of quality. We do not chase quality at the cost of relevance. We listen to feedback from customers, lenders, employees and regulators with the assumption that they have something useful to tell us. The IND AA- rating awarded by India Ratings during FY 2025-26 is an external validation that this measured approach is translating into franchise quality.

## 4. Stress Testing, ICAAP and Capital Planning

### 4.1 Stress Testing Framework

Stress testing is the discipline of asking what could go wrong, quantifying the impact, and confirming that the franchise has the capital and liquidity to absorb the impact without operational disruption. Your Company conducts stress testing as a recurring exercise, with results reviewed by the Asset Liability Committee, the Risk Management Committee and the Board on defined frequencies.

The stress testing framework operates across multiple dimensions. Credit stress tests examine the impact of higher default rates and lower recovery rates on asset quality, ECL provisioning and capital adequacy. Liquidity stress tests examine the impact of accelerated deposit-equivalent outflows, restricted access to fresh borrowings and deferred recoveries on the Contingency Funding Plan. Interest rate stress tests examine the impact of parallel and non-parallel yield curve shifts on Net Interest Income and Economic Value of Equity. Operational stress tests examine scenarios such as cyber incidents, technology outages and branch-level fraud events.

Scenarios are defined at three intensities. Base case scenarios reflect the expected operating environment under management's central forecast. Stress scenarios reflect adverse but plausible developments, calibrated to historical experience and forward-looking judgement. Severe stress scenarios reflect extreme but conceivable developments, designed to test the outer envelope of the franchise's resilience.

The scenarios are revised at least annually to ensure they remain relevant to the prevailing risk environment.

The output of stress testing informs multiple downstream decisions. Capital planning incorporates stress scenarios to determine capital headroom under adverse conditions. The Contingency Funding Plan is calibrated to liquidity stress test outputs. Risk Appetite Framework thresholds are set with reference to stress scenario outcomes. Stress testing is, in our view, the most useful internal exercise to validate that the franchise is built to last.

### 4.2 Internal Capital Adequacy Assessment

Your Company conducts an annual capital planning exercise aligned to the principles of the Internal Capital Adequacy Assessment Process. The exercise is designed to ensure that capital is adequate not just in relation to the regulatory minimum, but also in relation to the risk profile of the franchise under base, stress and severe-stress scenarios. The output is reviewed by the Risk Management Committee and approved by the Board.

The exercise begins with a comprehensive identification of risks to which your Company is exposed, going beyond the risks that are explicitly capitalised under the Reserve Bank's risk-weighted asset framework. This includes credit concentration risk, interest rate risk in the banking book, liquidity risk, operational risk, model risk, reputation risk, strategic risk, climate risk and any other material risk identified in the period. For each risk, the exercise considers whether the regulatory capital requirement is sufficient or whether additional internal capital should be set aside.

The exercise then projects capital consumption over a three-year horizon under each scenario. Inputs include projected business growth, projected asset quality, projected provisioning, projected profitability, planned capital raises, and planned use of off-balance-sheet structures including securitisation and direct assignment. The output is the projected Capital to Risk-Weighted Assets Ratio and the projected Tier I ratio at the end of each year of the projection horizon, under each scenario.

The exercise informs three decisions. The first is the timing and quantum of future capital raises, whether through equity, sub-debt or other instruments. The second is the optimisation of risk-weighted assets through securitisation and

direct assignment, where commercially attractive. The third is the calibration of business growth pace to ensure that growth aspirations and available capital headroom remain in alignment. As on March 31, 2026, your Company's CRAR of 27.34 per cent and Tier I of 26.34 per cent provide comfortable headroom under base case and absorb projected stress scenarios without approaching the regulatory minimum.

## 5. Internal Audit and Assurance

### 5.1 Internal Audit | The Third Line of defence

The Internal Audit function is the third line of defence in your Company's risk management architecture. It provides independent and objective assurance to the Audit Committee and the Board on the design and operating effectiveness of the first and second lines. The function operates under a Board-approved Internal Audit Charter that defines its mandate, authority, independence and reporting lines.

The function is staffed with qualified internal auditors, supported where appropriate by external specialists for technical reviews. The annual Risk-Based Internal Audit Plan, approved by the Audit Committee, prioritises audit coverage based on the risk profile of branches, processes and information systems. High-risk branches and processes are subject to deeper or more frequent reviews. Lower-risk areas are covered on a rotating basis with appropriate frequency.

Audit findings are categorised by severity and tracked through to remediation. Closure rates and ageing of open findings are reviewed by the Audit Committee at every meeting. Repeat findings, or findings of systemic nature, receive specific Audit Committee attention and remediation timelines. The function maintains independence from the management lines whose work it audits, and the Head of Internal Audit reports functionally to the Audit Committee with administrative reporting to the Managing Director.

Beyond traditional audit, the function plays a forward-looking role in assessing emerging risk areas. During FY 2025-26, audit reviews included the implementation of the Retail Credit Scorecard, the cyber security posture against the November 2023 Master Direction expectations, and the readiness of the data protection framework ahead of full DPDP Act operationalisation. These reviews provide management and the Board with independent perspectives on initiatives that are central to the strategic agenda.

### 5.2 Concurrent Audit and Information Systems Audit

Concurrent audit complements the Internal Audit function by providing real-time, in-process review of key transactions at high-volume branches. Coverage is weighted towards the branches that account for the largest share of disbursements, and is periodically reassessed as branch-level volumes shift, providing in-process review across the disbursement workflow, the cash and asset handling process, the documentation and storage process, and the operational and compliance controls at branch level. Concurrent audit findings are reviewed monthly by the Internal Audit team and quarterly by the Audit Committee.

Information Systems audit is conducted by qualified external specialists on a recurring basis. The IS audit programme covers the application landscape, the infrastructure, the cyber security controls and the operational discipline of the technology function. The programme has been calibrated to align with the Reserve Bank's Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices issued in November 07, 2023. Vulnerability Assessment and Penetration Testing, conducted independently of the IS audit programme, provides a continuous assessment of cyber posture across critical applications and infrastructure.

Statutory audit, conducted by the firm of Chartered Accountants appointed in line with the Reserve Bank's guidelines on appointment of statutory auditors for NBFCs, provides the external validation of the financial statements and the operating effectiveness of internal financial controls over financial reporting. Secretarial audit, conducted by an independent firm of Practising Company Secretaries, provides external validation of compliance with the Companies Act, 2013, and applicable corporate laws.

The outputs of internal audit, concurrent audit, IS audit, statutory audit and secretarial audit together provide the Audit Committee and the Board with a comprehensive view of the control environment and the actions being taken to strengthen it on an ongoing basis. This multi-source assurance architecture is an important element of the governance discipline that the IND AA- rating awarded by India Ratings during FY 2025-26 reflects.



## 6. Looking Ahead - Risk Priorities for FY 2026-27

### 6.1 Risk Agenda for FY 2026-27

The risk management agenda for FY 2026-27 is organised around four priorities. The first is the deepening of credit risk capability commensurate with the strategic shift towards a more balanced vehicle finance and secured MSME mix. This includes the extension of the Retail Credit Scorecard methodology to additional asset classes, the strengthening of MSME industry, sector and sub-sector specific assessment models, the maturing of the Early Warning System with broader signal integration, and the continued investment in field-level credit and collection capability.

The second priority is the deepening of cyber and information security capability. The November 07, 2023 Master Direction on IT Governance has set a higher bar for cyber resilience across NBFCs. We will continue to invest in the people, tools and processes required to meet and exceed this bar. The DPDP Act, 2023 operationalisation will move from gap-closure to steady-state during FY 2026-27, with consent architecture, data subject rights processes and data lifecycle controls all maturing into business-as-usual operations.

The third priority is the further maturation of model risk governance as AI and machine learning use cases expand. The bots for customer queries, the Retail Credit Scorecard for SCV and Cars, and the additional AI use cases currently under exploration will all be governed under the Board-approved AI Policy. The Model Governance Committee will continue to play the central challenge and approval role, supported by the validation team in the Risk Management function. The principle of explainability, particularly important for credit decisions, will continue to be a non-negotiable expectation.

### 6.2 In Closing

Risk management at IKF Finance Limited is a continuing endeavour, not a destination. Each year brings new risks to manage, new regulations to absorb, and new capabilities to build. What

stays constant is the philosophy that risk and return are inseparable, that secured lending against tangible assets is the most durable form of credit, and that the cost of recognising stress promptly is always lower than the cost of recognising it late.

The architecture described in this Risk Management section is the institutional expression of that philosophy. The three-lines-of-defence model, the Board and management committees, the role of the Chief Risk Officer, the principal risk frameworks across credit, market, liquidity, operational, cyber, compliance, model, climate and reputation domains, the stress testing and capital planning exercises, and the audit and assurance functions, are not separate constructs. They form an integrated system that is designed to keep the franchise resilient through cycles.

FY 2025-26 was a year of strong external validation. The IND AA- rating awarded by India Ratings, with a Stable outlook, and the continued CARE A+ rating reaffirmation, signal that the discipline with which we operate the franchise is being noticed by the most experienced observers of credit quality in our system. We do not take this for granted. The same discipline that earned this validation is the discipline we will continue to operate with, every day, every transaction, every customer.

We thank our customers, our employees, our lenders, our investors, our rating agencies, our regulators and our Board for the trust they have placed in IKF Finance Limited. The franchise we operate today is the result of three decades of cumulative work by people who have believed in the proposition of serving Bharat's under-served and unbanked aspirational entrepreneurs. The franchise we will operate tomorrow will be built on the same foundation. The Risk Management section closes with this commitment, and this section is to be read together with the Management Discussion and all other Analysis as a complementary view of how we run the institution.

# DIRECTORS' REPORT

To,

The members of IKF Finance Limited

Your Directors have pleasure in presenting the 35<sup>th</sup> Annual Report together with the Audited Financial Statements for the FY ended March 31, 2026.

## FINANCIAL RESULTS:

The summarized financial results of the Company are as given hereunder:

(Amount in lakhs, unless otherwise stated)

| Particulars                                                                                                   | Standalone |            | Consolidated |            |
|---------------------------------------------------------------------------------------------------------------|------------|------------|--------------|------------|
|                                                                                                               | FY 2025-26 | FY 2024-25 | FY 2025-26   | FY 2024-25 |
| Revenue from Operations                                                                                       | 89,536.87  | 65,024.92  | 1,16,796.22  | 85,398.27  |
| Other Income                                                                                                  | 1,261.19   | 988.43     | 2,130.12     | 1,896.52   |
| Profit (loss) before depreciation, interest and tax                                                           | 64,039.76  | 48,010.19  | 82,056.86    | 61,658.94  |
| Depreciation/amortization                                                                                     | 270.51     | 336.80     | 573.58       | 516.00     |
| Finance cost                                                                                                  | 41,711.65  | 33,197.34  | 52,935.96    | 42,028.03  |
| Impairment expense on loans                                                                                   | 3,350.27   | 2,407.48   | 4,064.12     | 3,214.85   |
| Portfolio Loans & other balances written off                                                                  | 5,086.55   | 1,564.95   | 5,323.97     | 1,702.39   |
| Profit (loss) before tax                                                                                      | 22,057.60  | 14,476.05  | 28,547.32    | 19,114.92  |
| Provision for tax/deferred tax                                                                                | 5,574.58   | 3,681.32   | 7,094.61     | 4,832.97   |
| Profit (loss) after tax before exception item                                                                 | 16,483.02  | 10,794.73  | 21,452.71    | 14,281.95  |
| Less: Other comprehensive income/(loss)                                                                       | (3.64)     | (6.02)     | 73.10        | (47.14)    |
| Net profit (loss) after exceptional items                                                                     | 16,479.38  | 10,788.71  | 21,525.81    | 14,234.81  |
| Balance brought forward from previous year                                                                    | 34,242.96  | 26,152.50  | 40,350.87    | 29,926.42  |
| Dividend on Equity Shares                                                                                     | 0.00       | 0.00       | 0.00         | 0.00       |
| Transfer to Statutory Reserve as required by Section 45-IC of Reserve Bank of India Act, 1934 and NHB Reserve | 3,296.60   | 2,158.94   | 4,280.58     | 3,003.04   |
| Transfer to General reserve                                                                                   | 824.15     | 539.74     | 824.15       | 539.74     |
| Transferred to Share Based payment reserve                                                                    | 355.22     | 14.21      | 355.22       | 14.21      |
| Surplus carried to Balance sheet                                                                              | 12,358.63  | 8,090.03   | 16,348.61    | 10,403.30  |

## STATE OF COMPANY'S AFFAIRS/ REVIEW OF OPERATIONS:

### Standalone:

The performance for the year ended March 31, 2026 has improved and the Revenue from operations has grown by 38% to Rs. 895.37 Crores from Rs. 650.25 Crores for the corresponding previous year and Net Profit increased to Rs. 164.83 Crores as against Rs. 107.95 Crores registering a growth of 53% for the corresponding previous year. During the year, the Loan Book has grown by 28% from Rs. 4,573.57 Crores to Rs. 5,874.41 Crores (before Impairment loss allowance). The total assets managed by the Company, including receivables assigned/securitized stood at around Rs. 6,718 Cr as at March 31, 2026 as against Rs. 5,195 Cr in the previous year thereby registering a growth of 29%.

### Consolidated:

The Company's performance, along with its subsidiary's performance for the year ended March 31, 2026 on a consolidated basis is satisfactory. The Revenue from operations has increased to Rs. 1,167.96 Crores from Rs. 853.98 Crores and Net Profit increased to Rs. 214.53 Crores from Rs. 142.82 Crores registering a growth of 50 % for the corresponding previous year.

## CORPORATE GOVERNANCE:

Your Company's Non-convertible debt securities and commercial papers were listed with Bombay Stock Exchange Limited ("BSE"). A report on the Corporate Governance along with a declaration by the Managing Director with regard to code of conduct to be presented to the members of the Company as such a report on Corporate Governance Report is presented in a separate section and forms a part of the Annual Report.

## MANAGEMENT'S DISCUSSION AND ANALYSIS:

A report on the Management's Discussion and Analysis is presented in a separate section and forms a part of the Annual Report

### Resource Mobilization:

The Company has established a diversified funding base, drawing from Public Sector Banks, Private Sector Banks, Foreign Banks, Financial Institutions (including foreign entities), Mutual Funds, and other sources. During the year under review, the Company continued to leverage multiple funding avenues beyond conventional borrowings such as secured debentures, term loans, working capital facilities, PTCs, and assignment transactions. Throughout the year, the Company maintained a prudent Asset-Liability Management (ALM) position. In line with its Resource Planning Policy, the Company secured long-term funds through debentures and loans from banks and various institutions. The Company's overall borrowing limit stands at Rs. 6,000 crore.

Total borrowings of the Company for the year under review (at amortized cost) stood at Rs. 4,743 Crores, of which borrowings from Banks/FI in form of TL constituted 59%, borrowings from NBFCs 15 %, Non-Convertible Debentures 18%, PTC 4 % and Tier II Capital/Sub-Debt 3% and Commercial Paper 1%. The Company is continuously exploring all options to access and create a market in NCDs, and continues to strengthen relationships with leading bankers.

### Deposits:

The Company has not accepted any deposits during the year under review and it continues to be a Non-deposit taking Non-Banking Financial Company in conformity with the guidelines of the Reserve Bank of India and Companies (Acceptance of Deposits) Rules, 2014.

### NON-CONVERTIBLE DEBENTURES:

During the year under review, The Company raised Rs. 275 crore through Senior, Secured, Rated, Listed Non-Convertible Debentures (NCDs), constituting around 9% of the total borrowings during FY 2025-26. The details are provided below:

| S. No | ISIN         | Date of Allotment  | Secured/unsecured | Listed/Unlisted | No. Of debentures | Maturity Date   | Issue Price | Amount (in Crores) |
|-------|--------------|--------------------|-------------------|-----------------|-------------------|-----------------|-------------|--------------------|
| 1     | INE859C07246 | September 12, 2025 | Secured           | Listed          | 15000             | August 12, 2027 | 100000      | 150                |
| 2     | INE859C07253 | March 10, 2026     | Secured           | Listed          | 125000            | March 10, 2028  | 10000       | 125                |

The Company has been regular in making payments of principal and interest on all the NCDs issued by the Company on a private placement basis. There are no NCDs which have not been claimed by investors or not paid by the Company after the date on which the NCDs became due for redemption. The assets of the Company which are available by way of security are sufficient to discharge the claims of the debt security holders as and when they become due.

### Working Capital Limits:

During the year under review, the Company has reduced its reliance on Cash Credit Limits by raising term resources to better manage the Asset-Liability Mismatch (ALM). However, going forward, the Company plans to increase the utilization of Cash Credit Limits proportionately with the growth in term resources, as this facility plays a crucial role in maintaining overall liquidity.

### Term Loans:

During the year under review, the Company mobilized Rs. 2,114 crore through a diversified mix of term loan sources to strengthen liquidity and support business expansion. Private Sector Banks emerged as the largest contributors, accounting for 63% of the total borrowings. Public Sector Banks and Financial Institutions contributed 22%, while Non-Banking Financial Companies (NBFCs) accounted for the remaining 15% of the total term loan funding. Overall, term loans constituted 67% of the Company's total fund raising during FY 2025-26.

### SECURITIZATION / ASSIGNMENT OF LOAN RECEIVABLES:

During the year under review, the Company assigned/secured its loan portfolio having a principal value of Rs. 766 crore through Direct Assignment (DA) transactions and issuance of Pass-Through Certificates (PTCs), comprising around 25% of the total fund raised during the year. Out of the total, Rs. 558 crore was mobilized through 8 Direct Assignment transactions, while Rs. 208 crore was securitized through the issuance of Pass-Through Certificates in 1 transaction.

## COMMERCIAL PAPERS:

During the year under review, the Company raised Rs. 125 Crores (Rupees One Hundred and Twenty Five Crores) through issuance of Commercial Papers (CPs), the details of which are as under:

| S. No | ISIN         | Date of Allotment | Secured / unsecured | Listed/ Unlisted | No. Of debentures | Maturity Date  | Issue Price | Amount (in Crores) |
|-------|--------------|-------------------|---------------------|------------------|-------------------|----------------|-------------|--------------------|
| 1     | INE859C14168 | February 25, 2026 | Un Secured          | Listed           | 1500              | March 27, 2026 | 500000      | 75                 |
| 2     | INE859C14176 | March 30, 2026    | Un Secured          | Listed           | 1000              | June 27, 2026  | 500000      | 50                 |

## CREDIT RATING OF SECURITIES AS ON MARCH 31, 2026:

| Name of the Credit Rating Agency           | Borrowing Instrument       | Amount Rated (in Crores) | Date of Rating    | Rating Assigned  | Rating Valid Till | Whether New/ Renewal/Reassigned/ Withdrawn |
|--------------------------------------------|----------------------------|--------------------------|-------------------|------------------|-------------------|--------------------------------------------|
| CARE Ratings Limited                       | Long Term Bank Facilities  | 3600                     | December 26, 2025 | CARE A+ (Stable) | December 25, 2026 | renewal                                    |
|                                            | Subordinate Debt           | 165                      | December 26, 2025 | CARE A+ (Stable) | December 25, 2026 | renewal                                    |
|                                            | Non-Convertible Debentures | 988                      | December 26, 2025 | CARE A+ (Stable) | December 25, 2026 | renewal                                    |
| India Ratings and Research Private Limited | Long Term Bank Facilities  | 100                      | January 7, 2026   | IND AA- (Stable) | January 6, 2027   | New                                        |
|                                            | Non-Convertible Debentures | 500                      | February 9, 2026  | IND AA- (Stable) | February 8, 2027  | New                                        |
|                                            | Commercial Paper           | 275                      | February 9, 2026  | IND A1+          | February 8, 2027  | New                                        |

All of the above ratings indicate a high degree of safety with regard to timely payment of interest and principal. The Company has placed on its website all credit ratings obtained for all its outstanding instruments and has intimated the revision in the ratings to the stock exchange.

## CAPITAL ADEQUACY:

The Capital to Risk Assets Ratio of your Company is 27.34% as on March 31, 2026, well above the minimum of 15% prescribed by the Reserve Bank of India, of which Tier I Capital constituted 26.34% and Tier II constituted 1.00%.

## DIVIDEND:

Your Directors have not recommended payment of dividend for the FY ended March 31, 2026, as it is proposed that the profits be retained within the business.

## TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

During the period under review, no such case was raised to credit /to pay any amount to the Investor Education and Protection Fund.

## Share Capital:

### a. Authorized Share Capital:

As on April 01, 2025, The Authorized Share Capital of the Company of Rs. 125,00,00,000/- (Rupees One Hundred and Twenty-Five Crores only). During the year under review, Vide Extraordinary General Meeting Dated March 06, 2026, the Equity share

capital was sub-divided from 10,00,00,000 (Ten Crore only) Equity Shares of Rs. 10/- (Rupees Ten only) each into 20,00,00,000 (Twenty Crore only) Equity Shares of Rs. 5/- (Rupees Five) each. Further, there was no change in preference share structure and it stood at Rs. 25,00,00,000 (Rupees Twenty Five Crore) consisting 25,00,000 (Twenty Five Lakh only) Preference Shares of Rs. 100/- (Rupees One Hundred only) each. As on March 31, 2026 the Total Authorized Capital stood at Rs. 125,00,00,000/- (Rupees One Hundred and Twenty-Five Crores only) divided into 20,00,00,000 (Twenty Crore only) Equity Shares of Rs. 5/- (Rupees Five only) each and 25,00,000 (Twenty Five Lakh only) Preference Shares of Rs. 100/- (Rupees One Hundred only) each.

### b. Paid up Share Capital:

As on April 01, 2025, the total Paid up Share Capital of the Company is Rs 70,15,64,450 (Rupees Seventy Crores Fifteen Lakhs Sixty-Four Thousand Four Hundred Fifty) consisting of 7,01,56,445 (Seven Crore One Lakh Fifty-Six Thousand Four Hundred Forty-Five only) fully paid equity shares of Rs. 10/- (Rupees Ten only) each.



Further, during financial year under review, in May & August 2025 the following allotments were made by your Company:

#### Partly Paid-up Shares of Rs. 1/- paid-up

| S. No.       | Date of Allotment | Name of the Allottees          | No. of Equity shares allotted | Issue Price | Consideration received |
|--------------|-------------------|--------------------------------|-------------------------------|-------------|------------------------|
| 1            | May 13, 2025      | Vupputuri Gopala Kishan Prasad | 28,39,785                     | 366.42      | 28,39,785              |
| 2            | August 14, 2025   | Vupputuri Gopala Kishan Prasad | 4,09,366                      | 366.42      | 4,09,366               |
| <b>Total</b> |                   |                                | <b>32,49,151</b>              |             | <b>32,49,151</b>       |

#### Fully Paid-up Shares

| S. No.       | Date of Allotment | Names of the Allottees              | No. of Equity Shares allotted | Issue Price | Consideration received       |
|--------------|-------------------|-------------------------------------|-------------------------------|-------------|------------------------------|
| 1.           | May 16, 2025      | Norwest Capital, LLC                | 23,41,860                     | 366.42      | Rs. 85,81,04,341.20          |
| 2.           | May 16, 2025      | India Business Excellence Fund - IV | 95,51,880                     | 366.42      | Rs. 3,49,99,99,869.60        |
| 3.           | May 16, 2025      | IBEF Gift SPV 3                     | 39,30,000                     | 366.42      | Rs. 1,44,00,30,600.00        |
| 4.           | May 16, 2025      | Motilal Oswal Wealth Limited        | 32,80,021                     | 366.42      | Rs. 1,20,18,65,294.82        |
| 5.           | August 13, 2025   | Vupputuri Gopala Kishan Prasad      | 13,50,634                     | 366.42      | Rs. 49,48,99,310.28          |
| <b>Total</b> |                   |                                     | <b>2,04,54,395</b>            |             | <b>Rs. 7,49,48,99,415.90</b> |

And in the extraordinary general meeting held on March 06, 2026, the face value of equity shares of the Company was subdivided and the face value of each equity share became Rs 5/-

Hence as on March 31, 2026 the paid-up share capital of the Company stood at Rs. 90,93,57,551 consisting of 18,12,21,680, Fully paid-up equity shares of Rs. 5/- paid up each and 64,98,302 Partly paid-up equity shares of Rs 0.50/- paid up each.

#### Compulsorily Convertible Preference Shares:

There are no Compulsorily Convertible Preference Shares outstanding as on March 31, 2026.

#### c. Issue of Shares with differential voting rights:

The Company has not issued any Shares with differential voting rights during the period under review.

#### d. Buy Back of Securities:

The Company has not bought back any of its securities during the year under review.

#### e. Sweat Equity:

The Company has not issued any Sweat Equity Shares during the year under review.

#### f. Bonus Shares:

The Company has not issued any bonus shares during the year under review.

#### g. Employees Stock Option:

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors, at its meeting held on February 05, 2026, approved the new Employee Stock Option Plan 2026 - "IKF Finance -Employee Stock Option Plan 2026", which was subsequently approved by shareholders at its Extraordinary General Meeting held on March 06, 2026. IKF Finance -Employee Stock Option Plan 2026

provides for the creation, offer, and grant of up to 28,39,784 (post-split) (Twenty Eight Lakh Thirty Nine Thousand Seven Hundred and Eighty Four only), equity options in one or more tranches at any time to or for the benefit of employees of the Company.

Further, the Board extended the benefits of the IKF Finance - Employee Stock Option Plan 2026 to the employees of the subsidiary Company, IKF Home Finance Limited, in addition to the employees of the Company as recommended by the Nomination and Remuneration Committee. It was also subsequently approved by shareholders at its Extraordinary General Meeting held on March 06, 2026.

#### DISCLOSURE AS REQUIRED UNDER RULE 12(9) OF COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014 DURING THE FINANCIAL YEAR ARE AS BELOW:

##### ESOP 2019

|                                                                          |          |
|--------------------------------------------------------------------------|----------|
| (a) options granted                                                      | 0        |
| (b) options vested                                                       | 2,93,600 |
| (c) options exercised                                                    | Nil      |
| (d) the total number of shares arising as a result of exercise of option | Nil      |
| (e) options lapsed                                                       | 0        |
| (f) the exercise price                                                   | Rs. 60   |
| (g) variation of terms of options                                        | NA       |

|                                                                                                                                                                                                                       |                                                    |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|
| (h) money realized by exercise of options                                                                                                                                                                             | Nil                                                |
| (i) total number of options in force                                                                                                                                                                                  | 2,93,600                                           |
| (j) employee wise details of options granted to:                                                                                                                                                                      |                                                    |
| (i) key managerial personnel                                                                                                                                                                                          | 30,360                                             |
| (ii) any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year                                                               | Chakrapani Gollamudi Chief Risk Officer - 1,02,100 |
| (iii) identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant | NIL                                                |

#### ESOP 2025

|                                                                          |                                                                                                                                                                             |
|--------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (a) options granted                                                      | 10,30,824                                                                                                                                                                   |
| (b) options vested                                                       | Nil                                                                                                                                                                         |
| (c) options exercised                                                    | Nil                                                                                                                                                                         |
| (d) the total number of shares arising as a result of exercise of option | Nil                                                                                                                                                                         |
| (e) options lapsed                                                       | Nil                                                                                                                                                                         |
| (f) the exercise price                                                   | Rs. 60, Rs. 112.5 and Rs. 157.5                                                                                                                                             |
| (g) variation of terms of options                                        | NA                                                                                                                                                                          |
| (h) money realized by exercise of options                                | Nil                                                                                                                                                                         |
| (i) total number of options in force                                     | 10,30,824                                                                                                                                                                   |
| (j) employee wise details of options granted to:                         |                                                                                                                                                                             |
| (i) key managerial personnel                                             | Prakash Bhawnani, Chief Financial Officer – 1,02,192 Options<br><br>Prashant Rawat, Chief Financial Officer (IKF Home Finance Limited, Subsidiary Company) – 60,000 Options |

|                                                                                                                                                                                                                       |                                                                                                                                                                                                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (ii) any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year                                                               | Debnil Chakravarty, CEO – 1,40,000 Options – 19.12%<br><br>Raghuram Kotamarthi, Business Head - 66,824 Options – 9.13%<br><br>Hanumakonda Srinivas, National Head Collections – 37,984 options - 5.19% |
| (iii) identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant | Nil                                                                                                                                                                                                    |

#### Transfer to Reserves:

The Directors of the Company have transferred Rs. 824.15 Lakhs to General Reserves out of the current year profits for the FY 2025-26 as against Rs. 539.74 Lakhs during the FY 2024-25. Further, your Directors have transferred Rs 3,296.60 Lakhs to Statutory Reserve @ 20% profit after tax as required under Section 45-IC of Reserve Bank of India Act, 1934 during the FY 2025-26 as against Rs 2,158.94 Lakhs during the FY 2024-25. Further Rs 355.22 lakhs was transferred during the FY 2025-26 to Share Based payment reserve as against Rs 14.21 Lacs during the FY 2024-25.

#### Details of Subsidiary, Associate and Joint Venture Companies:

The Company does not have any Associate and Joint Venture Companies as on date by virtue of Section 2(6) of the Companies Act, 2013.

During the period under review, the Company acquired 70,00,000 of equity shares of its Subsidiary Company, IKF Home Finance Limited, from the promoters at a price of Rs 92/- (Rupee Ninety-Two only) per share pursuant to which IKF Home Finance Limited Subsidiary Company became a Wholly Owned Subsidiary Company.

Policy for determining 'material' subsidiaries is available on the Company's website and can be accessed through the web-link <https://www.ikffinance.com/policies>

No Company has become or ceased to be the Company's Subsidiaries, joint ventures or associate companies during the year.

Salient features of the financials of the above-mentioned Wholly owned Subsidiary have been given in Form AOC-1 as **Annexure-I** to this report

## AUDITORS:

### Statutory Auditors:

M/s. Mukund M Chitale & Co (Firm Regn No: 106655W) Chartered Accountants, Statutory Auditors of the Company was appointed by the shareholders at the 33<sup>rd</sup> Annual General Meeting held on September 30, 2024 for a period of 3 (Three) years to hold office from the conclusion of 33<sup>rd</sup> Annual General Meeting till the conclusion of the 36<sup>th</sup> Annual General Meeting of the Company to be held in the Calendar Year 2027 on such remuneration plus applicable taxes and out-of-pocket expenses, as may be mutually agreed upon by the Audit Committee/Board of Directors and the Statutory Auditors.

### Qualification by the Statutory Auditor:

The Audit Report does not contain any qualification, reservation or adverse remarks.

### Secretarial Auditor:

Pursuant to provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company has appointed M/s. B S S & Associates, Company Secretaries as Secretarial Auditors of the Company. Secretarial Audit Report is enclosed as **Annexure-II** to this Report.

Further, the Board of Directors at the meeting held on May 11, 2026 has approved the Appointment of M/s. B S S & Associates, Company Secretaries as Secretarial Auditors of the Company for a further period of 5 (five) years from the FY 2026-27 to FY 2030-31 subject to approval of the shareholders.

### Qualification by Secretarial Auditor:

The Secretarial Audit Report does not contain any qualification, reservation or adverse remarks.

### Maintenance of Cost Records:

Cost Records are not required to be maintained by the Company under Section 148 of the Companies Act, 2013. Accordingly, such accounts and records are not maintained.

### Cost Audit:

In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 3 & 4 of the Companies (Cost Record and Audit) Rules, 2014 and all other applicable provisions of the Companies Act, 2013, the Cost Audit is not applicable to the Company.

### Internal Audit and Auditor:

The Company's Internal Audit function operates under a co-sourcing model. The in-house team, headed by the Head of Internal Audit, works in collaboration with Protiviti, the Company's co-sourced Internal Audit partner, to ensure comprehensive coverage, independent assurance, and adherence to best practices in internal controls and risk management

### Internal Financial Controls:

The Company has a well-established internal financial control and risk management framework, with appropriate policies and procedures, to ensure the highest standards of integrity and transparency in its operations and a strong corporate governance structure, while maintaining excellence in services to all its stakeholders. Appropriate controls are in place to ensure: (a) the orderly and efficient conduct of business, including adherence to policies, (b) safeguarding of assets, (c) prevention and detection of frauds /errors, (d) accuracy and completeness of the accounting records and (e) timely preparation of reliable financial information.

### VIGIL MECHANISM /WHISTLE BLOWER POLICY:

Pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Board has adopted Whistle Blower Policy. This policy aims to conduct the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior.

A mechanism has been established for employees to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct and Ethics. The policy also provided adequate safeguards against the victimization of employees who avail of the mechanism and allows direct access to the Chairman of the Audit Committee in exceptional cases.

Your Company hereby affirms that during the year no Director /employee have been denied access to the Chairman of the Audit Committee and that no complaints were received.

The Whistle Blower Policy is available on the website of the Company and can be accessed through the web-link <https://www.ikffinance.com/policies>

### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

During the year under review, the Company has spent an amount of Rs. 2,11,00,000/- under the CSR activity. The report on CSR activities for FY 2025-26 is enclosed as **Annexure-III**. The Corporate Social Responsibility policy is available on the website of the Company and can be accessed through the web-link <https://www.ikffinance.com/policies>

### COMPLIANCE WITH RBI DIRECTIONS:

Under erstwhile Master Direction - Non-Banking Financial Company - Systemically Important Non -Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, the Company was classified as a Non-Deposit Taking Systemically Important Non-Banking Financial Company (NBFC-ND- SI). As per the present Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions, and Framework for Scale Based Regulation) Directions, 2025, the Company is classified under the “Middle Layer” category under the said framework.

### DETAILS OF MONEY ACCEPTED FROM DIRECTOR:

During the period under review the Company has not accepted money in the form of unsecured loan from the director or relative of the director of the Company.

### ANNUAL RETURN:

As required under Section 92(3) of the Companies Act, 2013, Annual return in Form MGT-7 is available on the Company's website and can be accessed through the web-link <https://www.ikffinance.com/financials>

### MATERIAL CHANGES AND COMMITMENTS, IF ANY:

There are no Material Changes and Commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

### DETAILS OF SIGNIFICANT AND MATERIAL ORDERS, IF ANY:

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

### DIRECTORS & KEY MANAGERIAL PERSONNEL:

#### Directors:

Dr. Satyanand Sinha Chunduri (DIN: 03644504) retired by rotation and was re-elected at the last Annual General Meeting of the Company held on September 30, 2025, in terms of Section 152 of the Companies Act, 2013.

During the year, there were changes in the composition of Board of Directors as given below:

- On May 16, 2025, Shri Vinit Mukesh Mehta resigned as Nominee Director of India Business Excellence Fund - II, pursuant to sale of its stake, and was appointed as Nominee Director of India Business Excellence Fund - IV on the same date. His appointment was regularized by members at Extraordinary General Meeting held on July 31, 2025

- On November 10, 2025, Shri Abhishek Agrawal resigned from the position of Nominee Director of Accion Digital Transformation Fund LP, pursuant to sale of its stake.
- On February 05, 2026, Shri Robin Bhanwarlal Agarwal was appointed as Nominee Director on behalf of Rajadhi Raja Limited, an SPV of Creador, a new investor who purchased Accion Digital Transformation Fund LP's stake in IKF. His appointment was regularized by members at Extraordinary General Meeting held on March 06, 2026.

Based on the confirmations received from Directors, none of the Directors are disqualified from appointment under Section 164 of the Companies Act, 2013.

#### Key Managerial personnel:

During the financial year, there were no changes in the Key Managerial Personnel.

#### Declaration by Independent Directors:

The Independent Directors of the Company have submitted their declarations as required under Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as per sub-section (6) of Section 149 of the Act.

#### Familiarization programme for Independent Directors:

The Company proactively keeps its Directors informed of the activities of the Company, its management and operations and provides an overall industry perspective as well as issues being faced by the industry.

#### Independent Directors' Meeting:

The Independent Directors met on March 26, 2026 without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole, the performance of the Chairman of the Company, considering the views of Executive Director and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

#### OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR:

During the year, there were no new appointments of Independent Directors of the Company. In the opinion of the Board all the Independent Directors of the Company possess integrity, experience, expertise and requisite proficiency required under all applicable laws and policies of the Company.



### BOARD EVALUATION:

The Board adopted a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Board functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

### CHANGE IN THE NATURE OF BUSINESS:

There was no change in the nature of business of the Company during the FY 2025-26.

### NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

During the FY 2025-26, the Board of Directors have met eight times viz April 25, 2025, May 13, 2025, May 19, 2025, May 23, 2025, August 6, 2025, November 7, 2025, February 5, 2026, and February 27, 2026. The details of which are given in the Corporate Governance Report. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013 and Secretarial Standard-1.

### AUDIT COMMITTEE:

The Composition of the Audit Committee is provided in the Corporate Governance Report forming part of this report. All the recommendations made by the Audit Committee were accepted by the Board.

### NOMINATION AND REMUNERATION POLICY:

The Nomination and Remuneration Policy containing guiding principles for payment of remuneration to Directors, Senior Management, Key Managerial Personnel and other employees including Non-executive Directors along with Board Evaluation criteria are provided in the Corporate Governance Report. The terms of reference are placed on the Company's website and can be accessed through the web-link <https://www.ikffinance.com/policies>

The Composition of the Nomination and Remuneration Committee ("NRC") is provided in the Corporate Governance Report forming part of this report. All the recommendations made by the NRC were accepted by the Board.

Criteria of making payments to non-executive directors are also provided in the Corporate Governance Report.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

The Company, being a Non-Banking Finance Company registered with the Reserve Bank of India and engaged in

the business of giving loans, is exempt from complying with the provisions of Section 186(2) to (13) of the Companies Act, 2013. Accordingly, the disclosures of the loans given as required under the aforesaid section have not been given in this Report.

### REMUNERATION RATIO OF THE DIRECTORS/KEY MANAGERIAL PERSONNEL (KMP):

The disclosure requirements under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Section 197 of the Companies Act, 2013, relating to the ratio of remuneration of each Director to the median employee remuneration, are applicable only to listed companies. As the equity shares of the Company are not listed on any stock exchange as of the date of this Report, the said disclosure is not applicable to the Company.

### PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All transactions entered by the Company with Related Parties were in the Ordinary course of Business and are at Arm's Length basis. The Audit Committee granted approvals for the transactions and the same were reviewed by the Audit Committee and the Board of Directors.

There were no materially significant transactions with Related Parties during the FY 2025-26 which were in conflict with the interest of the Company. The details of contracts and arrangements with related parties as referred to in Section 188(1) of the Companies Act, 2013 were given as Annexure-IV to the Board's Report in form No: AOC-2 pursuant to Section 134 (3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014.

Related Party Disclosure – As per Point no A of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended the detailed disclosures were covered in the Financial Statements, which forms part of this Report.

### DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:

- (a) in the preparation of the annual accounts for the period ended March 31, 2026, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this 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.

#### **COMPANY'S POLICY ON PROHIBITION, PREVENTION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:**

The Company prohibits any form of sexual harassment and any such incidence is immediately investigated and appropriate action taken in the matter against the offending employee(s) based on the nature and the seriousness of the offence. The Company has a policy on Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace (the Policy) and matters connected therewith or incidental thereto covering all the aspects as contained under the "The Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013" notified by the Government of India vide Gazette Notification dated 23<sup>rd</sup> April, 2013.

|                                                                    |     |
|--------------------------------------------------------------------|-----|
| (a) Number of complaints of sexual harassment received in the year | Nil |
| (b) Number of complaints disposed of during the year               |     |
| (c) Number of cases pending for more than ninety days.             |     |

The Company has complied with provisions relating to the constitution of Internal Complaints Committee. There was no case of sexual harassment reported during the year under review.

The policy is available on the website of the Company and can be accessed through the web-link <https://www.ikffinance.com/policies>

#### **MATERNITY BENEFIT ACT 1961:**

The Company has duly complied with the applicable provisions of the Maternity Benefit Act, 1961, including the provision of maternity leave and other benefits to eligible women employees, as prescribed under the Act.

#### **DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143 (12) OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:**

There were no frauds reported by the Statutory Auditors under sub-section (12) of Section 143 of the Companies Act, 2013, read with the rules made thereunder, which are required to be reported to the Central Government.

#### **NAME OF THE DEBENTURE TRUSTEES WITH FULL CONTACT DETAILS - DISCLOSURE UNDER REGULATION 53(E) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, AS AMENDED:**

##### **1 IDBI Capital Trusteeship Services Limited**

Asian Building, Ground Floor, 17, R. Kamani Marg,  
Ballard Estate, Mumbai – 400 001, Maharashtra, India  
Contact No: 022-40807000  
E-mail Id: [itsl@idbitrustee.com](mailto:itsl@idbitrustee.com)

##### **2 Vardhman Trusteeship Private Limited,**

3<sup>rd</sup> Floor, Room No - 15 6, Lyons Range, Turner Morrison House  
Kolkata – 700 001, West Bengal, India  
Contact No: 022 42648335  
E-mail Id: [compliance@vardhmantrustee.com](mailto:compliance@vardhmantrustee.com)

##### **3. Catalyst Trusteeship Limited**

901, 9<sup>th</sup> Floor, Tower-B, Peninsula Business Park, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400013, Maharashtra, India  
E-mail Id: [dt@ctltrustee.com](mailto:dt@ctltrustee.com)

**Details of revision of financial statement – Nil**

#### **DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT:**

During the year under review, the Company had raised Rs. 275 Crores (Rupees Two Hundred and Seventy Five Crores) through preferential issue/private placement of Non-Convertible Debentures ('NCDs') and Rs. 750 Crores (Rupees Seven Hundred and Fifty Crore) through preferential issue/private placement of Equity Shares. The funds were utilized by the Company for its general corporate purposes. There has been no deviation in the utilization of issue proceeds of Private Placement of Non-Convertible Debentures ('NCDs') and Equity Shares from the objects stated in the Private Placement Offer Letter.

### SECRETARIAL STANDARDS:

The Company complies with all applicable Secretarial Standards.

### OTHER DISCLOSURES:

#### Code of Conduct:

The Board has laid down Code of Conduct for Board Members, Key managerial personnel's, Senior Management's and Employees of the Company ('Codes'). The Code stands widely communicated across the Company at all times. The Board has also laid down a Code of Conduct for Independent Directors (forms part of the terms & conditions for appointment of independent director) pursuant to Section 149(8) read with Schedule IV of the Act, which is a guide to professional conduct for Independent Directors of the Company. All the Board Members and Senior Management Personnel have affirmed compliance with these Codes. These Codes are also accessible at the Company's website at the <https://www.ikffinance.com/code-of-conduct>

#### Recommendations of the Committees:

There have been no occasions during the year where the Board has declined any recommendations made by its Committees.

#### Penalties and Strictures:

The Company confirms that there have been no instances of penalties, adverse orders, or strictures imposed by RBI, SEBI, Stock Exchanges, or any statutory authority pertaining to capital market matters in the past three years.

#### Breach of Covenant:

The Company has adhered to all covenants associated with borrowings and debt instruments during the year. It is further confirmed that there has been no instance of covenant breach in respect of Non-Convertible Debentures issued by the Company.

#### Fraud Risk Management:

The Company has in place a comprehensive Fraud Risk Management Policy which lays down the framework for prevention, detection, and reporting of frauds. A dedicated Fraud Risk Management Committee has been constituted to oversee the implementation of the policy and to review fraud risk-related matters. The Committee meets at regular intervals to evaluate the effectiveness of fraud risk controls, monitor incidents, and ensure timely remedial actions. The Company remains committed to strengthening its internal control systems and fostering a culture of transparency and ethical conduct to mitigate fraud risks.

The Fraud Risk Management Policy is available on the website of the Company and can be accessed through the web-link <https://www.ikffinance.com/policies>

**Disclosures by NBFC Systemically Important Non-Deposit Taking Company and Deposit taking Company : Nil**

### PECUNIARY RELATIONSHIP/TRANSACTION WITH NON-EXECUTIVE DIRECTORS:

During the year under review, there were no pecuniary relationship/transactions of any non-executive directors with the Company, apart from sitting fees for attending meetings as directors.

### CUSTOMER COMPLAINTS:

| Particulars                                                | As at<br>March 31,<br>2026 | As at<br>March 31,<br>2025 |
|------------------------------------------------------------|----------------------------|----------------------------|
| (a) No. of complaints pending at the beginning of the year | 0                          | 0                          |
| (b) No. of complaints received during the year             | 58                         | 61                         |
| (c) No. of complaints redressed during the year            | 58                         | 61                         |
| (d) No. of complaints pending at the end of the year       | -                          | -                          |

### PERPETUAL DEBT INSTRUMENTS (PDI):

During the financial year, the Company has not issued any Perpetual Debt Instruments (PDI).

### REGISTRAR AND SHARE TRANSFER AGENCY:

The Company has appointed M/s. Bigshare Services Private Limited situated at Plot No-306, 3<sup>rd</sup> Floor, Right Wing, Amrutha Ville Opp. Yashoda Hospital, Rajbhavan Road Somajiguda, Hyderabad-500 082, as its Registrar and Share transfer Agency for handling both physical and electronic transfers.

### DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATIONS THEREOF:

The key financial ratios were disclosed in the Financial Statements, which forms part of this Report.

### HUMAN RESOURCES:

Your Company treats its "human resources" as one of its most important assets. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

### CAUTIONARY STATEMENT:

Statements in these reports describing Company's projections statements, expectations and hopes are forward looking. Though, these expectations are based on reasonable assumption, the actual results might differ.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Company, being a non-banking finance Company (NBFC), does not have any manufacturing activity. The directors, therefore, have nothing to report on conservation of energy and technology absorption.

## FOREIGN EXCHANGE EARNINGS AND OUTGO

|                               |               |
|-------------------------------|---------------|
| Total foreign exchange earned | Nil           |
| Total foreign exchange used   | Rs. 12,21,917 |

## CODE OF CONDUCT:

The Company has adopted Code of Conduct for the Board and for the senior level employees of the Company and they are complying with the said code.

## INDUSTRIAL RELATIONS:

Industrial relations continued to be cordial throughout the year under review.

## THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:

During the year under review, Company has not made any application under The Insolvency and Bankruptcy Code, 2016 (31 of 2016).

## THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

The requirement to disclose the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable.

## ACKNOWLEDGMENTS:

Your Company will always keep interest of its customers, employees and the stakeholders as a priority and shall reciprocate their confidence reposed in the Company. It has been a mutually beneficial relationship and looks forward to their continued support.

For and on behalf of the Board  
**IKF FINANCE LIMITED**

Place: Vijayawada  
Date: May 11, 2026

**Vupputuri Gopala Kishan Prasad**  
Chairman & Executive Director  
DIN: 01817992

**Vasumathi Devi Koganti**  
Managing Director  
DIN: 03161150



# REPORT ON CORPORATE GOVERNANCE

Although not mandatorily required, our Company has voluntarily adopted this Report on Corporate Governance in the format prescribed under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, as part of good governance practice.

## (1) COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Our Corporate Governance policies recognise the accountability of the Board and the importance of its decisions to all our stakeholders, including Customers, Investors, and Regulatory Authorities. The strong foundation of the Company is supported by the pillars of Customer Faith, Debenture Holders' Confidence, Bankers' Trust, Investor Steadfastness, and Employee Loyalty. The Company has been growing over the past Thirty Five years on the principles of dedicated customer service, fair business practices, and efficient and trusted financial policies, and it continues to maintain high standards of integrity through excellence in service to all its stakeholders.

The Board is fully aware of its fiduciary responsibilities and recognises its responsibility to shareholders and other stakeholders to uphold the highest standards in economic, social, and ethical matters, by ensuring that the Company conducts its activities in accordance with corporate governance best practices.

## (2) BOARD OF DIRECTORS

### Composition and category:

Directors possess the highest personal and professional ethics, integrity and values, and are committed to representing the long-term interests of the stakeholders. The basic responsibility of the Board is to provide effective governance over the Company's affairs exercising its reasonable business judgement on behalf of the Company.

The Board has been constituted in a manner that will result in an appropriate mix of Executive, Non-Executive, and Independent Directors to ensure proper governance and management. During the year under review:

- Shri Vinit Mukesh Mehta resigned as Nominee Director of India Business Excellence Fund – II, pursuant to its stake sale in the Company, on May 16, 2025, and was appointed as Nominee Director of India Business Excellence Fund – IV, in the capacity of Additional Director (Non-Executive & Non-Independent), with effect from May 16, 2025. He was subsequently appointed

as Nominee Director by the shareholders at the Extraordinary General Meeting held on July 31, 2025.

- Shri Abhishek Agrawal resigned as Nominee Director of Accion Digital Transformation Fund, L.P., on November 10, 2025, pursuant to its stake sale in the Company.
- Shri Robin Bhanwarlal Agarwal, Nominee of Rajadhi Raja Ltd, a new investor, was appointed as Additional Director (Non-Executive & Non-Independent), with effect from February 05, 2026, and was subsequently appointed as Nominee Director by the shareholders at the Extraordinary General Meeting held on March 06, 2026.

As on March 31, 2026, the Board comprised nine members with experience in diverse fields such as Finance, Accounts, and Management. Non-Executive Directors bring independent judgement to the Board's deliberations and decisions. The Executive Directors of the Company were Shri Vupputuri Gopala Kishan Prasad, Chairman & Executive Director, and Smt. Vasumathi Devi Koganti, Managing Director. The Independent Directors of the Company were Shri Sunil Rewachand Chandiramani, Shri Sethuraman Ganesh, Shri Kannan, and Shri Raman Uberoi. Shri Satyanand Sinha Chunduri was the Non-Executive, Non-Independent Director. Shri Vinit Mukesh Mehta and Shri Robin Bhanwarlal Agarwal were the Nominee Directors of the Private Equity Investors.

### Relationship between Directors:

Shri Vupputuri Gopala Kishan Prasad is father of Smt. Vasumathi Devi Koganti, Managing Director. Shri Satyanand Sinha Chunduri is Brother-In-Law of Shri Vupputuri Gopala Kishan Prasad.

### Board Meetings:

The Board of Directors meets at regular intervals with a formal schedule of matters specifically reserved for its attention to ensure that it exercises full control over significant strategic, financial, operational and compliance matters. The Board is regularly briefed and updated on the key activities of the business and is provided with briefings on other matters concerning the Company on a need basis. The Board of Directors generally meets every quarter to review the business performance. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas.

During the year under review, eight meetings of the Board of Directors were held on the following dates. April 25, 2025, May 13, 2025, May 19, 2025, May 23, 2025, August 6, 2025, November 7, 2025, February 5, 2026, February 27, 2026.

The details of attendance at Board Meetings and details of other Directorships, Committee Chairmanships/Memberships held by the Directors during the period from April 01, 2025 to March 31, 2026 are as follows:

| Name of the Director           | Category of Board Directorship | No. of Board Meetings attended | % of total meetings attended | Attendance at the last AGM | No of other Directorships | *No of Committee in which director is a Member | Names of the Listed entity (including Debt Listed Companies)                                                        | Category of Directorship       |
|--------------------------------|--------------------------------|--------------------------------|------------------------------|----------------------------|---------------------------|------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|--------------------------------|
| Vupputuri Gopala Kishan Prasad | Chairman & Executive Director  | 7                              | 87.50%                       | Yes                        | 2                         | 4                                              | IKF Home Finance Limited                                                                                            | Promoter                       |
| Vasumathi Devi Koganti         | Managing Director              | 8                              | 100%                         | Yes                        | 1                         | 5                                              | IKF Home Finance Limited                                                                                            | Promoter                       |
| Satyanand Sinha Chunduri       | Director                       | 1                              | 12.50%                       | No                         | 0                         | 0                                              | -                                                                                                                   | Non-Executive. Non-Independent |
| Vinit Mukesh Mehta             | Nominee Director               | 7                              | 87.50%                       | No                         | 2                         | 6                                              | 1. Krazybee Services Limited                                                                                        | Nominee Director               |
| Sunil Rewachand Chandiramani   | Independent Director           | 8                              | 100%                         | Yes                        | 11                        | 3                                              | 1. Updater Services Limited<br>2. Sapphire Foods India Limited<br>3. Rupa & Company Limited<br>4. Kalpataru Limited | Independent Director           |
| Abhishek Agrawal               | Nominee Director               | 5                              | 83.33%                       | yes                        | 2                         | NA                                             | Annapurna Finance Private Limited                                                                                   | Nominee Director               |
| (Up to 10.11.2025)             |                                |                                |                              |                            |                           |                                                |                                                                                                                     |                                |
| Sethuraman Ganesh              | Independent Director           | 7                              | 87.50%                       | yes                        | 1                         | 2                                              | -                                                                                                                   | -                              |
| Raman Uberoi                   | Independent Director           | 8                              | 100%                         | yes                        | 4                         | 4                                              | 1. Dvara Kshetriya Gramin Financial Services Private Limited<br>2. PG Electroplast Limited                          | Independent Director           |
| Kannan                         | Independent Director           | 8                              | 100%                         | yes                        | 1                         | 3                                              | -                                                                                                                   | Independent Director           |
| Robin Bhanwarlal Agarwal       | Nominee Director               | 1                              | 100%                         | No                         | 3                         | 4                                              | 1. Kogta Financial (India) Ltd<br>2. Shubham Housing Development Finance Company Limited                            | Nominee Director               |

Shri Sunil Rewachand Chandiramani, Shri, Vinit Mukesh Mehta, Shri Robin Bhanwarlal Agarwal, Shri Sethuraman Ganesh and Shri Raman Uberoi hold directorship in other listed entities.

During the FY, the Board has accepted all the recommendation(s) of all the Committees of the Board.

\*Board Committees for this purpose means only Audit Committee and Stakeholders Relationship Committee.

## Committees:

### (3) AUDIT COMMITTEE:

The terms of reference of the Audit Committee are broadly inter alia as follows:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
- Review of compliances and review of systems and controls;
- approval or any subsequent modification of transactions with related parties.

The Audit Committee provides direction to the Audit function and monitors the quality of internal controls and systems. The responsibilities of the Audit Committee include the overseeing of financial reporting process to ensure fairness, sufficiency and credibility of financial statements, review of the quarterly and annual financial statements before submission to the Board, review of adequacy of internal control systems and the internal audit functions. The Committee comprises Shri. Sunil Rewachand Chandiramani, Independent Director as Chairman of the Committee and Shri. Sethuraman Ganesh, Shri. Kannan, Shri. Raman Uberoi, Independent Directors and Shri. Vinit Mukesh Mehta as members of the Committee. Further, Shri. Abhishek Agrawal resigned his membership on November 10, 2025 due to his resignation from the directorship of the Company. There were no other changes in the composition of the Committee during the year. The Executive Directors, Statutory Auditors, Internal Auditors and other Functional Heads are invitees to the Committee Meetings.

During the year, the committee met 7 times on May 13, 2025, May 19, 2025, May 23, 2025, August 06, 2025,

November 07, 2025, February 05, 2026, and February 27, 2026. The details of members and their attendance at the committee meetings are given below:

| Name of the Director                               | Category             | No of Audit Committee Meetings held | No of Audit Committee Meetings attended | % of total Meetings attended |
|----------------------------------------------------|----------------------|-------------------------------------|-----------------------------------------|------------------------------|
| Shri. Sunil Rewachand Chandiramani                 | Independent Director | 7                                   | 7                                       | 100.00                       |
| Shri Kannan                                        | Independent Director | 7                                   | 7                                       | 100.00                       |
| Shri Raman Uberoi                                  | Independent Director | 7                                   | 7                                       | 100.00                       |
| Shri Sethuraman Ganesh                             | Independent Director | 7                                   | 6                                       | 85.71                        |
| Shri. Vinit Mukesh Mehta                           | Nominee Director     | 7                                   | 6                                       | 85.71                        |
| Shri. Abhishek Agrawal<br>(upto November 10, 2025) | Nominee Director     | 5                                   | 4                                       | 80.00                        |

The previous Annual General Meeting ("AGM") of the Company was held on September 30, 2025 and was attended by Shri. Sunil Rewachand Chandiramani, Chairman of the Audit Committee.

### (4) NOMINATION & REMUNERATION COMMITTEE:

The Nomination & Remuneration Committee was constituted in accordance with the provisions of Section 178 of the Companies Act, 2013. The Committee consists of Shri. Raman Uberoi, Independent Director as Chairman of the Committee and Shri. Sethuraman Ganesh, Independent Director and Shri. Vinit Mukesh Mehta and Shri Abhishek Agrawal, Nominee Directors as members of the Committee. Further, Shri. Abhishek Agrawal resigned his membership on November 10, 2025 due to his resignation from the directorship of the Company. There were no other changes in the composition of the Committee. During the year, the committee met six times on April 25, 2025, May 13, 2025, May 22, 2025, August 05, 2025, November 06, 2025, and February 04, 2026.

The terms of reference of the Committee, inter alia, includes formulation of criteria for determining qualifications, positive attributes and independence of a director, recommendation of persons to be appointed to the Board and senior management and specifying the manner for effective evaluation of performance of Board, its Committees, Chairperson and individual directors, recommendation of remuneration policy for directors, key managerial personnel and other employees, formulation of criteria for evaluation of performance of independent directors and the Board. The Committee also reviews the remuneration of the senior management team.

### Attendance of each Director at Nomination & Remuneration Committee Meeting

| Name of the Director                               | Category             | Number of committee meetings |          | % of total Meetings attended |
|----------------------------------------------------|----------------------|------------------------------|----------|------------------------------|
|                                                    |                      | Held                         | Attended |                              |
| Shri Raman Uberoi                                  | Independent Director | 6                            | 6        | 100.00                       |
| Shri. Vinit Mukesh Mehta                           | Nominee Director     | 6                            | 5        | 83.33                        |
| Shri Abhishek Agrawal<br>(Up to November 10, 2025) | Nominee Director     | 5                            | 4        | 80.00                        |
| Shri Sethuraman Ganesh                             | Independent Director | 6                            | 6        | 100.00                       |

### Criteria for Performance evaluation:

#### (i) Remuneration Policy:

The Policy inter alia provides for the following:

- attract, recruit, and retain good and exceptional talent;
- list down the criteria for determining the qualifications, positive attributes, and independence of the directors of the Company;
- ensure that the remuneration of the directors, key managerial personnel and other employees is performance driven, motivates them, recognises their merits and achievements and promotes excellence in their performance;
- motivate such personnel to align their individual interests with the interests of the Company, and further the interests of its stakeholders;
- ensure a transparent nomination process for directors with the diversity of thought, experience, knowledge, perspective and gender in the Board; and
- fulfill the Company's objectives and goals, including in relation to good corporate governance, transparency, and sustained long-term value creation for its stakeholders.

#### (ii) Remuneration paid to Directors

##### Remuneration to Executive Directors:

The Managing Director, and Executive Director of the Company have been appointed on contractual terms, based on the approval of the shareholders. The remuneration package comprises salary, allowances and perquisites. The details of remuneration paid to the Executive Directors during the FY 2025-2026 are given below:

| Name of the Director           | Remuneration (in Rs) | Allowances | Commission (in Rs) |
|--------------------------------|----------------------|------------|--------------------|
| Vupputuri Gopala Kishan Prasad | Rs 1,56,00,000       | NIL        | Rs 2,95,57,182     |
| Vasumathi Devi Koganti         | Rs. 78,00,000        | NIL        | Rs 1,45,58,016     |

The remuneration is within the limits prescribed under Schedule V to the Companies Act, 2013.

##### Remuneration to Non-Executive Directors

#### a) Details of Sitting Fees paid to Non-Executive Directors during the FY 2025-26

The details of sitting fees paid/payable to Non-Executive Independent Directors during the FY 2025-26 was.

| Name of the Director              | Sitting Fee (in Rs) |                          |                          |                                   |                                              | CSR Committee | IT Strategy Committee | Management Committee | Shares Allotment Committee | Total     |
|-----------------------------------|---------------------|--------------------------|--------------------------|-----------------------------------|----------------------------------------------|---------------|-----------------------|----------------------|----------------------------|-----------|
|                                   | Board Meetings      | Audit Committee Meetings | N & R Committee Meetings | Risk Management Committee Meeting | Stakeholders Relationship Committee Meetings |               |                       |                      |                            |           |
| Shri Sunil Rewachand Chandiramani | 6,00,000            | 3,50,000                 | -                        | -                                 | 2,00,000                                     | -             | 2,00,000              | -                    | -                          | 13,50,000 |
| Shri Sethuraman Ganesh            | 5,25,000            | 3,00,000                 | 3,00,000                 | -                                 | -                                            | -             | -                     | -                    | -                          | 11,25,000 |
| Shri Kannan                       | 6,00,000            | 3,50,000                 | -                        | -                                 | -                                            | 2,00,000      | -                     | 2,30,000             | 2,00,000                   | 15,80,000 |
| Shri Raman Uberoi                 | 6,00,000            | 3,50,000                 | 3,00,000                 | 2,00,000                          | 2,00,000                                     | --            | -                     | -                    | -                          | 16,50,000 |

The Sitting fees paid are as per Rule 4 of Companies (Appointment and Remuneration of Directors) Rules, 2014.



**b) Number of Shares and Convertible Instruments held by Non-executive Directors:**

| Name of the Non-Executive Director | No. of Equity Shares<br>(Rs 5/- Paid up) | No. of Convertible<br>Instruments |
|------------------------------------|------------------------------------------|-----------------------------------|
| Shri. Sethuraman Ganesh            | Nil                                      | Nil                               |
| Shri. Satyanand Sinha Chunduri     | 2,35,400                                 | Nil                               |
| Shri. Sunil Rewachand Chandiramani | 1,39,536                                 | Nil                               |
| Shri Kannan                        | Nil                                      | Nil                               |
| Shri Raman Uberoi                  | Nil                                      | Nil                               |
| Shri Vinit Mukesh Mehta            | Nil                                      | Nil                               |
| Shri Robin Bhanwarlal Agarwal      | Nil                                      | Nil                               |

**c) Familiarisation Programme:**

The Company has Familiarisation Programme for the Independent Directors with respect to the Company, their roles, rights, responsibilities and details of such Familiarisation Programme is available in the Company's website and can be accessed through the web-link <https://www.ikffinance.com/policies>

**d) The list of core skills/ expertise/competencies as identified by the Board of Directors as required in the context of business and sector for it to function effectively and those actually available with the Board of Directors:**

Industry, Accounts & Finance, Taxes, Legal, Marketing, Branding, Risks, Administration and Governance.

List of Directors possessing the skills/expertise and competencies:

| Name of the Director           | Skills/Expertise and Competencies                    |
|--------------------------------|------------------------------------------------------|
| Vupputuri Gopala Kishan Prasad | Industry, Marketing, Branding, Risks, Administration |
| Vasumathi Devi Koganti         | Industry, Marketing, Branding, Risks, Administration |
| Satyanand Sinha Chunduri       | Accounts & Finance                                   |
| Vinit Mukesh Mehta             | Accounts & Finance, Taxes, Legal & Governance        |
| Sunil Rewachand Chandiramani   | Accounts & Finance, Taxes, Legal & Governance        |
| Sethuraman Ganesh              | Risks, Administration and Governance                 |
| Raman Uberoi                   | Risks, Administration and Governance                 |
| Kannan                         | Risks, Administration and Governance                 |
| Robin Bhanwarlal Agarwal       | Accounts & Finance, Taxes, Legal & Governance        |

**e) Confirmation by the Board:**

The Board hereby confirms that the Independent Directors fulfil the conditions specified in these regulations and are independent of the management.

**f) Resignation of Independent Director:**

There were no resignations of Independent Directors during the year.

**(5) STAKEHOLDER RELATIONSHIP AND REDRESSAL COMMITTEE:**

The Stakeholder Relationship and Redressal Committee was constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Rules made thereunder. During the year there were no complaints received by the Company.

The Committee consists of Shri. Sunil Rewachand Chandiramani, Independent Director as Chairman of the Committee and Shri. Raman Uberoi, Independent Director, and Shri. Vinit Mukesh Mehta and Mr Abhishek Agrawal, Nominee Directors as members of the Committee. Further, Shri. Abhishek Agrawal resigned his membership on November 10, 2025 due to his resignation from the directorship of the Company. There were no other changes in the composition of the Committee.

During the year, the committee met four times on May 22, 2025, August 05, 2025, November 06, 2025, and February 04, 2026.

### Attendance of each Director at Stakeholder Relationship and Redressal Committee Meeting

| Name of the Director                               | Category             | Number of committee meetings |          | % of total Meetings attended |
|----------------------------------------------------|----------------------|------------------------------|----------|------------------------------|
|                                                    |                      | Held                         | Attended |                              |
| Shri Sunil Rewachand Chandiramani                  | Independent Director | 4                            | 4        | 100.00                       |
| Shri Raman Uberoi                                  | Independent Director | 4                            | 4        | 100.00                       |
| Shri. Vinit Mukesh Mehta                           | Nominee Director     | 4                            | 3        | 75.00                        |
| Shri Abhishek Agrawal<br>(up to November 10, 2025) | Nominee Director     | 3                            | 2        | 66.67                        |

#### (6) RISK MANAGEMENT COMMITTEE:

Risk Management Committee consists of Shri Raman Uberoi as Chairman of the Committee and Shri Vupputuri Gopala Kishan Prasad, Executive Director, Smt. Vasumathi Devi Koganti, Managing Director, Shri. Vinit Mukesh Mehta and Shri Abhishek Agrawal, Nominee Directors as members of the Committee. Shri. Abhishek Agrawal resigned his membership on November 10, 2025 due to his resignation from the directorship of the Company. There were no other changes in the composition of the Committee

The Risk Management Committee was formed to review and monitor Risk Management policies and systems from time to time.

During the FY 2025-2026, the committee met 4 times on May 22, 2025, August 05, 2025, November 06, 2025 and February 04, 2026. The terms of reference of the Committee include review of operational, reputational and market risks. The other terms, inter alia, include managing the integrated risk, laying down procedures to inform the Board about risk assessment and minimisation procedures in the Company, and framing, implementing, monitoring the risk management plan for the Company.

### Attendance of each Director at Risk Management Committee Meetings

| Name of the Director                                | Category             | Number of committee meetings |          | % of total Meetings attended |
|-----------------------------------------------------|----------------------|------------------------------|----------|------------------------------|
|                                                     |                      | Held                         | Attended |                              |
| Shri. Raman Uberoi                                  | Independent Director | 4                            | 4        | 100.00                       |
| Shri. Vupputuri Gopala Kishan Prasad                | Executive Director   | 4                            | 4        | 100.00                       |
| Shri. Abhishek Agrawal<br>(Up to November 10, 2025) | Nominee Director     | 3                            | 2        | 66.67                        |
| Smt. Vasumathi Devi Koganti                         | Managing Director    | 4                            | 4        | 100.00                       |
| Shri. Vinit Mukesh Mehta                            | Nominee Director     | 4                            | 3        | 75.00                        |

#### Other Committees:

##### (a) Asset Liability Management Committee:

The Asset Liability Management Committee consists of Shri Vupputuri Gopala Kishan Prasad as Chairman of the Committee and Smt. Vasumathi Devi Koganti, Managing Director, Shri. Vinit Mukesh Mehta and Shri Abhishek Agrawal, Nominee Directors, Mr. Namburi Rama Raju, Chief Executive Officer, Mr. Vaibhav Asthekar, National Credit Head and Mr. Gollamudi Chakrapani, Chief Risk Officer as members of the Committee. Mr. Namburi Rama Raju, Chief Executive Officer, resigned from his services on March 31, 2025. Further, the Committee was re-constituted on May 22, 2025 with Shri Vupputuri Gopala Kishan Prasad as Chairman of the Committee and Smt. Vasumathi Devi Koganti, Managing Director, Shri. Vinit Mukesh Mehta and Shri Abhishek Agrawal, Nominee Directors, Mr. Debnil Chakaravarthy, Chief Executive Officer, Mr. Prakash Bhawnani, Chief Financial Officer, Mr. Gollamudi Chakrapani, Chief Risk Officer and Mr. Thuta Srinivas, National Credit Manager as members of the Committee. Further, Shri. Abhishek Agrawal resigned from his membership on November 10, 2025 due to his resignation from the directorship of the Company. The Asset Liability Management Committee was formed to review and monitor liquidity and interest rate risk arising out of maturity mismatch of assets and liabilities and to address the mismatches, if any, from time to time. During the FY 2025-26 the committee met 4 times on May 22, 2025, August 05, 2025, November 06, 2025 and February 04, 2026.

**Attendance of each Director at Asset Liability Management Committee Meeting**

| Name of the Director                                | Category                | Number of committee meetings |          | % of total Meetings attended |
|-----------------------------------------------------|-------------------------|------------------------------|----------|------------------------------|
|                                                     |                         | Held                         | Attended |                              |
| Shri. Vupputuri Gopala Kishan Prasad                | Executive Director      | 4                            | 4        | 100.00                       |
| Shri. Abhishek Agrawal<br>(Up to November 10, 2025) | Nominee Director        | 3                            | 2        | 66.67                        |
| Smt. Vasumathi Devi Koganti                         | Managing Director       | 4                            | 4        | 100.00                       |
| Shri. Vinit Mukesh Mehta                            | Nominee Director        | 4                            | 4        | 100.00                       |
| Shri. Debnil Chakravarthy                           | Chief Executive Officer | 4                            | 4        | 100.00                       |
| Shri. Gollamudi Chakrapani                          | Chief Risk Officer      | 4                            | 4        | 100.00                       |
| Shri Thuta Srinivas                                 | National Credit Manager | 4                            | 4        | 100.00                       |
| Shri Prakash Bhawnani                               | Chief Financial Officer | 4                            | 4        | 100.00                       |
| Mr. Vaibhav R Asthekar<br>(Up to May 23, 2025)      | National Credit Manager | 1                            | 1        | 100.00                       |

**(b) Management Committee:**

The Management Committee comprises Shri. Vupputuri Gopala Kishan Prasad as Chairman, Shri Kannan Independent Director and Smt. Vasumathi Devi Koganti, Managing Director as Members of the Committee. The Management Committee was constituted to review and monitor borrowings, assignment and securitization transactions, day to day management activities, etc, from time to time. During the year 2025-26, the committee met 46 times on April 03, 2025, April 08, 2025, April 11, 2025, May 08, 2025, May 30, 2025, June 26, 2025, June 27, 2025, July 01, 2025, July 19, 2025, July 21, 2025, July 26, 2025, August 08, 2025, August 30, 2025, September 05, 2025, September 12, 2025, September 16, 2025, September 22, 2025, September 24, 2025, September 25, 2025, September 26, 2025, September 30, 2025, October 23, 2025, November 13, 2025, November 26, 2025, December 03, 2025, December 12, 2025, December 15, 2025, December 16, 2025, December 19, 2025, December 24, 2025, December 26, 2025, December 30, 2025, December 31, 2025, January 17, 2026, January 20, 2026, January 28, 2026, February 13, 2026, February 20, 2026, February 23, 2026, February 26, 2026, March 03, 2026, March 10, 2026, March 11, 2026, March 23, 2026, March 25, 2026, and March 27, 2026.

| Name of the Director           | Category             | Number of committee meetings |          | % of total Meetings attended |
|--------------------------------|----------------------|------------------------------|----------|------------------------------|
|                                |                      | Held                         | Attended |                              |
| Vupputuri Gopala Kishan Prasad | Executive Director   | 46                           | 46       | 100.00                       |
| Vasumathi Devi Koganti         | Managing Director    | 46                           | 46       | 100.00                       |
| Kannan                         | Independent Director | 46                           | 46       | 100.00                       |

**(6) REMUNERATION OF DIRECTORS**
**Pecuniary relationship/transaction with non-executive directors**

During the FY 2025-26, there were no pecuniary relationship/transactions of any Non Executive directors with the Company, except payment of sitting fees for attending Board Meetings. During the FY 2025-26, the Company did not advance any loans to any of its directors.

**Criteria of making payments to non-executive directors**

Non-executive directors of the Company play a crucial role in the independent functioning of the Board. They bring in an external perspective to decision-making and provide leadership and strategic guidance while maintaining objective judgment. They also oversee the corporate governance framework of the Company.

**Details of Remuneration of directors**

For the FY 2025-26, Non-Executive Directors do not receive any remuneration from the Company and Independent directors receive sitting fee of Rs. 75,000/- per Board Meeting and Rs. 50,000 per committee meeting(s). Details of remuneration, sitting fees and commission paid to the Directors will be provided in the Form MGT-7 (annual return) which shall be hosted on the website of the Company and can be accessed through the web-link <https://www.ikffinance.com/financials>

## (7) GENERAL BODY MEETINGS:

- a) Time and location of last three Annual General Meetings and Special Resolutions passed by the members in the past 3 AGMs.

| AGM                  | Day     | Date               | Time     | Venue                                                                                                                 | Special Resolutions passed                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|----------------------|---------|--------------------|----------|-----------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 34 <sup>th</sup> AGM | Tuesday | September 30, 2025 | 11.30 AM | Registered office: #40-1-144, 3 <sup>rd</sup> Floor, Corporate Center, M.G. Road, Vijayawada – 520010, Andhra Pradesh | <ul style="list-style-type: none"> <li>Revise the Borrowing Powers of the Company of Rs. 6000 crores.</li> <li>Renew the power of Board of Directors of the Company to lease and mortgage of the property (ies) of the Company.</li> <li>Issue of Non-Convertible Debentures (NCD)/ Tier II Debt(s)/ Commercial Papers/ Bonds on Private Placement Basis.</li> <li>Approve remuneration of Shri. Gopala Kishan Prasad Vupputuri (DIN: -01817992), Chairman and Executive Director of the Company</li> <li>Approve remuneration of Smt. Vasumathi Devi Koganti (DIN: 03161150), Managing Director of the Company</li> </ul> |
| 33 <sup>rd</sup> AGM | Monday  | September 30, 2024 | 11.00 AM | Registered office: #40-1-144, 3 <sup>rd</sup> Floor, Corporate Center, M.G. Road, Vijayawada – 520010, Andhra Pradesh | <ul style="list-style-type: none"> <li>Revise the Borrowing Powers of the Company of Rs. 6000 crores.</li> <li>Renew the power of Board of Directors of the Company to lease and mortgage of the property (ies) of the Company.</li> <li>Issue of Non-Convertible Debentures (NCD)/ Tier II Debt(s)/ Commercial Papers/ Bonds on Private Placement Basis.</li> </ul>                                                                                                                                                                                                                                                       |
| 32 <sup>nd</sup> AGM | Friday  | September 29, 2023 | 11.00 AM | Registered office: #40-1-144, 3 <sup>rd</sup> Floor, Corporate Center, M.G. Road, Vijayawada – 520010, Andhra Pradesh | <ul style="list-style-type: none"> <li>Authorization to issue of Non-Convertible Debentures (NCD)/Tier II Debt(s)/ Commercial Papers/Bonds on Private Placement Basis.</li> <li>To revise the remuneration of Shri. Vupputuri Gopala Kishan Prasad (DIN: 01817992), Chairman and Executive Director of the Company.</li> <li>Appointment of Shri Sethuraman Ganesh (DIN: 07152185), Additional Director as an Independent Director of the Company.</li> <li>Amendment in the Articles of Association of the Company</li> </ul>                                                                                             |

- b) No special resolution was proposed to be passed through postal ballot.
- c) No special resolution is proposed to be passed through postal ballot.

## (8) MEANS OF COMMUNICATION:

The Quarterly/Half yearly/Annual financial results are published in “Business Line” (English) and “Praja Shakthi” (Telugu) and on website of the Company and can be accessed through the web-link <https://www.ikffinance.com/financials>

The Company has not made any presentations to institutional investors or to the analysts.

## (9) GENERAL INFORMATION TO SHAREHOLDER:

### General Body Meeting, Day, Date, Time & Location

35<sup>th</sup> Annual General Meeting will be held on Wednesday, September 30, 2026 at 11.30 A. M., at the Registered Office of the Company situated at #40-1-144, 3<sup>rd</sup> Floor, Corporate Center, M.G. Road, Vijayawada – 520010, Andhra Pradesh.

### Financial Calendar

FY - April 01, 2025 to March 31, 2026.

### Dividend Payment

Your Directors' have not recommended payment of dividend for the FY ended March 31, 2026 since it is proposed to retain the same in the business.

### Stock Exchange(s) at which the securities are listed

None of the equity shares and convertible securities are listed on any Stock Exchange.

The Non-convertible Debentures are listed on the debt market of BSE.

Annual listing fees, as prescribed, have been paid to the said stock exchange. Address: Phsiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai, 400001, India.

### Suspension from trading

No securities of the Company were suspended from trading during the FY 2025-26.

### Book Closure dates

September 22, 2026 to September 30, 2026

### Distribution of Shareholding as on March 31, 2026 (Rs 5/- paid up)

| Shareholdings |          | Shareholders |               | Nominal Share Amount |               |
|---------------|----------|--------------|---------------|----------------------|---------------|
| Rs.           | Rs.      | No           | % of total    | Rs.                  | % of total    |
| Up to         | 5,000    | 1006         | 68.20         | 1788320              | 0.19          |
| 5,001         | 10,000   | 169          | 11.46         | 1495660              | 0.16          |
| 10,001        | 20,000   | 92           | 6.24          | 1488840              | 0.16          |
| 20,001        | 30,000   | 36           | 2.44          | 923320               | 0.10          |
| 30,001        | 40,000   | 19           | 1.29          | 693260               | 0.08          |
| 40,001        | 50,000   | 21           | 1.42          | 1002740              | 0.11          |
| 50,001        | 1,00,000 | 24           | 1.63          | 1869070              | 0.20          |
| 1,00,001      | & above  | 107          | 7.32          | 929338700            | 99.01         |
| <b>Total</b>  |          |              | <b>100.00</b> | <b>938599910</b>     | <b>100.00</b> |

### Shareholding Pattern as on March 31, 2026:

| Category                                         | Total Shareholders | % of Shareholders | Total Shares | %     |
|--------------------------------------------------|--------------------|-------------------|--------------|-------|
| Corporate Bodies (Domestic Companies and Trusts) | 55                 | 3.73              | 2,65,14,230  | 14.12 |
| Foreign Company                                  | 3                  | 0.20              | 7,65,80,428  | 40.80 |
| Foreign Promoters                                | 2                  | 0.14              | 32,23,600    | 1.72  |

### Share Transfers

There was no physical transfer of shares.

The Company's shares are being compulsorily traded in dematerialized form with effect from April 01, 2003. M/s. Bigshare Services Private Limited, who have been appointed as the Registrar and Share Transfer Agents of the Company for both physical and electronic segments have attended to the share transfer formalities regularly. The Registrars and Share Transfer Agents can be contacted by the investors at the following address

M/s. Bigshare Services Private Limited, 306, 3<sup>rd</sup> Floor, Right Wing, Amrutha Ville, Opp.: Yashoda Hospital, Rajbhavan Road, Somajiguda, Hyderabad – 500 082, Tel. No.: 040-23374967, Fax No.: 040-23374295, Email: bsshyd@bigshareonline.com.

### Outstanding GDRs or ADRs or Warrants or any Convertible Instruments, conversion date and likely impact on equity

Not Applicable as the Company doesn't issue any GDRs or ADRs or Warrants or any Convertible Instruments.

### Commodity price risk or foreign exchange risk and hedging activities

The Company does not hedge its exposure to commodity price risks. The Company also does not hedge foreign exchange risks.

### Plant location

Not Applicable



| Category             | Total Shareholders | % of Shareholders | Total Shares        | %          |
|----------------------|--------------------|-------------------|---------------------|------------|
| Non-Resident Indians | 17                 | 1.15              | 1,58,712            | 0.08       |
| Promoters            | 5                  | 0.34              | 6,62,00,986         | 35.27      |
| Public               | 1392               | 94.44             | 1,50,42,026         | 8.01       |
| <b>Total</b>         | <b>1474</b>        | <b>100.00</b>     | <b>18,77,19,982</b> | <b>100</b> |

#### Dematerialization of Shares & Liquidity

|              | No of Shareholders | No of Shares holding |
|--------------|--------------------|----------------------|
| Physical     | 108                | 1,89,016             |
| NSDL         | 729                | 17,46,30,390         |
| CDSL         | 637                | 1,29,00,576          |
| <b>Total</b> | <b>1474</b>        | <b>18,77,19,982</b>  |

Pursuant to the share split undertaken on March 06, 2026, physical shares belonging to shareholders who could not be traced despite reasonable efforts were transferred to a separate Escrow Account, pending identification and claim by the rightful shareholders.

#### Address for correspondence and any assistance/clarification

##### Company Secretary and Compliance Officer:

Shri Chapalamadugu Sreenivasa Rao, Company Secretary and Compliance Officer, IKF Finance Limited, D. No.: 40-1-144, Corporate Centre, M.G. Road, Vijayawada – 520010.

##### List of all credit ratings obtained during the year:

The credit ratings obtained during the year were disclosed in the Directors' Report, which forms part of this Report.

## (10) OTHER DISCLOSURES:

#### Materially significant related party transactions

There are no materially significant transactions with related parties i.e., Associate Companies, Promoters, Directors or the key management personnel and their relatives conflicting with the Company's interest that may have potential conflict with the interests of listed entity at large.

#### Details of non-compliance by the listed entity – Nil

**Details of establishment of vigil mechanism/whistle blower policy** – The details of establishment of vigil mechanism/whistle blower policy are disclosed in the Directors' Report, which forms part of this Report.

**Details of compliance with mandatory requirements and adoption of the nonmandatory requirements** - The Company has complied with all the mandatory requirements and regulations as applicable to the Company.

#### Disclosures with respect to unclaimed amounts of interest and redemption (Regulation 61A, Chapter V of SEBI LODR Regulations, 2015)

During the year under review, there were no amounts of interest or redemption on the Company's listed Non-Convertible Debentures that remained unclaimed for a period of 30 days from the due date of payment. Accordingly, no amount was required to be transferred to an escrow account in terms of Regulation 61A of the SEBI LODR Regulations, 2015, and consequently no amount was transferred, or was due for transfer, to the Investor Education and Protection Fund (IEPF)/ Investor Protection and Education Fund (IPEF) during the year

#### Disclosures with respect to demat suspense account/unclaimed suspense account

The Company does not have any shares lying in a demat suspense account or unclaimed suspense account, as the Company has not issued equity shares through a public issue or any similar corporate action giving rise to such a suspense account. This disclosure is accordingly not applicable to the Company

#### Disclosure of commodity price risks and commodity hedging activities

This disclosure is not applicable to the Company, as its business does not involve dealing in commodities

**Web link where policy for determining 'material' subsidiaries is disclosed** – <https://www.ikffinance.com/policies>

**Web link where policy on dealing with related party transactions** – <https://www.ikffinance.com/policies>

**Details of utilization of funds raised through preferential allotment or qualified institutions placement** – The details of utilization of funds raised through preferential allotment are disclosed in the Directors' Report, which forms part of this Report.

**Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013** – The disclosures in relation to the Sexual Harassment of Women at Workplace are disclosed in the Directors' Report, which forms part of this Report.

**Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount'** – The disclosures in relation to the Loans and Advances are disclosed in the Financial Statements, which forms part of this Report.

**Details of material subsidiaries:**

|                                         |                                                                                                                                                         |
|-----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Name of the Material Subsidiary</b>  | IKF HOME FINANCE LIMITED                                                                                                                                |
| <b>Date of Incorporation</b>            | August 05, 2002                                                                                                                                         |
| <b>Address of the Registered Office</b> | 40-1-144, 01 <sup>st</sup> Floor, Corporate Centre, M.G. Road, Vijayawada – 520010, Andhra Pradesh, India                                               |
| <b>Address of the Corporate Office</b>  | 10 <sup>th</sup> Floor, Tower 3, Phoenix Equinox, Nagarjuna Residency Driveway, Diamond Hills, Lumbini Avenue, Gachibowli, Hyderabad, Telangana 500032. |
| <b>Place of Incorporation</b>           | Vijayawada                                                                                                                                              |
| <b>Name of the Statutory Auditors</b>   | SGCO & Co                                                                                                                                               |
| <b>Date of Appointment</b>              | September 30, 2025                                                                                                                                      |

The Company has complied with the requirement of Corporate Governance Report of sub-paras (2) to

(10) as mentioned under Clause (C) of Schedule V of Listing Regulations.

**Discretionary requirements as specified in Part E of Schedule II of Listing Regulations** – Not applicable

**The Company is in compliance with the requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations, as applicable, with regard to Corporate Governance** – Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations are Not applicable to the Company

**Total fees for all services paid by to the statutory auditor (Amount in Rs. Lakhs)**

| Particulars                | Year ended March 31, 2026 | Year ended March 31, 2025 | Year ended March 31, 2024 |
|----------------------------|---------------------------|---------------------------|---------------------------|
| Auditor's remuneration     |                           |                           |                           |
| - Audit fees               | 37.25                     | 39.50                     | 31.00                     |
| - In other capacity        |                           | -                         | -                         |
| - Certification services   | -                         | 3.70                      | 2.05                      |
| - Other of pocket expenses | -                         | -                         | -                         |
| <b>Total</b>               | <b>37.25</b>              | <b>43.20</b>              | <b>33.05</b>              |

**DECLARATION BY MANAGING DIRECTOR REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

As required by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, applicable to the Company, I affirm that Board Members and the Senior Management Personnel have confirmed compliance with the Codes of Conduct, as applicable to them, for the year ended March 31, 2026.

**Vasumathi Devi Koganti**  
 Managing Director  
 DIN: 03161150

Place: Vijayawada  
 Date: May 11, 2026

# ANNEXURE-I

## STATEMENT CONTAINING THE SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES/ASSOCIATE COMPANIES/JOINT VENTURES

[Pursuant to first proviso to Sub-section (3) of Section 129 of the Companies Act, 2013,  
read with Rule 5 of the Companies (Accounts) Rules, 2014]

### AOC-1

#### Part “A”: Subsidiaries

(Amount in Lakhs, unless otherwise stated)

|                                                                                                                             |                                  |
|-----------------------------------------------------------------------------------------------------------------------------|----------------------------------|
| Name of the subsidiary                                                                                                      | IKF Home Finance Limited         |
| Reporting period for the subsidiary concerned, if different from the holding company's reporting period                     | April 01, 2025 to March 31, 2026 |
| Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries | INR (Indian Rupees)              |
| Share capital                                                                                                               | 9047.32                          |
| Reserves & surplus                                                                                                          | 40,276.98                        |
| Total assets                                                                                                                | 1,70,344.27                      |
| Total liabilities (excluding share capital and reserves & surplus)                                                          | 1,21,019.97                      |
| Investments                                                                                                                 | 3,217.43                         |
| Turnover                                                                                                                    | 26,719.60                        |
| Profit/(Loss) before taxation                                                                                               | 6,439.92                         |
| Provision for taxation                                                                                                      | 1,520.03                         |
| Profit/(Loss) after taxation                                                                                                | 4,919.89                         |
| Proposed Dividend                                                                                                           | Nil                              |
| % of shareholding                                                                                                           | 100.00                           |

- Names of subsidiaries which are yet to commence operations: Nil
- Names of subsidiaries which have been liquidated or sold during the year: Nil

#### Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Company.

As on March 31, 2026, the Company did not have any associate or joint ventures.

- Names of associates or joint ventures which are yet to commence operations: Nil
- Names of associates or joint ventures which have been liquidated or sold during the year: Nil

For and on behalf of the Board  
**IKF FINANCE LIMITED**

Place: Vijayawada  
Date: May 11, 2026

**Vupputuri Gopala Kishan Prasad**  
Chairman & Executive Director  
DIN: 01817992

**Vasumathi Devi Koganti**  
Managing Director  
DIN: 03161150

## ANNEXURE-II

### FORM NO. MR-3

#### Secretarial Audit Report

For the Financial Year ended on 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,

#### IKF Finance Limited,

40-1-144, 3<sup>rd</sup> Floor, Corporate Centre,  
M.G. Road, Vijayawada – 520010, Krishna,  
Andhra Pradesh

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company, during the audit period covering the FY ended on March 31, 2026, complied with the statutory provisions listed hereunder and also 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 FY 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.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**"):
  - (a). The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable to the Company during the audit period)**
  - (b). The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c). The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the audit period)**
  - (d). The Securities Exchange Board of India (Share Based Employee Benefit) Regulations, 2021; **(Not applicable to the Company during the audit period)**
  - (e). The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - (f). The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the audit period)**
  - (g). The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company during the audit period) and**
  - (h). The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the audit period)**
- (vi) The Employees Provident Fund and Miscellaneous Provisions Act, 1952;
- (vii) Employees State Insurance Act, 1948;
- (viii) Employers Liability Act, 1938;

- (ix) Equal Remuneration Act, 1976;
- (x) Maternity Benefits Act, 1961;
- (xi) Minimum Wages Act, 1948;
- (xii) Negotiable Instruments Act, 1881;
- (xiii) Payment of Bonus Act, 1965;
- (xiv) Payment of Gratuity Act, 1972;
- (xv) Payment of Wages Act, 1936 and other applicable labour laws;
- (xvi) Laws specifically applicable to the industry to which the Company belongs, as identified by the Management:
  - i. NBFC – The Reserve Bank of India Act, 1934 and all applicable Laws, Rules, Regulations, Guidelines, Circulars, Notifications, etc.

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India;
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable to the Company

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

**We further report that** on examination of the relevant documents and records and based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of compliance reports by respective department heads/Company Secretary of the Company, in our opinion, there exist adequate systems and processes and control mechanism in the Company to monitor and ensure compliance with applicable general laws.

**We further report that** the compliances by the Company of applicable financial laws, like direct and indirect tax laws, have not been reviewed in this audit since the same is not within the scope of our audit.

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

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

As per the minutes of the meetings duly recorded and signed by the Chairman, all the decisions of the Board were passed without any dissent.

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

**We further report that** during the audit period, the following material events/actions have taken place:

During the year under review:

- (a) the Company has considered and approved the issuance of 28,39,785 partly paid-up Equity shares on a preferential basis to Sri V.G.K. Prasad, Promoter
- (b) the Company has considered and approved the issuance of 1,91,03,761 Equity Shares on private placement basis
- (c) the Articles of Association of the Company have been amended and adopted restated Articles of Association
- (d) the Company has considered and approved the issuance of 4,09,366 partly paid-up Equity shares on a preferential basis to Sri V.G.K. Prasad, Promoter
- (e) the Company has considered and approved the issuance of 13,50,634 Equity Shares on private placement basis to Sri V.G.K. Prasad, Promoter
- (f) the Company has renewed the borrowing powers of Rs. 6,000 crores pursuant to section 180(1)(C) of the Companies Act, 2013
- (g) the Company has renewed the power of Board of Directors of the Company to lease and mortgage of the property(ies) of the Company
- (h) the Company has considered and approved the issuance of non-convertible debentures (NCDS)/Tier II Debt(s)/Commercial Papers/Bonds upto Rs. 3,000 crores on a private placement basis
- (i) the Company has considered and approved Sub-Division/ Split of Existing 1 (One) Equity Share of Face Value of Rs. 10/- (Rupees Ten Only) Each Fully Paid Up Into 2 (Two) Equity Shares of Face Value of Rs. 5/- (Rupees Five Only) Each Fully Paid Up.



- (j) Company has acquired all shares of IKF Home Finance Limited and now it is a Wholly Owned Subsidiary of the Company. Company has also made further investment in this WOS.
- (k) the Company has approved ESOP scheme for its employees and employees of subsidiary company
- (l) the Company has altered its capital clause of the Memorandum of Association

for **B S S & Associates**  
Company Secretaries

**B. Sathish**

Partner

ACS No.: 27885

C P No.: 10089

Place: Hyderabad

Date: May 11, 2026

Peer review No: P2012AP026600

UDIN: A027885H000323422

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

## Annexure-A

To,  
The Members,

**IKF Finance Limited,**

40-1-144, 3<sup>rd</sup> Floor, Corporate Centre,  
M.G. Road, Vijayawada – 520010, Krishna, Andhra Pradesh.

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. 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 test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, that we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. 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 procedure on test basis.
6. The Secretarial Audit report is not an assurance as to the future viability of the Company or of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

for **B S S & Associates**  
Company Secretaries

**B. Sathish**

Partner

ACS No.: 27885

C P No.: 10089

Peer review No: P2012AP026600

UDIN: A027885H000323422

Place: Hyderabad

Date: May 11, 2026

# ANNEXURE-III

## ANNUAL REPORT ON CSR ACTIVITIES

[Pursuant to Clause (o) of sub section (3) of Section 134 of the Act and Rule 8 of the Companies (Corporate Social Responsibility) Rules 2014]

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

Brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken:

- Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water;
- Promoting education, including special education and employment enhancing vocation skills and livelihood enhancement projects;
- Promoting gender equality, empowering women;
- Ensuring environmental sustainability, ecological balance;
- Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central/State Government for socio-economic development and relief;
- Rural Development projects;
- Any other measures with the approval of Board of Directors on the recommendation of CSR Committee subject to the provisions of Section 135 of Companies Act, 2013 and rules made there-under.

### 2. Composition of CSR Committee:

| Sl. No. | Name of Director                                 | Designation/<br>Nature of<br>Directorship | Number of<br>meetings of CSR<br>Committee held<br>during the year | Number of meetings<br>of CSR Committee<br>attended during<br>the year |
|---------|--------------------------------------------------|-------------------------------------------|-------------------------------------------------------------------|-----------------------------------------------------------------------|
| 2       | Shri. Kannan                                     | Chairman                                  | 4                                                                 | 4                                                                     |
| 2       | Shri Vupputuri Gopal Kishan Prasad               | Member                                    | 4                                                                 | 4                                                                     |
| 3       | Shri. Vinit Mukesh Mehta                         | Member                                    | 4                                                                 | 4                                                                     |
| 4       | Shri. Abhishek Agrawal (Up to November 10, 2025) | Member                                    | 3                                                                 | 2                                                                     |

### 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 details are available on our website at <https://www.ikffinance.com/>

### 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:

As the Company is not having average CSR obligation of Rs 10 Crores or more in pursuance of subsection (5) of section 135 of the Act, impact assessment is not applicable to the Company.

### 5. (a). Average net profit of the Company as per sub-section (5) of section 135:

(b). Two percent of average net profit of the Company as per sub-section (5) of section 135: Rs 2,10,35,405

(c). Surplus arising out of the CSR projects or programs or activities of the previous financial years: Nil

(d). Amount required to be set off for the financial year, if any: Rs. 10,73,000

(e). Total CSR obligation for the financial year [(b)+(c)-(d)]: Rs. 2,10,35,405

\*As the Company does not wish to set off the excess amount spent

### 6. (a). Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Rs. 2,11,00,000

(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)]:

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

| Total Amount Spent for the Financial Year. (in Rs.) | Amount Unspent (in Rs.)                                                |                   |                                                                                                      |         |                   |
|-----------------------------------------------------|------------------------------------------------------------------------|-------------------|------------------------------------------------------------------------------------------------------|---------|-------------------|
|                                                     | Total Amount transferred to Unspent CSR Account as per section 135(6). |                   | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5). |         |                   |
|                                                     | Amount.                                                                | Date of transfer. | Name of the Fund                                                                                     | Amount. | Date of transfer. |
|                                                     | --                                                                     | --                | --                                                                                                   | --      | --                |

(f) Excess amount for set off, if any

| Sl. No. | Particulars                                                                                                 | Amount (in Rs.) |
|---------|-------------------------------------------------------------------------------------------------------------|-----------------|
| (1)     | (2)                                                                                                         | (3)             |
| (i)     | Two percent of average net profit of the Company as per sub section 5 of section 135                        | 2,10,35,405     |
| (ii)    | Total amount spent for the Financial Year                                                                   | 2,11,00,000     |
| (iii)   | Excess amount spent for the financial year [(ii)-(i)]                                                       | 64,595          |
| (iv)    | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | 10,73,000       |
| (v)     | Amount available for set off in succeeding financial years [(iii)-(iv)]                                     | 11,37,595       |

7. (a) Details of Unspent Corporate Social Responsibility for the preceding three financial years:

| 1      | 2                           | 3                                                                                       | 4                                                                                  | 5                                           | 6                                                                                                                           |                  | 7                                                                   | 8                  |
|--------|-----------------------------|-----------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|---------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|------------------|---------------------------------------------------------------------|--------------------|
| Sl. No | Preceding Financial Year(s) | Amount transferred to unspent CSR Account under sub section (6) of Section 135 (in Rs.) | Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Rs.) | Amount Spent in the Financial Year (in Rs.) | 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 Rs.) | Deficiency, if any |
|        |                             |                                                                                         |                                                                                    |                                             | Amount (in Rs.)                                                                                                             | Date of Transfer |                                                                     |                    |
| 1      | 2024-25                     | Nil                                                                                     | Nil                                                                                | Nil                                         | Nil                                                                                                                         | -                | -                                                                   | -                  |
| 2      | 2023-24                     | Nil                                                                                     | Nil                                                                                | Nil                                         | Nil                                                                                                                         | -                | -                                                                   | -                  |
| 3      | 2022-23                     | Nil                                                                                     | Nil                                                                                | Nil                                         | Nil                                                                                                                         | -                | -                                                                   | -                  |
| Total  |                             |                                                                                         |                                                                                    | Nil                                         |                                                                                                                             |                  |                                                                     |                    |

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not Applicable

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

for and on behalf of the Board of Directors of  
**IKF Finance Limited**

Place: Vijayawada  
Date: May 11, 2026

**Kannan**  
Chairman of CSR Committee  
DIN: 01354529

**Vasumathi Devi Koganti**  
Managing Director  
DIN: 03161150

## ANNEXURE-IV

### AOC-2

#### Particulars of contracts/arrangements made with related parties

[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]

This Form pertains to the disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Section 188(1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

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

There were no contracts or arrangements or transactions entered in to during the year ended March 31, 2026, which were not at arm's length basis.

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

There were no material contracts or arrangements or transactions entered in to during the year ended March 31, 2026.

For and on behalf of the Board  
**IKF FINANCE LIMITED**

**Vupputuri Gopala Kishan Prasad**  
Chairman & Executive Director  
DIN: 01817992

**Vasumathi Devi Koganti**  
Managing Director  
DIN: 03161150

Place: Vijayawada  
Date: May 11, 2026



# INDEPENDENT AUDITOR'S REPORT

To the Members of IKF Finance Ltd

## Report on the Audit of Standalone Financial Statements

### OPINION

We have audited the Standalone Financial Statements of IKF Finance Ltd ("the Company"), which comprises the Standalone Balance Sheet as at March 31, 2026, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, the relevant circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ('RBI Guidelines') and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

We have determined the matters described below to be the key audit matters to be communicated in our report.

### BASIS FOR OPINION

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

### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Standalone Financial Statements of the current period due to their significance to the Standalone Financial Statements, the risk of material misstatement, and the degree of management judgment involved. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Impairment of loans and advances and expected credit losses

| Key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | How the matter was addressed in our audit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><i>Refer to the accounting policies in Note 2.6 (f) to the Standalone Financial Statements: "Impairment of Financial Assets", Note 6 to the standalone Financial Statements: "Loans" and Note 46.2 to the standalone Financial Statements: "Credit Risk"</i></p> <p>As on March 31, 2026, the company has reported gross loan assets of Rs.5,87,441.21 lakhs against which an impairment loss of Rs 8,372.97 Lakhs has been recorded. The Company recognized impairment provision for Loan assets based on the Expected Credit Loss ("ECL") approach laid down under 'IND AS 109- Financial Instruments'</p> <p>Recognition and measurement of ECL involves significant management judgement and estimates and the use of different modelling techniques and assumptions which could have a material impact on reported profits.</p> | <p>We have performed the following key audit procedures:</p> <ul style="list-style-type: none"> <li>Performed process walkthroughs to identify the key systems, applications and controls used in the impairment loss allowance processes.</li> <li>Assessed the design and implementation of controls in respect of the Company's impairment allowance process such as the timely recognition of impairment loss, the completeness and accuracy of reports used in the impairment allowance process and management review processes over the calculation of impairment allowance and the related disclosures on credit risk management.</li> </ul> |

## Impairment of loans and advances and expected credit losses

| Key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | How the matter was addressed in our audit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>The Company's impairment allowance is computed based on estimates including the historical default and loss ratios. Management exercises judgement in determining the quantum of loss based on a range of factors. The most significant areas are:</p> <ol style="list-style-type: none"> <li>Asset staging criteria</li> <li>Calculation of probability of default/ Loss given default/ Credit conversion factor.</li> <li>Allocation of weights i.e., expected variability in losses basis different risk factors.</li> <li>Consideration of probability of forward looking macro-economic factors.</li> </ol> <p>The Company has a Board approved policy on ECL to ensure the compliance with Ind AS 109 requirements and the basis of all assumptions for underlying inputs to the ECL model.</p> <p>The Company has applied a three-stage approach to measure expected credit losses / impairment loss allowance (ECL) on financial instruments accounted for at amortized cost and fair value through other comprehensive income.</p> <p>We have identified measurement of ECL as a key audit matter in view of the significant judgement and assumptions involved.</p> <p>Disclosures:</p> <p>The disclosures regarding the Company's application of Ind AS 109 are key to explaining the key judgements and material inputs to the Ind AS 109 ECL results.</p> | <ul style="list-style-type: none"> <li>Testing management's controls over authorization and calculation of post model adjustments and management overlays, if any.</li> <li>Evaluated whether the methodology applied by the Company is compliant with the requirements of the relevant accounting standards and confirmed that the calculations are performed in accordance with the approved methodology.</li> <li>Testing the governance framework for validation, implementation and model monitoring in line with the RBI guidance including the Board approved ECL policy.</li> <li>Read minutes of Risk management committee regarding the Company's quarterly assessment of macro-economic estimates fed into model and review of back testing of ECL model.</li> <li>Assessed whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment loss allowance in the</li> <li>are appropriate and sufficient.</li> <li>We have also obtained management representations wherever considered necessary.</li> </ul> |

### INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information in the Director's Report and Annual Report but does not include the Standalone Financial Statements and our Auditor's report thereon. The Director's Report and Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Standalone Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Director's Report and Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information'.

### MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the state of affairs, profit /loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the 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 of the assets of the Company and for preventing and

detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, the 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 intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs specified under 143(10) of the act, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company

has adequate internal financial controls system with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the Standalone Financial Statements made by the Management and Board of Directors.
4. Conclude on the appropriateness of the Management and Board of Directors 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 auditors' report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. 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.
7. 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
8. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the accompanying Financial Statements;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) the Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act read with Companies (Indian Accounting Standard) Rules 2015, as amended.;
  - e) on the basis of 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;
  - f) with respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
  - g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. the Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 41 to the Standalone Financial Statements
    - ii. The Company did not have any long-term contracts including derivative contracts as

at March 31, 2026, for which there were any material foreseeable losses.

- iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company during the year.
- iv. In respect of Rule 11(e) of the Companies (Audit and Auditors) Rules, 2014
  - a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;
  - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. In respect of Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, based on our examination, which included selective sample checks, in respect of software for maintenance of books of accounts, the Company has used such accounting software 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.

Further, based on representations from the management, we report that there has not been any instance of audit trail feature being tampered with during the period under audit

Based on our procedure performed, we did not notice any instance of the Audit trail feature being tampered with.

3. Audit trail has been preserved by the Company as per Rule 3(1) of the Companies (Accounts) Rules, 2014 and reporting under Rule 11(g) of the Companies

(Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention,

4. As required by Section 197(16) of the Act, 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 read with Schedule V of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the act which are required to be commented upon by us.

**Mukund M. Chitale & Co**

Chartered Accountants

FRN: 106655W

**Nilesh Joshi**

Partner

Place: Hyderabad

Date: May 11, 2026

Membership No. 114749

UDIN: 26114749VJRTQM3737



## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of IKF Finance Limited on the Standalone Financial Statements as at and for the year ended March 31, 2026)

To the best of our knowledge and according to the information and explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. a. (A) Based on the audit procedures performed by us and according to the information, explanations given to us, 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. The Company has a program of physical verification of property, plant and equipment and right-of-use assets once in every three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the above said Programme Physical Verification of Fixed assets has been completed and management has confirmed that there is no material discrepancy.
- c. Based on the examination of the documents provided to us, we report that the title deeds of immovable properties included in investment property are held in the name of the Company.
- d. The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year. Accordingly, paragraph 3(i)(d), of the Order is not applicable to the Company.
- e. Based on the audit procedures performed by us and according to the information, explanations and representations given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2026, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. a. The Company is engaged primarily in lending activities and consequently does not hold any physical inventories. Accordingly, paragraph 3(ii)(a) of the Order is not applicable to the Company.
- b. According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in

aggregate, at points of time during the year, from banks on the basis of security of loans (assets). In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account maintained by the company for the respective quarters. No material discrepancy is observed in the same.

- iii. As explained in note 1 to the Standalone Financial Statements, The Company is a Non deposit taking Systematically Important Non-Banking Financial Company ("NBFC") registered with the Reserve Bank of India ("RBI") and as a part of its business activities is engaged in the business of providing Loans and Advances.

During the year, in the ordinary course of its business, the Company has granted loan and advances in the nature of loans, secured and unsecured, to companies, firms, limited liability partnerships and other parties. With respect to such loans and advances:

- a. The Company is a Non-Banking Financial Company and principal business of the Company is to give loans. Hence reporting under paragraph 3(iii)(a) of the Order is not applicable to the Company.
- b. Having regard to the nature of the Company's business, the terms and conditions of the grant of all loans and advances in the nature of loans during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- c. In respect of loans and advances in the nature of loans (together referred to as 'loan assets'), the schedule of repayment of principal and payment of interest has been stipulated. Note 2.6 (f) to the Financial Statements explains the Company's accounting policy relating to impairment of financial assets which include loans assets. In accordance with that policy, loan assets with balances as at 31<sup>st</sup> March 2026, aggregating to Rs. 14,784.18 lakhs were categorised as credit impaired ('Stage 3') and Rs. 38,354.83 lakhs were categorised as those where the credit risk has increased significantly since initial recognition ('Stage 2'). Disclosures in respect of such loans have been provided in note 6 to the Financial Statements. Additionally, out of loans and advances in the nature of loans with balances as at the year-end aggregating Rs. 5,34,302.20 lakhs, where credit risk has not significantly

increased since initial recognition (categorised as 'Stage 1'), In all other cases, the repayment of principal and interest is regular. Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemised list of loan assets where delinquencies in the repayment of principal and interest have been identified.

- d. The total amount overdue for more than ninety days, in respect of loans and advances in the nature of loans, as at the year-end is Rs. 14,784.18 lakhs. As explained to us, reasonable steps are being taken by the company for recovery of the principal and interest.
- e. The provisions of paragraph 3(iii)(e) of the Order are not applicable to the Company as its principal business is to give loans.
- f. According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence reporting under clause 3 (iii)(f) is not applicable.
- iv. According to the information and explanations given to us, there are no loans, investments, guarantees and securities granted in respect of which provisions of section 185 and 186 of the Act are attracted. Hence reporting under clause 3(IV) is not applicable.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 of the Act or any other relevant provisions of the Act and Rules framed thereunder are applicable. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013, for business activities carried out by the Company. Hence, reporting under paragraph 3 (vi) of the order is not applicable.
- vii. In respect of statutory dues:
  - a. Undisputed statutory dues, including Goods and Service tax, Provident Fund, Income-tax, cess and other material statutory dues applicable to the Company have been generally regularly deposited by it with the appropriate authorities in all cases during the year. As explained to us, company did not have any dues payable on

account of sales tax, service tax, duty of customs, duty of excise and value added tax. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Income-tax, cess and other material statutory dues in arrears as of March 31, 2026, for a period of more than six months from the date they became payable. As informed, the provisions relating to service tax, wealth tax, sales tax, value added tax, excise duty and customs duty are currently not applicable to the Company

- b. According to the information and explanations given to us, there are no dues of income tax, sales tax, goods and service tax, cess and other material statutory dues which have not been deposited with the appropriate authorities on account of any dispute.
- viii. According to the information and explanations given to us, there were no transactions not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the reporting under Clause 3(viii) of the Order is not applicable to the Company.
- ix.
  - a. In our opinion, The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
  - b. According to the information and explanations given to us including representation received from management of the Company and on the basis of our audit procedures, we report that the company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
  - c. In our opinion and according to the information and explanation given to us, Company has utilized the money raised by way of term loans during the year for the purpose for which they were raised.
  - d. In our opinion and according to the information and explanation given to us and on an overall examination of the Standalone Financial Statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.
  - e. According to the information and explanation given to us and on an overall examination of Standalone Financial Statements of the Company, we report that the Company has not taken any

funds from any entity or person on account of or to meet the obligations of its associate. The Company has not invested in any subsidiaries and joint ventures during the year.

- f. The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures, or associate companies. Accordingly, the reporting under clause 3(ix)(f) of the Order is not applicable.
- x. a. In our opinion and according to the information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable
- b. In our opinion and according to the information and explanations given to us and as verified by us, the Company has utilized funds raised by way of preferential allotment for the purpose for which they were raised.
- xi. a. To the best of our knowledge according to the information and explanations given to us and as verified by us, no fraud by the Company has been noticed or reported during the year.
- b. No report filed under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year.
- c. As represented to us by the management, no whistle blower complaints were received by the Company during the year.
- xii. The Company is not a Nidhi Company and hence, reporting under paragraph 3 (xii) of the Order is not applicable
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Act with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Financial Statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures, specified under section 133 of the Act.
- xiv. a. In our opinion the Company has an adequate internal audit system commensurate with the size and nature of its business.
- b. We have considered the internal audit reports for the year under audit, issued to the Company during the year in determining the nature, timing and extent of our audit procedures.

- xv. According to the information and explanation given to us and basis of our examination of the records, the Company has not entered into any non-cash transactions with its Directors or persons connected with them and hence provisions of section 192 of the Act are not applicable to the Company. Hence reporting under Clause 3(xv) of the Order is not applicable to the Company.
- xvi. a. The Company has registered as required, under Section 45- IA of the Reserve Bank of India Act, 1934 (2 of 1934) and it has obtained the registration.
- b. The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- c. In our opinion, the Company is not a Core Investment Company ("CIC") and there is no other CIC within the Group (as defined in the Core Investment Companies -Reserve Bank of India Directions, 2016) and hence reporting under clause 3(xvi)(c) of the Order is not applicable.
- d. The Company is not a CIC and hence reporting under clause 3(xvi) (d) of the Order is not applicable.
- xvii. According to the information and explanations given to us and based on our examination of the records, the Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. During the year, there has been no resignation of the statutory auditors. Accordingly, Clause 3 (xviii) of the Order is not applicable to the Company.
- xix. According to the information and explanations given to us, On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone 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 it should not be construed as a

guarantee or 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. According to the information and explanations given to us, there are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act 2013 in compliance with 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. According to the information and explanations given to us, there are no unspent amounts under sub-section (5) of section 135 of the Act, pursuant to any ongoing project requiring

transfer to special account in compliance with the provision of sub-section (6) of section 135 of the Act. Hence, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

- xxi. The reporting under Clause 3(xxi) is not applicable to standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

**Mukund M. Chitale & Co**  
Chartered Accountants  
FRN: 106655W

**Nilesh Joshi**  
Partner

Place: Hyderabad  
Date: May 11, 2026

Membership No. 114749  
UDIN: 26114749VJRTQM3737

# ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

on the Standalone Financial Statements of IKF Finance Limited for the year ended March 31, 2026.

## REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE STANDALONE FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013.

**Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date.**

We have audited the internal financial controls with reference to Standalone Financial Statements of IKF Finance Limited ("the Company") as of March 31, 2026, in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal controls with reference to Standalone Financial Statements 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 (ICAI) (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

### Auditors' Responsibility for the Audit of Internal Financial Controls with reference to Standalone Financial Statements

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Standalone Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements were established and maintained and whether 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 with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of such internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

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 with reference to Standalone Financial Statements.

### Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A Company's internal financial controls with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to Standalone Financial Statements include those policies and procedures that –

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company.
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- 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 Standalone Financial Statements.

### Inherent Limitations of Internal Financial controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements,



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

### Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to

Standalone Financial Statements and such internal financial controls were operating effectively as at March 31, 2026, based on the internal controls with reference to Standalone Financial Statements criteria established by the Company considering essential components of internal control stated in the Guidance Note.

**Mukund M. Chitale & Co**

Chartered Accountants

FRN: 106655W

**Nilesh Joshi**

Partner

Place: Hyderabad

Date: May 11, 2026

Membership No. 114749

UDIN: 26114749VJRTQM3737

# AUDITOR'S ADDITIONAL REPORT

To,

## The Board of Directors

IKF Finance Limited,  
40-1-144, Corporate Centre,  
M G Road,  
Vijayawada – 520 010

1. This Report is issued in accordance with the requirements of Reserve Bank of India's Master Direction - Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 - Notification No. RBI/2016-17/48 DNBS. PPD.03/66.15.001/2016-17 dated September 29, 2016, as amended from time to time ("Directions").
2. We have audited the Standalone Financial Statements of IKF Finance Limited ("Company") for the year ended March 31, 2026, on which we have issued an unmodified audit opinion vide our report dated May 11, 2026. Our audit of these financial statements was conducted in accordance with the Standards on Auditing specified under section 143 (10) of the Companies Act, 2013 ("Act"). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free of material misstatement.
3. We are appointed as the Statutory Auditors of the Company for the Financial Year 2025-26. The AGM was held on September 30, 2024, wherein the members provided their approval for appointment of our Chartered Accountant firms as their Statutory Auditors. As the audit for the FY 2025-26 was conducted by our firm, we are issuing this report as an "Independent Auditor's Additional Report" at the request of the Company and in accordance with the terms of our engagement letter.

## MANAGEMENT'S RESPONSIBILITY

4. The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of the Standalone Financial Statements that give a true and fair view of the state of affairs, profit/loss and cash flows of the Company in accordance with the accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

5. The Company's management is responsible for ensuring that the company complies with the requirements of the Directions, the Reserve Bank of India ("RBI") Act, 1934 and other relevant RBI circulars and guidelines applicable to Non-Banking Financial Companies. This responsibility includes the design, implementation and maintenance of internal control relevant to the compliance with the Master Directions.

## AUDITOR'S RESPONSIBILITY

6. Pursuant to the requirements of the Directions, it is our responsibility to provide reasonable assurance on whether the Company has complied with the matters specified in the Directions to the extent applicable to the Company.
7. Our audit of these Financial Statements was conducted in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ('ICAI'). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audit was not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.
8. We conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) I, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

## OPINION

10. Based on our examination of the standalone financial statements as at and for the year ended March 31, 2026, books of accounts and records of the Company as produced for our examination and according to the information and explanations given to us, we report as follows in terms of paragraphs 3 and 4 of the Directions:

- I. The Company is a Non-banking Financial Company and it has obtained a Certificate of Registration No. B-09.00172 from the RBI dated May 12, 2014, in pursuance of section 45-IA of RBI Act, 1934;
- II. The Company is entitled to continue to hold such Certificate of Registration in terms of its Financial asset / Income pattern for the year ended March 31, 2026.
- III. The Company meets the required net owned fund requirement as laid down in Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025.
- IV. The Board of Directors has not passed any resolution for acceptance of any public deposits.
- V. The Company has not accepted any public deposits during the relevant year.
- VI. With effect from April 1, 2018, as per the roadmap issued by the Ministry of Corporate Affairs for Non-Banking Finance Companies vide notification no.G.S.R 365(E) dated March 30, 2016, for financial reporting purposes, the Company has followed the Indian Accounting Standards issued by the ICAI specified under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015 (Ind AS).

Further, as per Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 dated November 28, 2025, the Company is required to maintain prudential floor in respect of impairment allowances. Management has assessed its expected credit loss in line with the provisioning requirement as per the prudential norm and accordingly, assessed that no impairment reserve is required to be created. In our opinion and to the best of our information and according to the explanations given to us, the Company has complied with

the income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as per Ind AS in the preparation of the financial statements for the year ended March 31, 2026.

- VII. In our opinion and to the best of our information and according to the explanations given to us, the Company being a NBFC – Middle Layer for the year ended March 31, 2026 as defined in Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025:
  - a) The capital adequacy ratio as disclosed in the return submitted to the RBI in form DNBS03, has been correctly arrived at and such ratio is in compliance with the minimum CRAR prescribed by the RBI in terms of 'Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Capital Adequacy) Directions, 2025;
  - b) The Company has furnished to the RBI, the annual statement of Capital Funds, Risk assets/ exposures and Risk Asset Ratio (DNBS03) within the stipulated period as prescribed under Master Direction – Reserve Bank of India (Filing of Supervisory Returns) Directions – 2024.

## RESTRICTION ON USE

11. This Report is addressed to and provided to the Board of Directors solely to comply with the aforesaid Direction and for submission to the RBI, if required and may not be suitable for any other purpose. Accordingly, our Report should not be quoted or referred to in any other document or made available to any other person or persons without our prior written consent. Also, we neither accept nor assume any duty or liability for any other purpose or to any other party to whom our Report is shown or into whose hands it may come without our prior consent in writing.

**For Mukund M. Chitale & Co**  
Chartered Accountants  
FRN: 106655W

**Nilesh RS Joshi**  
Partner

Place: Hyderabad  
Date: May 11, 2026

Membership No. 114749  
UDIN: 25114749VJ RTQM3737

# STANDALONE BALANCE SHEET

AS AT MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Particulars                                                                                 | Note No | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|---------------------------------------------------------------------------------------------|---------|-------------------------|-------------------------|
| <b>ASSETS</b>                                                                               |         |                         |                         |
| <b>(1) Financial assets</b>                                                                 |         |                         |                         |
| (a) Cash and cash equivalents                                                               | 3       | 32,082.59               | 19,943.00               |
| (b) Bank Balance other than included in (a) above                                           | 4       | 3,180.42                | 2,533.86                |
| (c) Receivables                                                                             |         |                         |                         |
| (i) Trade receivables                                                                       | 5       | 541.13                  | 238.12                  |
| (ii) Other receivables                                                                      |         | -                       | -                       |
| (d) Loans                                                                                   | 6       | 5,79,068.24             | 4,51,387.63             |
| (e) Investments                                                                             | 7       | 46,922.36               | 16,134.82               |
| (f) Other financial assets                                                                  | 8       | 8,186.06                | 5,367.75                |
|                                                                                             |         | <b>6,69,980.80</b>      | <b>4,95,605.18</b>      |
| <b>(2) Non-financial assets</b>                                                             |         |                         |                         |
| (a) Current Tax Assets (Net)                                                                |         | -                       | 332.56                  |
| (b) Deferred Tax Assets (Net)                                                               | 33      | -                       | -                       |
| (c) Investment Property                                                                     | 9       | 71.63                   | 129.86                  |
| (d) Property, Plant and Equipment                                                           | 10      | 3,934.71                | 335.88                  |
| (e) Right of use asset                                                                      | 10      | 164.67                  | 70.56                   |
| (f) Capital work in progress                                                                | 11      | -                       | 2,944.30                |
| (g) Intangibles assets under development                                                    | 11A     | -                       | -                       |
| (h) Other Intangible assets                                                                 | 11B     | 83.44                   | 114.11                  |
| (i) Other non-financial assets                                                              | 12      | 1,462.10                | 1,668.61                |
|                                                                                             |         | <b>5,716.55</b>         | <b>5,595.88</b>         |
| <b>Total assets</b>                                                                         |         | <b>6,75,697.35</b>      | <b>5,01,201.06</b>      |
| <b>LIABILITIES AND EQUITY</b>                                                               |         |                         |                         |
| <b>LIABILITIES</b>                                                                          |         |                         |                         |
| <b>(1) Financial liabilities</b>                                                            |         |                         |                         |
| (a) Payables                                                                                | 13      | -                       | -                       |
| (i) 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 |         | -                       | -                       |
| (ii) Other Payables                                                                         |         |                         |                         |
| (i) total outstanding dues of micro enterprises and small enterprises                       |         | -                       | -                       |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises |         | -                       | -                       |
| (b) Debt securities                                                                         | 14      | 94,579.04               | 70,978.62               |
| (c) Borrowings (other than debt securities)                                                 | 15      | 3,63,243.13             | 3,05,350.12             |
| (d) Subordinated Liabilities                                                                | 16      | 16,436.11               | 16,402.09               |
| (e) Other financial liabilities                                                             | 17      | 9,072.74                | 8,263.52                |
|                                                                                             |         | <b>4,83,331.02</b>      | <b>4,00,994.35</b>      |
| <b>(2) Non-financial liabilities</b>                                                        |         |                         |                         |
| (a) Current tax liabilities (Net)                                                           |         | 1,095.86                | -                       |
| (b) Provisions                                                                              | 18      | 280.52                  | 137.39                  |
| (c) Deferred tax liabilities (Net)                                                          | 33      | 939.60                  | 720.55                  |
| (d) Other non-financial liabilities                                                         | 19      | 491.50                  | 497.35                  |
|                                                                                             |         | <b>2,807.48</b>         | <b>1,355.29</b>         |
| <b>EQUITY</b>                                                                               |         |                         |                         |
| (a) Equity share capital                                                                    | 20      | 9,093.58                | 7,015.65                |
| (b) Other equity                                                                            | 21      | 1,80,465.27             | 91,835.77               |
|                                                                                             |         | <b>1,89,558.85</b>      | <b>98,851.42</b>        |
| <b>Total liabilities and equity</b>                                                         |         | <b>6,75,697.35</b>      | <b>5,01,201.06</b>      |

Material Accounting policies and key accounting estimates and judgments 2  
 The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

**For and on behalf of the Board of Directors of**  
**IKF Finance Limited**  
**CIN: U65992AP1991PLC012736**

**For Mukund M Chitale & Co**  
**Chartered Accountants**  
**ICAI Firm registration number : 106655W**

**V.G.K Prasad**  
 Chairman  
 DIN: 01817992

**Vasumathi Devi Koganti**  
 Managing Director  
 DIN: 03161150

**Nilesh Joshi**  
 Partner  
 Membership No.114749  
 Place: Hyderabad  
 Date: May 11, 2026

**Prakash Bhawnani**  
 Chief Financial Officer  
 Place: Hyderabad  
 Date: May 11, 2026

**Ch.Sreenivasa Rao**  
 Company Secretary  
 M.No. ACS14723

# STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Particulars                                                                                  | Note No | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|----------------------------------------------------------------------------------------------|---------|------------------------------|------------------------------|
| <b>REVENUE FROM OPERATIONS</b>                                                               |         |                              |                              |
| (i) Interest income                                                                          | 22      | 85,486.05                    | 61,796.54                    |
| (ii) Fees and commission income                                                              | 23      | 752.79                       | 739.12                       |
| (iii) Net gain (Loss) on de recognition of financial instruments under amortised cost        | 24      | 2,817.11                     | 2,314.00                     |
| (iv) Net gain on fair value changes                                                          | 25      | 477.88                       | 175.21                       |
| (v) Other Operating Income                                                                   | 26      | 3.04                         | 0.05                         |
| <b>(I) Total revenue from operations</b>                                                     |         | <b>89,536.87</b>             | <b>65,024.92</b>             |
| (II) Other income                                                                            | 27      | 1,261.19                     | 988.43                       |
| <b>(III) Total income (I + II)</b>                                                           |         | <b>90,798.06</b>             | <b>66,013.35</b>             |
| <b>EXPENSES</b>                                                                              |         |                              |                              |
| (i) Finance costs                                                                            | 28      | 41,711.65                    | 33,197.34                    |
| (ii) Impairment on financial instruments                                                     | 29      | 8,436.82                     | 3,972.43                     |
| (iii) Employee benefits expenses                                                             | 30      | 14,099.16                    | 11,046.99                    |
| (iv) Depreciation, amortization and impairment                                               | 31      | 270.51                       | 336.80                       |
| (v) Others expenses                                                                          | 32      | 4,222.32                     | 2,983.74                     |
| <b>(IV) Total expenses</b>                                                                   |         | <b>68,740.46</b>             | <b>51,537.30</b>             |
| <b>(V) Profit before tax (III - IV)</b>                                                      |         | <b>22,057.60</b>             | <b>14,476.05</b>             |
| <b>(VI) Tax Expense:</b>                                                                     |         |                              |                              |
| (1) Current Tax                                                                              | 33      | 5,383.95                     | 3,186.28                     |
| (2) Deferred Tax                                                                             | 33      | 220.28                       | 504.03                       |
| (3) Adjustment of tax relating to earlier periods                                            | 33      | (29.65)                      | (8.99)                       |
|                                                                                              |         | <b>5,574.58</b>              | <b>3,681.32</b>              |
| <b>(VII) Profit for the period (V-VI)</b>                                                    |         | <b>16,483.02</b>             | <b>10,794.73</b>             |
| <b>(VIII) Other comprehensive income</b>                                                     |         |                              |                              |
| <b>(A) Items that will not be reclassified to profit or loss (specify items and amounts)</b> |         |                              |                              |
| (a) Remeasurements of the defined benefit plans                                              | 34      | (4.87)                       | (8.04)                       |
| Income tax relating to items that will not be reclassified to profit or loss                 |         | 1.23                         | 2.02                         |
| <b>Other comprehensive income / (loss)</b>                                                   |         | <b>(3.64)</b>                | <b>(6.02)</b>                |
| <b>(IX) Total comprehensive income for the period (VII + VIII)</b>                           |         | <b>16,479.38</b>             | <b>10,788.71</b>             |
| <b>(X) Earnings per share (equity share, par value of ₹ 5 each)</b>                          |         |                              |                              |
| Basic                                                                                        | 35      | 9.35                         | 7.69                         |
| Diluted                                                                                      | 35      | 9.32                         | 7.67                         |

Material accounting policies and key accounting estimates and judgments 2

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

**For and on behalf of the Board of Directors of**  
**IKF Finance Limited**  
**CIN: U65992AP1991PLC012736**

**For Mukund M Chitale & Co**  
**Chartered Accountants**  
**ICAI Firm registration number : 106655W**

**V.G.K Prasad**  
Chairman  
DIN: 01817992

**Vasumathi Devi Koganti**  
Managing Director  
DIN: 03161150

**Nilesh Joshi**  
Partner  
Membership No. 114749  
Place: Hyderabad  
Date: May 11, 2026

**Prakash Bhawnani**  
Chief Financial Officer  
Place: Hyderabad  
Date: May 11, 2026

**Ch.Sreenivasa Rao**  
Company Secretary  
M.No. ACS14723



# STANDALONE CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Particulars                                                                                                                              | For the year ended<br>March 31, 2026 | For the year ended<br>March 31, 2025 |
|------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                                                                                               |                                      |                                      |
| <b>Profit before tax</b>                                                                                                                 | <b>22,057.60</b>                     | <b>14,476.05</b>                     |
| <b>Adjustments for:</b>                                                                                                                  |                                      |                                      |
| Depreciation, amortisation and impairment                                                                                                | 270.51                               | 336.80                               |
| Interest Income                                                                                                                          | (85,486.05)                          | (61,796.54)                          |
| Interest expenses                                                                                                                        | 41,711.65                            | 33,197.34                            |
| Net gain (Loss) on de recognition of financial instruments under amortised cost                                                          | (2,817.11)                           | (2,314.00)                           |
| Impairment on financial instrument                                                                                                       | 8,436.82                             | 3,972.43                             |
| Share based payment expense                                                                                                              | 272.09                               | 12.44                                |
| Provision for expenses                                                                                                                   | 17.00                                | 14.00                                |
| Employee benefit expenses                                                                                                                | 190.55                               | 85.19                                |
| Rental income on Investment property                                                                                                     | (3.81)                               | (9.15)                               |
| (Profit)/ Loss on sale of property, plant and equipment                                                                                  | (7.95)                               | (0.12)                               |
| (Profit)/ Loss on sale of immovable Property                                                                                             | -                                    | -                                    |
| <b>Cash generated from / (used in) operations before working capital changes and adjustments for interest received and interest paid</b> | <b>(15,358.70)</b>                   | <b>(12,025.56)</b>                   |
| <b>Adjustments for changes in Working Capital :</b>                                                                                      |                                      |                                      |
| Decrease / (Increase) in trade receivable                                                                                                | (303.01)                             | (92.48)                              |
| Decrease / (Increase) in loans                                                                                                           | (1,35,804.37)                        | (1,26,197.51)                        |
| Decrease / (Increase) in bank balances other than cash and cash equivalents                                                              | (646.56)                             | 489.55                               |
| Decrease / (Increase) in other financial assets                                                                                          | 80.66                                | (224.55)                             |
| Decrease / (Increase) in other non-financial assets                                                                                      | 206.51                               | 1,596.44                             |
| (Decrease) / Increase in other financial liabilities                                                                                     | 695.53                               | 2,978.10                             |
| (Decrease) / Increase in provisions                                                                                                      | (46.75)                              | (261.75)                             |
| (Decrease) / Increase in other non-financial liabilities                                                                                 | (5.85)                               | 221.61                               |
| Interest received                                                                                                                        | 83,275.01                            | 57,846.68                            |
| Interest paid                                                                                                                            | (39,906.06)                          | (33,087.66)                          |
|                                                                                                                                          | <b>(1,07,813.59)</b>                 | <b>(1,08,757.13)</b>                 |
| Income tax paid (net of refunds)                                                                                                         | (3,925.88)                           | (3,466.60)                           |
| Changes in Accounting Policies / Prior Period Errors                                                                                     | -                                    | 0.44                                 |
| Deferred tax adjustment                                                                                                                  | 0.00                                 | (0.01)                               |
| <b>NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES</b>                                                                          | <b>(1,11,739.47)</b>                 | <b>(1,12,223.30)</b>                 |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                                                                                               |                                      |                                      |
| Purchase of property, plant and equipment and capital work in progress                                                                   | (817.55)                             | (3,079.47)                           |
| Purchase of intangible assets under development                                                                                          | -                                    | 13.20                                |
| Purchase of Investment property                                                                                                          | (0.00)                               | 0.00                                 |
| Rental income on Investment property                                                                                                     | 3.81                                 | 9.15                                 |
| Proceeds from sale of property, plant and equipment                                                                                      | 7.95                                 | 0.13                                 |
| Proceeds from sale of Investment property                                                                                                | 58.06                                | -                                    |
| Purchase of intangible assets                                                                                                            | 0.00                                 | (31.93)                              |
| Purchase of investments measured at Amortised cost and FVTPL                                                                             | (30,704.40)                          | 11,491.79                            |
| <b>NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES</b>                                                                          | <b>(31,452.13)</b>                   | <b>8,402.87</b>                      |

# STANDALONE CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Particulars                                                          | For the year ended<br>March 31, 2026 | For the year ended<br>March 31, 2025 |
|----------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>CASH FROM FINANCING ACTIVITIES</b>                                |                                      |                                      |
| Proceeds from issue of equity shares (including securities premium)  | 74,981.48                            | 0.00                                 |
| Share issue expenses                                                 | (1,108.65)                           | (18.00)                              |
| Amount received from debt securities                                 | 40,000.00                            | 66,300.00                            |
| Repayment of debt securities                                         | (16,502.54)                          | (11,372.58)                          |
| Amount received from borrowings other than debt securities           | 232177.00                            | 1,88,799.23                          |
| Repayment of borrowings other than debt securities                   | (1,74,132.39)                        | (1,24,109.80)                        |
| Amount received from subordinated Liabilities                        | -                                    | -                                    |
| Repayment of subordinated debt                                       | 0.00                                 | 0.00                                 |
| Payment of principal portion of lease liabilities                    | (68.73)                              | (222.96)                             |
| Payment of interest on lease liabilities                             | (14.98)                              | (20.42)                              |
| <b>NET CASH GENERATED FROM / (USED IN) FROM FINANCING ACTIVITIES</b> | <b>1,55,331.19</b>                   | <b>1,19,355.47</b>                   |
| <b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>        | <b>12,139.59</b>                     | <b>15,535.04</b>                     |
| Cash and Cash Equivalents at the beginning of Year                   | 19,943.00                            | 4,407.96                             |
| Cash and Cash Equivalents at the end of the Year                     | 32,082.59                            | 19,943.00                            |

The above Cash Flow Statement has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.

As per our report of even date

**For and on behalf of the Board of Directors of**  
**IKF Finance Limited**  
**CIN: U65992AP1991PLC012736**

**For Mukund M Chitale & Co**  
**Chartered Accountants**  
**ICAI Firm registration number : 106655W**

**V.G.K Prasad**  
Chairman  
DIN: 01817992

**Vasumathi Devi Koganti**  
Managing Director  
DIN: 03161150

**Nilesh Joshi**  
Partner  
Membership No.114749  
Place: Hyderabad  
Date: May 11, 2026

**Prakash Bhawnani**  
Chief Financial Officer  
  
Place: Hyderabad  
Date: May 11, 2026

**Ch.Sreenivasa Rao**  
Company Secretary  
M.No. ACS14723

# STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

## A. EQUITY SHARE CAPITAL

### Current Reporting Period

| Particulars                                                                               | Balance at the beginning of the current reporting period As at March 31, 2025 | 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 As at March 31, 2026 |
|-------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|------------------------------------------------------------|-------------------------------------------------------------------|---------------------------------------------------------|-------------------------------------------------------------------------|
| Issued, Subscribed and paid up - fully paid (Equity shares of ₹ 5 each*, Fully paid-up)   | 7,015.65                                                                      | -                                                          | 7,015.65                                                          | 2,045.44                                                | 9,061.09                                                                |
| Issued, Subscribed and paid up - partly paid (Equity shares of ₹ 5 each*, ₹ 0.50 paid up) | 0.00                                                                          | -                                                          | 0.00                                                              | 32.49                                                   | 32.49                                                                   |

\*Further, pursuant to the approval of shareholders at the Extraordinary General Meeting held on March 06, 2026, the face value of equity shares has been split from ₹ 10 each to ₹ 5 each, with March 30, 2026 being the record date. Accordingly, the face value per share stands revised to ₹ 5 each with effect from that date.

### Previous Reporting Period

| Particulars                                                                             | Balance at the beginning of the current reporting period As at March 31, 2024 | 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 As at March 31, 2025 |
|-----------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|------------------------------------------------------------|-------------------------------------------------------------------|---------------------------------------------------------|-------------------------------------------------------------------------|
| Issued, Subscribed and paid up - fully paid (Equity shares of ₹ 10 each, Fully paid-up) | 7,015.65                                                                      | -                                                          | 7,015.65                                                          | -                                                       | 7,015.65                                                                |
| Issued, Subscribed and paid up - partly paid                                            | 0.00                                                                          | -                                                          | 0.00                                                              | -                                                       | 0.00                                                                    |

## B. OTHER EQUITY

| Particulars                                          | Reserves and Surplus |                 |                    |                 |                             |                   | Total     |
|------------------------------------------------------|----------------------|-----------------|--------------------|-----------------|-----------------------------|-------------------|-----------|
|                                                      | Statutory Reserve    | Capital Reserve | Securities Premium | General Reserve | Share based payment Reserve | Retained Earnings |           |
| Balance at April 01, 2024                            | 7,533.08             | 32.50           | 45,454.27          | 1,856.35        | 21.71                       | 26,152.50         | 81,050.41 |
| Changes in Accounting Policies / Prior Period Errors | -                    | -               | -                  | -               | -                           | 0.44              | 0.44      |
| Restated balance as at April 01, 2024                | 7,533.08             | 32.50           | 45,454.27          | 1,856.36        | 21.71                       | 26,152.94         | 81,050.86 |
| Profit for the year                                  | -                    | -               | -                  | -               | -                           | 10,794.73         | 10,794.73 |
| Other comprehensive income for the year              | -                    | -               | -                  | -               | -                           | (6.02)            | (6.02)    |
| Total comprehensive income for the year (net of tax) | -                    | -               | -                  | -               | -                           | 10,788.70         | 10,788.70 |
| Transfer to Statutory Reserve                        | 2,158.94             | -               | -                  | -               | -                           | (2,158.94)        | -         |
| Transfer to General Reserve                          | -                    | -               | -                  | 539.74          | -                           | (539.74)          | -         |
| Issue of equity shares                               | -                    | -               | -                  | -               | -                           | -                 | -         |
| Share issue expenses                                 | -                    | -               | (18.00)            | -               | -                           | -                 | (18.00)   |
| Share based payment expense                          | -                    | -               | -                  | -               | 14.21                       | -                 | 14.21     |
| Balance at March 31, 2025                            | 9,692.02             | 32.50           | 45,436.27          | 2,396.10        | 35.92                       | 34,242.96         | 91,835.77 |

# STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Particulars                                                 | Reserves and Surplus |                 |                    |                 |                             |                   | Total              |
|-------------------------------------------------------------|----------------------|-----------------|--------------------|-----------------|-----------------------------|-------------------|--------------------|
|                                                             | Statutory Reserve    | Capital Reserve | Securities Premium | General Reserve | Share based payment Reserve | Retained Earnings |                    |
| Changes in Accounting Policies / Prior Period Errors        | 0.01                 | -               | -                  | -               | -                           | (0.01)            | -                  |
| <b>Restated balance as at April 01, 2025</b>                | 9,692.03             | 32.50           | 45,436.27          | 2,396.10        | 35.92                       | 34,242.95         | <b>91,835.77</b>   |
| Profit for the year                                         | -                    | -               | -                  | -               | -                           | 16,483.02         | <b>16,483.02</b>   |
| Other comprehensive income for the year                     | -                    | -               | -                  | -               | -                           | (3.64)            | <b>(3.64)</b>      |
| <b>Total comprehensive income for the year (net of tax)</b> | -                    | -               | -                  | -               | -                           | 16,479.38         | <b>16,479.38</b>   |
| Transfer to Statutory Reserve                               | 3,296.60             | -               | -                  | -               | -                           | (3,296.60)        | -                  |
| Transfer to General Reserve                                 | -                    | -               | -                  | 824.15          | -                           | (824.15)          | -                  |
| Issue of equity shares                                      | -                    | -               | 72,903.55          | -               | -                           | -                 | <b>72,903.55</b>   |
| Share issue expenses                                        | -                    | -               | (1,108.65)         | -               | -                           | -                 | <b>(1,108.65)</b>  |
| Share based payment expense                                 | -                    | -               | -                  | -               | 355.22                      | -                 | <b>355.22</b>      |
| <b>Balance at March 31, 2026</b>                            | <b>12,988.63</b>     | <b>32.50</b>    | <b>1,17,231.17</b> | <b>3,220.25</b> | <b>391.14</b>               | <b>46,601.58</b>  | <b>1,80,465.27</b> |

As per our report of even date

**For and on behalf of the Board of Directors of  
IKF Finance Limited  
CIN: U65992AP1991PLC012736**

**For Mukund M Chitale & Co**  
**Chartered Accountants**  
**ICAI Firm registration number : 106655W**

**V.G.K Prasad**  
Chairman  
DIN: 01817992

**Vasumathi Devi Koganti**  
Managing Director  
DIN: 03161150

**Nilesh Joshi**  
Partner  
Membership No.114749  
Place: Hyderabad  
Date: May 11, 2026

**Prakash Bhawnani**  
Chief Financial Officer  
  
Place: Hyderabad  
Date: May 11, 2026

**Ch.Sreenivasa Rao**  
Company Secretary  
M.No. ACS14723

# NOTES

## TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

### 1 COMPANY OVERVIEW

IKF Finance Limited (CIN : U65992AP1991PLC012736) ('the Company') is a public limited company incorporated under the provisions of the Companies Act, 1956. The Company is registered as Non-Banking Financial Company ('NBFC') as defined under Section 45-IA of the Reserve Bank of India ('RBI') Act, 1934. The company is a NBFC classified under 'Middle layer' pursuant to the frame work of Master direction- Reserve Bank of India (Non-Banking Financial company -Scale Based Regulation) Directions, 2023. The Company is engaged in the business of asset financing, lending to small and medium enterprises and allied activities.

The financial statements were subject to review and recommendation of Audit Committee and approval of Board of Directors. On 11<sup>th</sup> May 2026, Board of Directors of the company approved and recommended the financial statements for consideration and adoption by the share holders in its Annual General Meeting

### 2 MATERIAL ACCOUNTING POLICIES INFORMATION

#### 2.1 Basis of preparation

The financial statements for the year ended March 31, 2026 have been prepared by the Company in accordance with Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016, as amended from time to time, in this regard. Any application guidance/ clarifications/ directions issued by RBI or other regulators are implemented as and when they are issued/ applicable.

#### 2.2 Presentation of Financial Statements

The financial statement of the company are presented as per Division III of the Schedule III to the Companies Act 2013 as amended from time to time, for Non-Banking Financial Companies ('NBFCs') that are required to comply with Ind-AS. The Statement of Cash Flows has been presented as per the requirements of Ind-AS 7 Statement of Cash Flows. 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 38 – Maturity analysis of assets and liabilities.

#### 2.3 Basis of Measurement

The financial statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments, plan assets of defined benefit plans and share based payment plans, which are measured at fair values at the end of each reporting period as explained in the material accounting policies below. All amounts disclosed in the financial statements and notes have been rounded off to the nearest INR Lakhs in compliance with Schedule III of the Act, unless otherwise stated.

#### 2.4 Accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) at the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results could differ from these estimates. Any revisions to accounting estimates are recognized prospectively in the current and future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Key sources of estimation of uncertainty at the date of financial statements, which may cause a material adjustment to the carrying amount of assets and liabilities within the next financial year are included in the following notes:

##### a. Business model assessment

Classification and measurement of financial assets depends on the results of the solely payments of principal and interest (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 measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated.



# NOTES

## TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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.

### b. Effective Interest Rate (EIR) method

The Company recognizes interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loans given / taken.

This estimation, by nature, requires an element of judgement regarding the expected behaviour and lifecycle of the instruments, as well as expected changes to other fee income/expense that are integral parts of the instrument.

### c. Impairment of loans portfolio

The measurement of impairment losses on loan assets requires judgement, in estimating the amount and timing of future cash flows and recoverability of collateral values while determining the impairment losses and assessing a significant increase in credit risk.

The Company's Expected Credit Loss (ECL) calculation is the output of a complex model with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL model that are considered accounting judgements and estimates include:

- The Probability of Default is an estimate of the likelihood of default over a given time horizon. PD is computed separately for each stage, incorporating historical trends (roll rate model), and forward-looking macroeconomic factors (MEF). For Stage-1 12m PD, Roll Rate Model (Dynamic Pool Approach) was adopted for all the portfolios, as delinquency trends serve as strong indicators of credit risk. For Stage-2 LT PD, is computed by projecting contractual cash flows and adjusting them for default risk. Cumulative PDs are applied year-wise to determine the probability-weighted defaulted discounted cash flows. This ensures credit risk is incorporated systematically across the loan's remaining tenure.

- Loss Given Default (LGD) refers to the proportion of a loan outstanding amount that is not recovered in the event of default. A model has been developed based on historical data from defaulted loans that have been fully resolved or written off.
- The analysis encompasses the entire recovery cycle, from the initial default event to the final closure, ensuring a comprehensive assessment of loss dynamics. For each defaulted loan, actual recovery cash flows recorded throughout the resolution period have been systematically captured and analyzed. These cash flows are discounted using the respective Effective Interest Rate (EIR) applicable to the loan, maintaining alignment with Expected Credit Loss (ECL) principles.
- The segmentation of financial assets when their ECL is assessed on a collective basis.
- Development of ECL models, including the various formulas and the choice of inputs.

It is the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

The impairment loss on loans and advances is disclosed in more detail in Note 6-Loans and Note 46- Risk Management.

### d. Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

### e. Fair value measurement:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using

# NOTES

## TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

### f. Operating leases

#### Company as a lessee:

The Company has applied Ind AS 116 using the partial retrospective approach.

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### Right of use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

#### Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected

to be paid under residual value guarantees. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

#### Short term lease

The Company has elected not to recognise right of use asset and lease liabilities for short term leases of property that has lease term of 12 months or less. The Company recognises lease payment associated with these leases as an expense on a straight line basis over lease term.

### g. Share based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected

## 2.5 Revenue recognition

### a. Interest Income on loans

Interest income is recorded using effective interest rate (EIR) method for all financial assets measured at amortised cost.

EIR is the rate that exactly discounts the estimated future cash flows through the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset except for credit impaired asset.

The calculation of the effective interest rate includes transaction costs and fees (loan processing fees, commission paid to direct selling agents and other premiums or discounts) that are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.

# NOTES

## TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

### b. Rental Income

Rental income arising from operating leases is recognised on a straight-line basis over the lease term. In cases where the increase is in line with expected general inflation rental income is recognised as per the contractual terms.

Operating leases are leases where the Company does not transfer substantially all of the risk and benefits of ownership of the asset.

### c. Interest income on fixed deposits

Interest on fixed deposits is recognised on a time proportion basis taking into account the amount outstanding and the applicable rate.

### d. Other income

Other charges including application fees (penal interest, cheque bouncing charges, etc.) are recognised on realization basis.

## 2.6 Financial instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Recognised financial assets and financial liabilities are initially measured at transaction price, which equates fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

A financial asset and a financial liability are offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

### a. Classification and measurement of Financial assets

Based on the business model, the contractual characteristics of the financial assets and specific elections where appropriate, the Company classifies and measures financial assets in the following categories:

- Amortised cost

- Fair value through other comprehensive income ('FVOCI')

- Fair value through profit and loss ('FVTPL')

### Financial assets at amortised cost

Financial assets are measured at amortised cost using the effective interest rate (EIR) if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement and based on the assessment of the business model as asset held to collect contractual cash flows and SPPI, such financial assets are subsequently measured at amortised cost using effective interest rate ('EIR') method. Interest income and impairment expenses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.

The EIR method is a method of calculating the amortised cost of a financial instrument and of allocating interest over the relevant period. The EIR is the rate that exactly discounts estimated future cash flows (including all fees paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) through the expected life of the instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

The Company records loans at amortised cost.

### Financial assets at fair value through other comprehensive income (FVOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to sole payments of principal and interest on the principal amount outstanding and by selling financial assets.

Movements in the carrying amount of such financial assets are recognised in Other Comprehensive Income ('OCI'), except dividend income and interest income which is recognised in statement of profit and loss.

# NOTES

## TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

### Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

#### **b. Financial Liabilities**

Financial liabilities are measured at amortised cost. The carrying amounts are determined based on the EIR method. Interest expense is recognised in statement of profit and loss. Any gain or loss on de-recognition of financial liabilities is also recognised in statement of profit and loss.

#### **c. Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of directly attributable transaction costs.

#### **d. Reclassification**

Financial assets and liabilities are not reclassified subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line or in the period the Company changes its business model for managing financial assets.

#### **e. De-recognition of financial assets and financial liabilities**

##### **i. Financial Assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if, and only if, either:

- i. The Company has transferred its contractual rights to receive cash flows from the financial asset, or
- ii. It retains the rights to the cash flows but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

- i. The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.
- ii. The Company cannot sell or pledge the original asset other than as security to the eventual recipients.
- iii. The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

- i. The Company has transferred substantially all the risks and rewards of the asset, or
- ii. The Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

The Company considers control to be transferred if and only if, the transferee has

# NOTES

## TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

### ii. Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying value of the original financial liability and the new financial liability with modified terms is recognised in statement of profit and loss.

### f. Impairment of Financial Assets

The Company recognises impairment allowances for Expected Credit Loss (ECL) on all the financial assets that are not measured at FVTPL:

The ECL provision is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss.

The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on financial assets that are possible within the 12 months after the reporting date.

The Company performs an assessment, at the end of each reporting period, of whether a

financial instrument's credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Company categorises its loans into three stages as described below:

#### For non-impaired financial instruments

- Stage 1 is comprised of all non-impaired financial instruments which have not experienced a significant increase in credit risk (SICR) since initial recognition. A 12-month ECL provision is made for stage 1 financial instruments. In assessing whether credit risk has increased significantly, the Company compares the risk of a default occurring on the financial instrument as at the reporting date, with the risk of a default occurring on the financial instrument as at the date of initial recognition.
- Stage 2 is comprised of all non-impaired financial instruments which have experienced a SICR since initial recognition. The Company recognises lifetime ECL for stage 2 financial instruments. In subsequent reporting periods, if the credit risk of the financial instrument improves such that there is no longer a SICR since initial recognition, then entities shall revert to recognizing 12 months of ECL.

#### For impaired financial instruments:

Financial instruments are classified as stage 3 when there is objective evidence of impairment as a result of one or more loss events that have occurred after initial recognition with a negative impact on the estimated future cash flows of a loan or a portfolio of loans. The Company recognises lifetime ECL for impaired financial instruments.

#### **The calculation of ECLs**

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

#### **Probability of Default (PD) -**

The Probability of Default is an estimate of the likelihood of default over a given time horizon. PD is computed separately for each stage,



## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

incorporating historical trends (roll rate model), and forward-looking macroeconomic factors (MEF). For Stage-1 12m PD, Roll Rate Model (Dynamic Pool Approach) was adopted for all the portfolios, as delinquency trends serve as strong indicators of credit risk. For Stage-2 LT PD, is computed by projecting contractual cash flows and adjusting them for default risk. Cumulative PDs are applied year-wise to determine the probability-weighted defaulted discounted cash flows. This ensures credit risk is incorporated systematically across the loan's remaining tenure. The concept of PD is further explained in Note 46- Risk Management.

**Exposure at Default** - The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the ability to increase its exposure while approaching default and potential early repayments too.

**Loss Given Default** – Loss Given Default (LGD) refers to the proportion of a loan outstanding amount that is not recovered in the event of default. A model has been developed based on historical data from defaulted loans that have been fully resolved or written off.

The analysis encompasses the entire recovery cycle, from the initial default event to the final closure, ensuring a comprehensive assessment of loss dynamics. For each defaulted loan, actual recovery cash flows recorded throughout the resolution period have been systematically captured and analyzed. These cash flows are discounted using the respective Effective Interest Rate (EIR) applicable to the loan, maintaining alignment with Expected Credit Loss (ECL) principles.

#### Collateral Valuation

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as movable and immovable assets, guarantees, etc. However, the fair value of collateral affects the calculation of ECLs. To the extent possible, the Company uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using other methodologies. Non-financial collateral, such as

vehicles, is valued based on data provided by third parties or management judgements.

#### Collateral repossessed

In its normal course of business whenever default occurs, the Company may take possession of properties or other assets in its retail portfolio and generally disposes such assets through auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors. As a result of this practice, assets under legal repossession processes are not recorded on the balance sheet.

#### Write-offs

Loans are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when it is determined that the customer does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

#### g. Determination of fair value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Company measures certain categories of financial instruments (as explained in Note 45- Fair Value Measurement) at fair value on each balance sheet date.

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:

- In the principal market for the asset or liability, or
- 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.

# NOTES

## TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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 quoted 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. No such instances of transfers between levels of the fair value hierarchy were recorded during the reporting period.

### 2.7 Property, plant and equipment

Property, plant and equipment are carried at cost of acquisition less accumulated depreciation and accumulated impairment loss (if any). The total cost of the asset comprises the purchase price, taxes, duties, freight (net of rebates and discounts) and any other directly attributable costs of bringing the assets to their working condition for their intended use. Borrowing costs directly attributable to acquisition of those assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Advances paid towards the acquisition of assets outstanding at each balance sheet date are disclosed as other non-financial assets. The cost of assets not ready for their intended use at each balance sheet date is disclosed as capital work-in-progress.

Depreciation is provided on a straight-line method, over the estimated useful life of each asset as prescribed in Schedule II of the Companies Act, 2013 as follows:

| Asset                         | Useful Life |
|-------------------------------|-------------|
| Building                      | 60 years    |
| Office Equipment              | 5 years     |
| Furniture and Fixture         | 10 years    |
| Computers                     | 3 years     |
| Vehicles (Car, Lorry, Bus)    | 8 years     |
| Vehicles (Bike, Moped, Cycle) | 10 years    |
| Servers                       | 6 years     |

An item of property, plant and equipment, is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment, is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

### 2.8 Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Cost comprise the purchase price and any attributable cost of bringing the asset to its working condition for its intended use

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

# NOTES

## TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

The estimated useful life of intangible assets are as follows:

| Asset    | Useful Life |
|----------|-------------|
| Software | 6 years     |

### 2.9 Investment in Subsidiaries

Investments in subsidiaries are accounted for at cost in accordance with Ind AS 27 – Separate Financial Statements.

### 2.10 Impairment of non-financial assets

Assessment is done at each balance sheet date as to whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, 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 groups of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting years may no longer exist or may have decreased.

### 2.11 Employee benefits

#### Defined Contribution Plan:

The Company has a defined contribution plan for post-employment benefits in the form of Provident Fund. Under the Provident Fund Plan, the Company contributes to a Government administered provident fund on behalf of the employees. The Company has no further obligation beyond making the contributions.

The Company's contributions to the above Plan are charged to the Statement of Profit and Loss.

#### Defined Benefit Plan:

The Company provides for gratuity to all employees. The benefit is in the form of lump sum payments to

vested employees on resignation, retirement, or death while in employment or on termination of employment of an amount equivalent to 15 days basic salary payable for each completed year of service as required under 'The Payment of Gratuity Act, 1972'. Vesting occurs upon completion of five years of service.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, 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 in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

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:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

#### Other Employee Benefits:

The employees of the Company are entitled to compensated absence and deferred compensation as per the policy of the Company, the liability in respect of which is provided, based on an actuarial valuation carried out by an independent actuary as at the year end. The actuarial valuation method used by the independent actuary for measuring the liability is the Projected Unit Credit Method.

Actuarial gains and losses comprise experience adjustments and the effects of changes in the actuarial assumptions are recognized immediately in the Statement of Profit and Loss in the year in which they arise.

# NOTES

## TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. Unutilised leave balance that accrues to employees as at the year end is charged to the Statement of Profit and Loss on an undiscounted basis.

### 2.12 Income Taxes

Income-tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income-tax expense is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in equity or in OCI.

#### (a) Current tax

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961, enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### (b) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are reviewed at each reporting date and based on management's judgement, are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

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

Deferred tax assets and liabilities are offset only if the Company:

- has a legally enforceable right to set off current tax assets against current tax liabilities; and
- the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

### 2.13 Provision and contingencies

A provision is recognised when the Company has a present obligation as a result of 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. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

A contract is considered as onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract.

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 recognised 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 recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

#### 2.14 Earnings per share

The Company reports basic and diluted earnings per share in accordance with Indian Accounting Standard 33 – “Earnings Per Share”. Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

#### 2.15 Cash and cash equivalent

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

#### 2.16 Statement of cash flows

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects

of transactions of non-cash future, any deferrals or accruals of past or future operating cash receipts or payments and item of expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

#### 2.17 Share based payments

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting year, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

#### 2.18 Statutory Reserve

In accordance with section 45-IC of the RBI Act, 1934, the Company creates a reserve fund and transfers therein a sum not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and loss before any dividend is declared.



## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 3 CASH AND CASH EQUIVALENTS

| Particulars                                                   | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|---------------------------------------------------------------|-------------------------|-------------------------|
| Cash on hand                                                  | 60.81                   | 83.02                   |
| Balances with banks in current accounts                       | 28,309.70               | 4,366.23                |
| Bank deposit with original Maturity upto three months or less | 3,712.08                | 15,493.75               |
| <b>Total</b>                                                  | <b>32,082.59</b>        | <b>19,943.00</b>        |

#### 4 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

| Particulars                                             | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|---------------------------------------------------------|-------------------------|-------------------------|
| Balances with banks to the extent held as margin money* | 3,180.42                | 2,533.86                |
| <b>Total</b>                                            | <b>3,180.42</b>         | <b>2,533.86</b>         |

\*Represent margin money deposits placed to avail term loans from banks, financial institutions

#### 5 RECEIVABLES

| Particulars                                                     | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-----------------------------------------------------------------|-------------------------|-------------------------|
| <b>(I) Trade receivables</b>                                    |                         |                         |
| Receivables considered good - Secured                           |                         |                         |
| Receivables considered good - Unsecured                         | 541.13                  | 238.12                  |
| Receivables which have significant increase in credit risk; and |                         |                         |
| Receivables – credit impaired                                   |                         |                         |
|                                                                 | <b>541.13</b>           | <b>238.12</b>           |
| Less: Provision for impairment                                  | -                       | -                       |
| <b>Total</b>                                                    | <b>541.13</b>           | <b>238.12</b>           |

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person, or from firms or private companies respectively in which any director is a partner, a director or a member.

#### Trade Receivables ageing schedule

As at March 31, 2026

| Particulars                                                                        | Outstanding for following periods from due date<br>of payment |                          |                         |                          |                         | Total         |
|------------------------------------------------------------------------------------|---------------------------------------------------------------|--------------------------|-------------------------|--------------------------|-------------------------|---------------|
|                                                                                    | Less<br>than 6<br>months                                      | 6<br>months<br>to 1 year | 1 year<br>to 2<br>years | 2 years<br>to 3<br>years | More<br>than 3<br>years |               |
| (i) Undisputed Trade receivables — considered good                                 | 541.13                                                        | -                        | -                       | -                        | -                       | 541.13        |
| (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                                  | -                                                             | -                        | -                       | -                        | -                       | -             |
| <b>Total</b>                                                                       | <b>541.13</b>                                                 | <b>-</b>                 | <b>-</b>                | <b>-</b>                 | <b>-</b>                | <b>541.13</b> |

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

**As at March 31, 2025**

| Particulars                                                                        | Outstanding for following periods from due date of payment |                    |                   |                    |                   | Total         |
|------------------------------------------------------------------------------------|------------------------------------------------------------|--------------------|-------------------|--------------------|-------------------|---------------|
|                                                                                    | Less than 6 months                                         | 6 months to 1 year | 1 year to 2 years | 2 years to 3 years | More than 3 years |               |
| (i) Undisputed Trade receivables — considered good                                 | 238.12                                                     | -                  | -                 | -                  | -                 | 238.12        |
| (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                                  | -                                                          | -                  | -                 | -                  | -                 | -             |
| <b>Total</b>                                                                       | <b>238.12</b>                                              | <b>-</b>           | <b>-</b>          | <b>-</b>           | <b>-</b>          | <b>238.12</b> |

#### 6 LOANS (AT AMORTISED COST)

| Particulars                                     | As at March 31, 2026 | As at March 31, 2025 |
|-------------------------------------------------|----------------------|----------------------|
| (i) Term loans                                  | 5,80,297.34          | 4,51,579.61          |
| (ii) term loans - related parties               | -                    | -                    |
| (iii) Staff loans                               | 140.30               | 90.35                |
| (iv) others                                     | -                    | -                    |
| (a) Trade advances                              | 7,003.57             | 5,686.78             |
| <b>Total</b>                                    | <b>5,87,441.21</b>   | <b>4,57,356.74</b>   |
| Less: Impairment loss allowance                 | 8,372.97             | 5,969.11             |
| <b>Total - Net of impairment loss allowance</b> | <b>5,79,068.24</b>   | <b>4,51,387.63</b>   |
| (i) Secured by tangible assets*                 | 5,80,297.34          | 4,51,579.61          |
| (ii) Secured by intangible assets               | -                    | -                    |
| (iii) Covered by Bank/ Government Guarantees    | -                    | -                    |
| (iv) Unsecured                                  | 7,143.87             | 5,777.13             |
| <b>Total</b>                                    | <b>5,87,441.21</b>   | <b>4,57,356.74</b>   |
| Less: Impairment loss allowance                 | 8,372.97             | 5,969.11             |
| <b>Total - Net of impairment loss allowance</b> | <b>5,79,068.24</b>   | <b>4,51,387.63</b>   |
| (i) Public sectors                              | -                    | -                    |
| (ii) Others                                     | 5,87,441.21          | 4,57,356.74          |
| <b>Total</b>                                    | <b>5,87,441.21</b>   | <b>4,57,356.74</b>   |
| Less: Impairment loss allowance                 | 8,372.97             | 5,969.11             |
| <b>Total - Net of impairment loss allowance</b> | <b>5,79,068.24</b>   | <b>4,51,387.63</b>   |
| (i) Loans in India                              | 5,87,441.21          | 4,57,356.74          |
| (ii) Loans outside India                        | -                    | -                    |
| <b>Total</b>                                    | <b>5,87,441.21</b>   | <b>4,57,356.74</b>   |
| Less: Impairment loss allowance                 | 8,372.97             | 5,969.11             |
| <b>Total - Net of impairment loss allowance</b> | <b>5,79,068.24</b>   | <b>4,51,387.63</b>   |

\*Secured against hypothecation of automobiles, book debts, equitable mortgage of immovable property etc.

"There is no loan asset measured at FVOCI or FVTPL or designated at FVTPL."

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

**6.1** The table below discloses credit quality and the maximum exposure to credit risk based on the company's year end stage classification. The numbers presented are gross of impairment loss allowance:

| Particulars  | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|--------------|-------------------------|-------------------------|
| Term loans   |                         |                         |
| Stage I      | 5,34,302.20             | 4,13,677.11             |
| Stage II     | 38,354.83               | 33,422.74               |
| Stage III    | 14,784.18               | 10,256.89               |
| <b>Total</b> | <b>5,87,441.21</b>      | <b>4,57,356.74</b>      |

### 6.2 Gross movement of loans for the year ended March 31, 2026:-

| Particulars                                          | Stage I            | Stage II         | Stage III        | Total              |
|------------------------------------------------------|--------------------|------------------|------------------|--------------------|
| <b>Gross carrying amount as at April 01, 2025</b>    |                    |                  |                  |                    |
| Term loans                                           | <b>4,13,588.01</b> | <b>33,421.49</b> | <b>10,256.89</b> | <b>4,57,266.39</b> |
| Staff loans                                          | <b>89.10</b>       | <b>1.25</b>      | <b>-</b>         | <b>90.35</b>       |
| New loans originated during the year                 |                    |                  |                  | -                  |
| Term loans                                           | 3,51,108.76        | 6,536.09         | 277.23           | 3,57,922.08        |
| Staff loans                                          | 100.84             |                  |                  | 100.84             |
| Inter-stage movements:                               |                    |                  |                  |                    |
| - Term loans                                         |                    |                  |                  |                    |
| Transfers to Stage 1                                 | 2,665.36           | (2,517.45)       | (147.91)         | -                  |
| Transfers to Stage 2                                 | (23,964.03)        | 24,424.00        | (459.97)         | -                  |
| Transfers to Stage 3                                 | (5,845.31)         | (3,838.98)       | 9,684.29         | -                  |
| Interest on stage 3 loans                            | -                  | -                | 782.99           | 782.99             |
| Amounts written off                                  |                    |                  |                  |                    |
| Term loans                                           | (2,635.12)         | (1,648.45)       | (1,754.94)       | (6,038.51)         |
| Staff loans                                          | -                  | -                | -                | -                  |
| Assets derecognised or repaid (excluding write offs) |                    |                  |                  |                    |
| Term loans                                           | (2,00,754.90)      | (18,021.87)      | (3,855.27)       | (2,22,632.04)      |
| Staff loans                                          | (50.51)            | (1.25)           | 0.87             | (50.51)            |
| <b>Gross carrying amount as at March 31, 2026</b>    |                    |                  |                  |                    |
| Term loans                                           | <b>5,34,162.77</b> | <b>38,354.83</b> | <b>14,783.31</b> | <b>5,87,300.91</b> |
| Staff loans                                          | <b>139.43</b>      |                  | <b>0.87</b>      | <b>140.30</b>      |

### 6.3 Gross movement of loans for the year ended March 31, 2025:-

| Particulars                                       | Stage I     | Stage II   | Stage III | Total       |
|---------------------------------------------------|-------------|------------|-----------|-------------|
| <b>Gross carrying amount as at April 01, 2024</b> |             |            |           |             |
| Term loans                                        | 2,97,549.87 | 23,524.15  | 7,728.83  | 3,28,802.86 |
| Staff loans                                       | 300.92      | -          | -         | 300.92      |
| New loans originated during the year              |             |            |           | -           |
| Term loans                                        | 2,76,834.55 | 7,719.50   | 567.62    | 2,85,121.68 |
| Staff loans                                       | 33.72       |            |           | 33.72       |
| Inter-stage movements:                            |             |            |           |             |
| -Term loans                                       |             |            |           |             |
| Transfers to Stage 1                              | 3,754.69    | (3,225.67) | (529.02)  | -           |
| Transfers to Stage 2                              | (21,755.23) | 21,784.82  | (29.59)   | -           |
| Transfers to Stage 3                              | (3,666.16)  | (2,277.51) | 5,943.68  | -           |
| Interest on stage 3 loans                         | -           | -          | 383.34    | 383.34      |

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Particulars                                          | Stage I            | Stage II         | Stage III        | Total              |
|------------------------------------------------------|--------------------|------------------|------------------|--------------------|
| Amounts written off                                  |                    |                  |                  |                    |
| Term loans                                           | (670.87)           | (493.49)         | (394.43)         | (1,558.79)         |
| Staff loans                                          | -                  | -                | -                | -                  |
| Assets derecognised or repaid (excluding write offs) |                    |                  |                  |                    |
| Term loans                                           | (1,38,460.09)      | (13,609.06)      | (3,413.54)       | (1,55,482.69)      |
| Staff loans                                          | (244.29)           | -                | -                | (244.29)           |
| <b>Gross carrying amount as at March 31, 2025</b>    |                    |                  |                  |                    |
| Term loans                                           | <b>4,13,588.01</b> | <b>33,421.49</b> | <b>10,256.89</b> | <b>4,57,266.39</b> |
| Staff loans                                          | <b>89.10</b>       | <b>1.25</b>      | <b>-</b>         | <b>90.35</b>       |

#### 6.4 ECL movement of term loans during the year ended March 31, 2026:-

| Particulars                                             | Stage I         | Stage II        | Stage III       | Total           |
|---------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|
| <b>Gross carrying amount as at April 01, 2025</b>       | <b>1,224.98</b> | <b>1,297.53</b> | <b>3,446.60</b> | <b>5,969.11</b> |
| New loans originated during the year                    | 1,073.47        | 366.91          | 92.70           | 1,533.08        |
| Inter-stage movements:                                  |                 |                 |                 |                 |
| Transfers to Stage 1                                    | 296.93          | (184.01)        | (112.92)        | -               |
| Transfers to Stage 2                                    | (90.56)         | 321.49          | (230.93)        | -               |
| Transfers to Stage 3                                    | (39.03)         | (174.87)        | 213.90          | -               |
| Amounts written off                                     | (31.79)         | (169.33)        | (856.82)        | (1,057.94)      |
| Assets derecognised or repaid (excluding write offs)    | (186.29)        | (238.22)        | (439.99)        | (864.50)        |
| Net Remeasurement of ECL arising from transfer of stage | (570.03)        | 511.12          | 2,852.13        | 2,793.22        |
| <b>Gross carrying amount as at March 31, 2026</b>       | <b>1,677.68</b> | <b>1,730.62</b> | <b>4,964.67</b> | <b>8,372.97</b> |

#### 6.5 ECL movement of term loans during the year ended March 31, 2025:-

| Particulars                                             | Stage I         | Stage II        | Stage III       | Total           |
|---------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|
| <b>Gross carrying amount as at April 01, 2024</b>       | <b>1,377.13</b> | <b>370.87</b>   | <b>1,825.02</b> | <b>3,573.02</b> |
| New loans originated during the year                    | 839.49          | 362.02          | 190.70          | 1,392.21        |
| Inter-stage movements:                                  |                 |                 |                 |                 |
| Transfers to Stage 1                                    | 150.73          | (69.00)         | (81.73)         | -               |
| Transfers to Stage 2                                    | (220.14)        | 223.86          | (3.72)          | -               |
| Transfers to Stage 3                                    | (29.57)         | (59.76)         | 89.33           | -               |
| Amounts written off                                     | (19.86)         | (21.86)         | (339.69)        | (381.41)        |
| Assets derecognised or repaid (excluding write offs)    | (164.60)        | (103.14)        | (531.35)        | (799.09)        |
| Net Remeasurement of ECL arising from transfer of stage | (708.20)        | 594.54          | 2,298.04        | 2,184.38        |
| <b>Gross carrying amount as at March 31, 2025</b>       | <b>1,224.98</b> | <b>1,297.53</b> | <b>3,446.60</b> | <b>5,969.11</b> |

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 7 INVESTMENTS

| Particulars                                                                                                                                                                      | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Investment in Equity instruments</b>                                                                                                                                          |                         |                         |
| <b>- Subsidiary (at cost)</b>                                                                                                                                                    |                         |                         |
| IKF Home finance limited                                                                                                                                                         | 41,251.77               | 15,219.23               |
| (March 31,2026: 9,04,73,220 Equity shares of ₹ 10 each fully paid ; March 31,2025:5,74,04,177 Equity shares of ₹ 10 each fully paid &96,88,043 Equity shares of ₹ 5 partly paid) |                         |                         |
| <b>Esop expenses -Esop to employees of Ikf Home Finance Ltd</b>                                                                                                                  | 84.90                   | 1.77                    |
| <b>Investment in Debentures (at Fair Value through Profit or loss)</b>                                                                                                           | 3,184.94                | 0.00                    |
| <b>Investment in PTC- UNIVERSE TRUST DEC 2024</b>                                                                                                                                | 899.23                  | 913.82                  |
| <b>Investment in PTC-UNIVERSE TRUST JUL 2025</b>                                                                                                                                 | 1,501.52                | -                       |
| <b>Investment in Mutual funds (at Fair Value through Profit or loss)</b>                                                                                                         | -                       | -                       |
| <b>Total (A)</b>                                                                                                                                                                 | <b>46,922.36</b>        | <b>16,134.82</b>        |
| (i) Investments in India                                                                                                                                                         | 46,922.36               | 16,134.82               |
| (ii) Investments outside India                                                                                                                                                   | -                       | -                       |
| <b>Total (B)</b>                                                                                                                                                                 | <b>46,922.36</b>        | <b>16,134.82</b>        |

#### 8 OTHER FINANCIAL ASSETS

| Particulars                              | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|------------------------------------------|-------------------------|-------------------------|
| Rent and utility deposit                 | 371.42                  | 343.41                  |
| Excess Interest Spread (EIS) Receivables | 7,703.50                | 4,801.68                |
| Other -unsecured, considered good        | 111.14                  | 222.66                  |
| <b>Total</b>                             | <b>8,186.06</b>         | <b>5,367.75</b>         |

#### 9 INVESTMENT PROPERTY

| Particulars                  | Buildings   | Land          | Total         |
|------------------------------|-------------|---------------|---------------|
| <b>Gross carrying amount</b> |             |               |               |
| <b>As at March 31, 2024</b>  | <b>6.98</b> | <b>124.07</b> | <b>131.05</b> |
| Additions                    | -           | -             | -             |
| Disposals                    | -           | -             | -             |
| <b>As at March 31, 2025</b>  | <b>6.98</b> | <b>124.07</b> | <b>131.05</b> |
| Additions                    |             |               |               |
| Disposals                    |             | (58.06)       | (58.06)       |
| <b>As at March 31, 2026</b>  | <b>6.98</b> | <b>66.01</b>  | <b>72.99</b>  |
| <b>As at March 31, 2024</b>  | <b>1.02</b> | <b>-</b>      | <b>1.02</b>   |
| Depreciation for the year    | 0.17        | -             | 0.17          |
| Disposals                    | -           | -             | -             |
| <b>As at March 31, 2025</b>  | <b>1.19</b> | <b>-</b>      | <b>1.19</b>   |
| Depreciation for the year    | 0.17        |               | 0.17          |
| Disposals                    |             |               | -             |
| <b>As at March 31, 2026</b>  | <b>1.36</b> | <b>-</b>      | <b>1.36</b>   |
| <b>Net book value</b>        |             |               |               |
| As at March 31, 2024         | 5.96        | 124.07        | 130.03        |
| As at March 31, 2025         | 5.79        | 124.07        | 129.86        |
| As at March 31, 2026         | 5.62        | 66.01         | 71.63         |



## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

**(i) Amounts recognised in Statement of Profit and Loss for Investment Property**

| Particulars                                                         | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|---------------------------------------------------------------------|------------------------------|------------------------------|
| Rental Income (Refer Note 27)                                       | 3.81                         | 9.15                         |
| Direct operating expense from property that generated rental income |                              | -                            |
| <b>Profit from investment properties before depreciation</b>        | <b>3.81</b>                  | <b>9.15</b>                  |
| Depreciation                                                        | 0.17                         | 0.17                         |
| <b>Profit from investment properties</b>                            | <b>3.64</b>                  | <b>8.98</b>                  |

**(ii) Contractual obligations**

The Company has no contractual obligations to purchase, construct or develop investment property. However, the responsibility for its repairs, maintenance or enhancements is with the Company.

**(iii) Fair value**

The fair valuation of investment property as at March 31, 2026 is ₹ 411.85 Lakhs (PY: ₹ 465.85 Lakhs)

**(iv) Pledged details**

Building is pledged in favor of consortium leader central bank of India for cash credit facility.

**(v) Estimation of fair value**

The fair values of investment property is determined by guidance value given by the local government of the area where the investment properties are located.

**(vi) Revaluation**

The Company has not revalued any of its investment property during the years ended March 31, 2026 and March 31, 2025. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.

## 10 PROPERTY, PLANT AND EQUIPMENT

| Particulars                                     | Buildings       | Furniture<br>and<br>Fixtures | Computer<br>& Printer | Office<br>equipment | Vehicles      | Total           | Right to<br>Use Assets<br>(Leases) |
|-------------------------------------------------|-----------------|------------------------------|-----------------------|---------------------|---------------|-----------------|------------------------------------|
| <b>Gross carrying amount</b>                    |                 |                              |                       |                     |               |                 |                                    |
| <b>As at March 31, 2024</b>                     | -               | <b>305.27</b>                | <b>211.01</b>         | <b>16.78</b>        | <b>101.51</b> | <b>634.57</b>   | <b>714.45</b>                      |
| Additions                                       | -               | 104.44                       | 58.73                 | 19.60               | -             | 182.77          | 23.92                              |
| Disposals                                       | -               | -                            | (0.14)                | -                   | -             | (0.14)          | (5.13)                             |
| <b>As at March 31, 2025</b>                     | -               | <b>409.71</b>                | <b>269.60</b>         | <b>36.38</b>        | <b>101.51</b> | <b>817.20</b>   | <b>733.24</b>                      |
| Additions                                       | 2967.51         | 452.81                       | 114.57                | 226.96              | -             | 3,761.85        | 170.76                             |
| Disposals                                       |                 |                              |                       |                     |               |                 |                                    |
| <b>As at March 31, 2026</b>                     | <b>2,967.51</b> | <b>862.52</b>                | <b>384.17</b>         | <b>263.34</b>       | <b>101.51</b> | <b>4,579.05</b> | <b>904.00</b>                      |
| <b>Accumulated depreciation and impairment:</b> |                 |                              |                       |                     |               |                 |                                    |
| <b>As at March 31, 2024</b>                     | -               | <b>192.44</b>                | <b>125.79</b>         | <b>11.31</b>        | <b>67.49</b>  | <b>397.03</b>   | <b>452.28</b>                      |
| Depreciation for the year                       | -               | 25.38                        | 48.97                 | 3.66                | 6.41          | 84.42           | 210.40                             |
| Disposals                                       | -               | -                            | (0.13)                | -                   | -             | (0.13)          | -                                  |
| <b>As at March 31, 2025</b>                     | -               | <b>217.82</b>                | <b>174.63</b>         | <b>14.97</b>        | <b>73.90</b>  | <b>481.32</b>   | <b>662.68</b>                      |
| Depreciation for the year                       | 23.86           | 47.78                        | 62.07                 | 23.93               | 5.38          | 163.02          | 76.65                              |
| Disposals                                       |                 |                              |                       |                     |               | -               | -                                  |
| <b>As at March 31, 2026</b>                     | <b>23.86</b>    | <b>265.60</b>                | <b>236.70</b>         | <b>38.90</b>        | <b>79.28</b>  | <b>644.34</b>   | <b>739.33</b>                      |

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Particulars           | Buildings | Furniture and Fixtures | Computer & Printer | Office equipment | Vehicles | Total    | Right to Use Assets (Leases) |
|-----------------------|-----------|------------------------|--------------------|------------------|----------|----------|------------------------------|
| <b>Net book value</b> |           |                        |                    |                  |          |          |                              |
| As at March 31, 2024  | -         | 112.83                 | 85.22              | 5.48             | 34.02    | 237.54   | 262.17                       |
| As at March 31, 2025  | -         | 191.89                 | 94.97              | 21.41            | 27.61    | 335.88   | 70.56                        |
| As at March 31, 2026  | 2,943.65  | 596.92                 | 147.47             | 224.44           | 22.23    | 3,934.71 | 164.67                       |

Note: The Company has not revalued any of its property, plant and equipment during the years ended March 31, 2026 and March 31, 2025. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.

#### 11 CAPITAL WORK IN PROGRESS

| Particulars            | Year ended March 31, 2026 | Year ended March 31, 2025 |
|------------------------|---------------------------|---------------------------|
| <b>Opening Balance</b> | <b>2,944.30</b>           | <b>47.59</b>              |
| Additions              | -                         | 2944.30                   |
| Deductions             | 2,944.30                  | 47.59                     |
| <b>Closing Balance</b> | <b>-</b>                  | <b>2,944.30</b>           |

##### Ageing for Capital work in Progress

| Particulars          | As at          | Amount for a Period of |           |           |                   | Total    |
|----------------------|----------------|------------------------|-----------|-----------|-------------------|----------|
|                      |                | less than 1 year       | 1-2 Years | 2-3 Years | More than 3 Years |          |
| Projects in Progress | March 31, 2026 | 0.00                   | -         | -         | -                 | 0.00     |
| Projects in Progress | March 31, 2025 | 2,944.30               | -         | -         | -                 | 2,944.30 |

#### 11A Intangible assets under development

| Particulars            | Year ended March 31, 2026 | Year ended March 31, 2025 |
|------------------------|---------------------------|---------------------------|
| <b>Opening Balance</b> | <b>-</b>                  | <b>13.20</b>              |
| Additions              | -                         | -                         |
| Deductions             | -                         | 13.20                     |
| <b>Closing Balance</b> | <b>-</b>                  | <b>-</b>                  |

##### Ageing for Intangibles assets under development

| Particulars          | As at          | Amount for a Period of |           |           |                   | Total |
|----------------------|----------------|------------------------|-----------|-----------|-------------------|-------|
|                      |                | less than 1 year       | 1-2 Years | 2-3 Years | More than 3 Years |       |
| Projects in Progress | March 31, 2026 | -                      | -         | -         | -                 | 0.00  |
| Projects in Progress | March 31, 2025 | -                      | -         | -         | -                 | 0.00  |

#### 11B Other Intangible assets

| Particulars                  | Computer software |
|------------------------------|-------------------|
| <b>Gross carrying amount</b> |                   |
| <b>As at March 31, 2024</b>  | <b>368.03</b>     |
| Additions                    | 31.93             |
| Disposal                     | -                 |
| <b>As at March 31, 2025</b>  | <b>399.96</b>     |
| Additions                    | -                 |
| Disposal                     | -                 |
| <b>As at March 31, 2026</b>  | <b>399.96</b>     |

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Particulars                                    | Computer software |
|------------------------------------------------|-------------------|
| <b>Accumulated amortisation and impairment</b> |                   |
| <b>As at March 31, 2024</b>                    | <b>244.04</b>     |
| Amortisation for the year                      | 41.81             |
| Disposal                                       | -                 |
| <b>As at March 31, 2025</b>                    | <b>285.85</b>     |
| Amortisation for the year                      | 30.67             |
| Disposal                                       | -                 |
| <b>As at March 31, 2026</b>                    | <b>316.52</b>     |
| <b>Net book value</b>                          |                   |
| As at March 31, 2024                           | 123.99            |
| As at March 31, 2025                           | 114.11            |
| As at March 31, 2026                           | 83.44             |

Note: The Company has not revalued any of its intangible assets during the years ended March 31, 2026 and March 31, 2025. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.

#### 12 OTHER NON-FINANCIAL ASSETS

| Particulars           | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-----------------------|-------------------------|-------------------------|
| Prepaid expenses      | 759.18                  | 773.85                  |
| Advances to employees | 1.35                    | 0.42                    |
| GST input credit      | 580.87                  | 712.39                  |
| Advance for expenses  | 120.70                  | 31.95                   |
| Other advances        | 0.00                    | 150.00                  |
| <b>Total</b>          | <b>1,462.10</b>         | <b>1,668.61</b>         |

#### 13 PAYABLES

| Particulars                                                                                 | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|---------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>(I) Trade Payables</b>                                                                   |                         |                         |
| (i) total outstanding dues of micro enterprises and small enterprises                       | -                       | -                       |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | -                       | -                       |
| <b>(II) Other Payables</b>                                                                  |                         |                         |
| (i) total outstanding dues of micro enterprises and small enterprises                       | -                       | -                       |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | -                       | -                       |
| <b>Total</b>                                                                                | <b>-</b>                | <b>-</b>                |

#### Trade payables and other Payables ageing schedule

##### As at March 31, 2026

| Particulars               | Outstanding for following periods from due date of payment |           |                       |                      | Total    |
|---------------------------|------------------------------------------------------------|-----------|-----------------------|----------------------|----------|
|                           | Less than<br>1 year                                        | 1-2 years | 2 years to<br>3 years | More than<br>3 years |          |
| (i) MSME                  | -                                                          | -         | -                     | -                    | -        |
| (ii) Others               | -                                                          | -         | -                     | -                    | -        |
| (iii) Disputed Dues-MSME  | -                                                          | -         | -                     | -                    | -        |
| (iv) Disputed Dues-Others | -                                                          | -         | -                     | -                    | -        |
| <b>Total</b>              | <b>-</b>                                                   | <b>-</b>  | <b>-</b>              | <b>-</b>             | <b>-</b> |

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)  
As at March 31, 2025

| Particulars               | Outstanding for following periods from due date of payment |           |                    |                   | Total |
|---------------------------|------------------------------------------------------------|-----------|--------------------|-------------------|-------|
|                           | Less than 1 year                                           | 1-2 years | 2 years to 3 years | More than 3 years |       |
| (i) MSME                  | -                                                          | -         | -                  | -                 | -     |
| (ii) Others               | -                                                          | -         | -                  | -                 | -     |
| (iii) Disputed Dues-MSME  | -                                                          | -         | -                  | -                 | -     |
| (iv) Disputed Dues-Others | -                                                          | -         | -                  | -                 | -     |
| <b>Total</b>              | -                                                          | -         | -                  | -                 | -     |

#### 14 DEBT SECURITIES

| Particulars                      | As at March 31, 2026 | As at March 31, 2025 |
|----------------------------------|----------------------|----------------------|
| <b>At amortised cost</b>         |                      |                      |
| <b>Secured</b>                   |                      |                      |
| Non convertible debentures       | 89,687.77            | 70,978.62            |
| <b>Unsecured</b>                 |                      |                      |
| Other non convertible debentures | -                    | (0.00)               |
| Commercial Paper                 | 4,891.27             | -                    |
| <b>Total</b>                     | <b>94,579.04</b>     | <b>70,978.62</b>     |
| <b>Debt Securities:</b>          |                      |                      |
| Within India                     | 94,579.04            | 70,978.62            |
| Outside India                    | -                    | -                    |
| <b>Total</b>                     | <b>94,579.04</b>     | <b>70,978.62</b>     |

#### Nature of security

##### Non convertible debentures (secured)

Non convertible debentures are secured by an exclusive charge by way of hypothecation of specific loan receivable created out of the loan proceeds

The Company has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.

The Company has borrowed funds from banks and financial institutions on the basis of security of current assets. It has filed quarterly returns or statements of current assets with banks and financial institutions and the said returns/statements are in agreement with books of accounts.

#### Terms of repayment of Debt securities as on March 31, 2026

| Original maturity loan       | Interest rate | Due within 1 Year   |                   | Due between 2 to 5 Years |                   | Due more than 5 Years |                   | Total     |
|------------------------------|---------------|---------------------|-------------------|--------------------------|-------------------|-----------------------|-------------------|-----------|
|                              |               | No. of Installments | Amount (In Lakhs) | No. of Installments      | Amount (In Lakhs) | No. of Installments   | Amount (In Lakhs) |           |
| Monthly repayment schedule   |               |                     |                   |                          |                   |                       |                   |           |
| 1-7 Years                    | -             | -                   | -                 | -                        | -                 | -                     | -                 | -         |
|                              | -             | -                   | -                 | -                        | -                 | -                     | -                 | -         |
| Quarterly repayment schedule |               |                     |                   |                          |                   |                       |                   |           |
| 1-5 Years                    | 8.01% - 9.00% | 4                   | 2,000.00          | 6                        | 14,000.00         | -                     | -                 | 16,000.00 |
|                              | 9.01%-10.00%  | 16                  | 39,649.91         | 7                        | 14,774.98         | -                     | -                 | 54,424.89 |
|                              | 10.01%-11.00% | -                   | -                 | -                        | -                 | -                     | -                 | -         |

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Original maturity loan             | Interest rate | Due within 1 Year   |                   | Due between 2 to 5 Years |                   | Due more than 5 Years |                   | Total     |
|------------------------------------|---------------|---------------------|-------------------|--------------------------|-------------------|-----------------------|-------------------|-----------|
|                                    |               | No. of Installments | Amount (In Lakhs) | No. of Installments      | Amount (In Lakhs) | No. of Installments   | Amount (In Lakhs) |           |
| Bullet repayment schedule          |               |                     |                   |                          |                   |                       |                   |           |
| 1-7 Years                          | 8.01% - 9.00% | -                   | -                 | -                        | -                 | -                     | -                 | -         |
|                                    | 9.01%-10.00%  | 4                   | 13,000.00         | -                        | -                 | -                     | -                 | 13,000.00 |
|                                    | 10.01%-11.00% | -                   | -                 | 1                        | 6,000.00          | -                     | -                 | 6,000.00  |
| Total                              |               |                     | 54,649.91         | -                        | 34,774.98         | -                     | -                 | 89,424.89 |
| Add : Interest accrued but not due |               |                     |                   |                          |                   |                       |                   | 865.98    |
| Less : Unamortized Finance Cost    |               |                     |                   |                          |                   |                       |                   | (603.10)  |
| Total Amortized Cost               |               |                     | 54,649.91         |                          | 34,774.98         |                       | -                 | 89,687.77 |

#### Terms of repayment of Debt securities as on March 31, 2025

| Original maturity loan             | Interest rate | Due within 1 Year   |                   | Due between 2 to 5 Years |                   | Due more than 5 Years |                   | Total     |
|------------------------------------|---------------|---------------------|-------------------|--------------------------|-------------------|-----------------------|-------------------|-----------|
|                                    |               | No. of Installments | Amount (In Lakhs) | No. of Installments      | Amount (In Lakhs) | No. of Installments   | Amount (In Lakhs) |           |
| Monthly repayment schedule         |               |                     |                   |                          |                   |                       |                   |           |
| 1-7 Years                          | -             | -                   | -                 | -                        | -                 | -                     | -                 | -         |
|                                    | -             | -                   | -                 | -                        | -                 | -                     | -                 | -         |
| Quarterly repayment schedule       |               |                     |                   |                          |                   |                       |                   |           |
| 1-5 Years                          | 9.01%-10.00%  | 14                  | 8,999.98          | 24                       | 42,925.03         | -                     | -                 | 51,925.01 |
|                                    | 10.01%-11.00% | -                   | -                 | -                        | -                 | -                     | -                 | -         |
| Bullet repayment schedule          |               |                     |                   |                          |                   |                       |                   |           |
| 1-7 Years                          | 9.01%-10.00%  | -                   | -                 | 3                        | 13,000.00         | -                     | -                 | 13,000.00 |
|                                    | 10.01%-11.00% | -                   | -                 | 1                        | 5,997.45          | -                     | -                 | 5,997.45  |
|                                    |               |                     |                   |                          |                   |                       |                   |           |
| Total                              |               |                     | 8,999.98          | -                        | 61,922.48         | -                     | -                 | 70,922.46 |
| Add : Interest accrued but not due |               |                     |                   |                          |                   |                       |                   | 837.66    |
| Less : Unamortized Finance Cost    |               |                     |                   |                          |                   |                       |                   | (781.50)  |
| Total Amortized Cost               |               |                     | 8,999.98          |                          | 61,922.48         |                       | -                 | 70,978.62 |

#### Commercial Paper (Unsecured)

Commercial Paper of face value of ₹ 5,00,000 /- each

#### Terms of repayment of commercial paper as on March 31, 2026

| Original maturity               | Interest rate | Due within 1 Year   |                   | Due between 2 to 5 Years |                   | Due more than 5 Years |                   | Total    |
|---------------------------------|---------------|---------------------|-------------------|--------------------------|-------------------|-----------------------|-------------------|----------|
|                                 |               | No. of Installments | Amount (In Lakhs) | No. of Installments      | Amount (In Lakhs) | No. of Installments   | Amount (In Lakhs) |          |
| Bullet repayment schedule       |               |                     |                   |                          |                   |                       |                   |          |
| 1-7 Years                       | 9.01%-10.00%  | 1                   | 5,000.00          | -                        | -                 | -                     | -                 | 5,000.00 |
| Total                           |               |                     | 5,000.00          |                          | -                 |                       | -                 | 5,000.00 |
| Less : Unamortized Finance Cost |               |                     |                   |                          |                   |                       |                   | (108.73) |
| Total Amortized Cost            |               |                     | 5,000.00          |                          | -                 |                       | -                 | 4,891.27 |

#### Terms of repayment of commercial paper as on March 31, 2025

| Original maturity               | Interest rate | Due within 1 Year   |                   | Due between 2 to 5 Years |                   | Due more than 5 Years |                   | Total |
|---------------------------------|---------------|---------------------|-------------------|--------------------------|-------------------|-----------------------|-------------------|-------|
|                                 |               | No. of Installments | Amount (In Lakhs) | No. of Installments      | Amount (In Lakhs) | No. of Installments   | Amount (In Lakhs) |       |
| Bullet repayment schedule       |               |                     |                   |                          |                   |                       |                   |       |
| 1-7 Years                       | -             | -                   | -                 | -                        | -                 | -                     | -                 | -     |
| Total                           |               |                     | -                 |                          | -                 |                       | -                 | -     |
| Less : Unamortized Finance Cost |               |                     |                   |                          |                   |                       |                   |       |
| Total Amortized Cost            |               |                     | -                 |                          | -                 |                       | -                 |       |



# NOTES

## TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

### 15 BORROWINGS (OTHER THAN DEBT SECURITIES)

| Particulars                                                                      | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|----------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>At amortised cost</b>                                                         |                         |                         |
| <b>Term loans (Secured)</b>                                                      |                         |                         |
| from banks                                                                       | 2,62,379.25             | 1,87,787.89             |
| from non banking financial companies                                             | 72,734.85               | 69,018.67               |
| from financial institutions                                                      | 5,130.30                | 11,415.58               |
|                                                                                  | <b>3,40,244.40</b>      | <b>2,68,222.14</b>      |
| <b>Loans repayable on demand (Secured):</b>                                      |                         |                         |
| Cash credit from Bank                                                            | 4,677.04                | 24,165.51               |
| Associated liabilities in respect of securitisation transactions (Refer Note 37) | 18,321.69               | 12,962.47               |
| <b>Total</b>                                                                     | <b>3,63,243.13</b>      | <b>3,05,350.12</b>      |
| <b>Borrowings:</b>                                                               |                         |                         |
| Within India                                                                     | 3,63,243.13             | 3,05,350.12             |
| Outside India                                                                    |                         |                         |
| <b>Total</b>                                                                     | <b>3,63,243.13</b>      | <b>3,05,350.12</b>      |

#### Nature of security

##### Term loans (secured)

Term Loans from bank, financial institutions and NBFCs are secured by an exclusive charge by way of hypothecation of specific loan receivable created out of the loan proceeds and cash collateral by way of fixed deposits and mortgage of personal properties of directors in addition to their personal guarantees.

##### Loans repayable on demand (Secured)

These loans are secured against the first pari passu charge on current assets, book debts and receivables including loans & advances of the Company as per the agreement. Further, the loan has been guaranteed by personal guarantee of director/promoter to the extent of ₹ 378.20 Crores\* (March 31, 2025: ₹ 378.20 Crores).

The Company has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.

The Company has borrowed funds from banks and financial institutions on the basis of security of current assets. It has filed quarterly returns or statements of current assets with banks and financial institutions and the said returns/statements are in agreement with books of accounts.

\* Agreement executed dated June 29, 2024

#### Terms of repayment of term loans as on March 31, 2026

| Original maturity loan       | Interest rate | Due within 1 Year   |                   | Due between 2 to 5 Years |                   | Due more than 5 Years |                   | Total       |
|------------------------------|---------------|---------------------|-------------------|--------------------------|-------------------|-----------------------|-------------------|-------------|
|                              |               | No. of Installments | Amount (In Lakhs) | No. of Installments      | Amount (In Lakhs) | No. of Installments   | Amount (In Lakhs) |             |
| Monthly repayment schedule   |               |                     |                   |                          |                   |                       |                   |             |
| 1-7 Years                    | 6.00%-7.00%   | -                   | -                 | -                        | -                 | -                     | -                 | -           |
|                              | 7.01%-8.00%   | 178                 | 14,731.80         | 192                      | 15,932.20         | -                     | -                 | 30,664.00   |
|                              | 8.01%-9.00%   | 298                 | 43,056.09         | 510                      | 78,215.74         | -                     | -                 | 1,21,271.83 |
|                              | 9.01%-10.50%  | 279                 | 33,821.38         | 165                      | 22,044.73         | -                     | -                 | 55,866.11   |
| Quarterly repayment schedule |               |                     |                   |                          |                   |                       |                   |             |
| 1-5 Years                    | 6.00%-7.00%   | -                   | -                 | -                        | -                 | -                     | -                 | -           |
|                              | 7.01%-8.00%   | 4                   | 500.00            | 10                       | 1,249.98          | -                     | -                 | 1,749.98    |
|                              | 8.01%-9.00%   | 46                  | 20,264.17         | 85                       | 40,187.22         | 12                    | 5,799.03          | 66,250.42   |
|                              | 9.01%-10.50%  | 81                  | 26,112.51         | 71                       | 26,675.08         | 1                     | 249.40            | 53,036.99   |

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Original maturity loan             | Interest rate | Due within 1 Year   |                   | Due between 2 to 5 Years |                   | Due more than 5 Years |                   | Total       |
|------------------------------------|---------------|---------------------|-------------------|--------------------------|-------------------|-----------------------|-------------------|-------------|
|                                    |               | No. of Installments | Amount (In Lakhs) | No. of Installments      | Amount (In Lakhs) | No. of Installments   | Amount (In Lakhs) |             |
| Bullet repayment schedule          |               |                     |                   |                          |                   |                       |                   |             |
| 1-14 Years                         | 7.01%-8.00%   | 1                   | 7,500.00          | 1                        | 5,000.00          | -                     | -                 | 12,500.00   |
|                                    | 8.01%-9.00%   | -                   | -                 | -                        | -                 | -                     | -                 | -           |
| Total                              |               |                     | 1,45,985.95       |                          | 1,89,304.95       |                       | 6,048.43          | 3,41,339.33 |
| Add : Interest accrued but not due |               |                     |                   |                          |                   |                       |                   | 451.78      |
| Less : Unamortized Finance Cost    |               |                     |                   |                          |                   |                       |                   | (1,546.71)  |
| Total Amortized Cost               |               |                     | 1,45,985.95       | -                        | 1,89,304.95       | -                     | 6,048.43          | 3,40,244.40 |

#### Terms of repayment of term loans as on March 31, 2025

| Original maturity loan             | Interest rate | Due within 1 Year   |                   | Due between 2 to 5 Years |                   | Due more than 5 Years |                   | Total       |
|------------------------------------|---------------|---------------------|-------------------|--------------------------|-------------------|-----------------------|-------------------|-------------|
|                                    |               | No. of Installments | Amount (In Lakhs) | No. of Installments      | Amount (In Lakhs) | No. of Installments   | Amount (In Lakhs) |             |
| Monthly repayment schedule         |               |                     |                   |                          |                   |                       |                   |             |
| 1-7 Years                          | 8.01%-9.00%   | 41                  | 3,301.31          | 78                       | 6,230.48          | -                     | -                 | 9,531.79    |
|                                    | 9.01%-10.50%  | 645                 | 62,295.71         | 802                      | 83,154.15         | -                     | -                 | 1,45,449.86 |
|                                    | 10.51%-11.50% | 46                  | 5,655.49          | 3                        | 548.39            | -                     | -                 | 6,203.89    |
|                                    | 11.51%-12.50% | -                   | -                 | -                        | -                 | -                     | -                 | -           |
| Quarterly repayment schedule       |               |                     |                   |                          |                   |                       |                   |             |
| 1-5 Years                          | 6.00%-7.00%   | -                   | -                 | -                        | -                 | -                     | -                 | -           |
|                                    | 7.01%-8.00%   | 3                   | 1,360.00          | -                        | -                 | -                     | -                 | 1,360.00    |
|                                    | 8.01%-9.00%   | -                   | -                 | -                        | -                 | -                     | -                 | -           |
|                                    | 9.01%-10.50%  | 107                 | 28,986.33         | 172                      | 47,627.14         | 12                    | 2,624.17          | 79,237.64   |
|                                    | 10.51%-11.50% | 16                  | 6,078.46          | 16                       | 7,857.07          | 2                     | 1,000.00          | 14,935.53   |
|                                    | 11.51%-12.50% | -                   | -                 | -                        | -                 | -                     | -                 | -           |
| Bullet repayment schedule          |               |                     |                   |                          |                   |                       |                   |             |
| 1-14 Years                         | 7.01%-8.00%   | -                   | -                 | 2                        | 12,500            | -                     | -                 | 12,500.00   |
|                                    | 8.01%-9.00%   | -                   | -                 | -                        | -                 | -                     | -                 | -           |
| Total                              |               |                     | 1,07,677.31       |                          | 1,57,917.23       |                       | 3,624.17          | 2,69,218.71 |
| Add : Interest accrued but not due |               |                     |                   |                          |                   |                       |                   | 458.82      |
| Less : Unamortized Finance Cost    |               |                     |                   |                          |                   |                       |                   | (1,455.39)  |
| Total Amortized Cost               |               |                     | 1,07,677.31       | -                        | 1,57,917.23       | -                     | 3,624.17          | 2,68,222.14 |

#### Terms of repayment of Associated liabilities in respect of securitisation transactions as on March 31, 2026

| Original maturity loan          | Interest rate | Due within 1 Year   |                   | Due between 2 to 5 Years |                   | Due more than 5 Years |                   | Total     |
|---------------------------------|---------------|---------------------|-------------------|--------------------------|-------------------|-----------------------|-------------------|-----------|
|                                 |               | No. of Installments | Amount (In Lakhs) | No. of Installments      | Amount (In Lakhs) | No. of Installments   | Amount (In Lakhs) |           |
| Monthly repayment schedule      |               |                     |                   |                          |                   |                       |                   |           |
| 1-7 Years                       | 8.01%-9.00%   | 12                  | 7,115.82          | 16                       | 5,826.61          | -                     | -                 | 12,942.43 |
|                                 | 9.01%-9.50%   | 12                  | 3,460.17          | 23                       | 2,064.23          | -                     | -                 | 5,524.40  |
| Total                           |               |                     |                   |                          | 10,575.99         |                       | 7,890.84          | 18,466.83 |
| Less : Unamortized Finance Cost |               |                     |                   |                          |                   |                       |                   | (145.14)  |
| Total Amortized Cost            |               |                     | -                 | -                        | 10,575.99         | -                     | 7,890.84          | 18,321.69 |

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### Terms of repayment of Associated liabilities in respect of securitisation transactions as on March 31, 2025

| Original maturity loan          | Interest rate | Due within 1 Year   |                   | Due between 2 to 5 Years |                   | Due more than 5 Years |                   | Total     |
|---------------------------------|---------------|---------------------|-------------------|--------------------------|-------------------|-----------------------|-------------------|-----------|
|                                 |               | No. of Installments | Amount (In Lakhs) | No. of Installments      | Amount (In Lakhs) | No. of Installments   | Amount (In Lakhs) |           |
| Monthly repayment schedule      |               |                     |                   |                          |                   |                       |                   |           |
| 1-7 Years                       | 9.40%         | 12                  | 6,044.72          | 36                       | 6,923.06          | 3                     | 86.57             | 13,054.35 |
| Total                           |               |                     | 6,044.72          |                          | 6,923.06          |                       | 86.57             | 13,054.35 |
| Less : Unamortized Finance Cost |               |                     |                   |                          |                   |                       |                   | (91.88)   |
| Total Amortized Cost            |               |                     | 6,044.72          | -                        | 6,923.06          | -                     | 86.57             | 12,962.47 |

#### 16 SUBORDINATED LIABILITIES

| Particulars                            | As at March 31, 2026 | As at March 31, 2025 |
|----------------------------------------|----------------------|----------------------|
| <b>Unsecured - At amortised cost</b>   |                      |                      |
| Non convertible debentures (Tier-II)   | 16,436.11            | 16,402.09            |
| Indian rupee loan from banks (Tier-II) | -                    | -                    |
| <b>Total</b>                           | <b>16,436.11</b>     | <b>16,402.09</b>     |
| <b>Subordinated Liabilities:</b>       |                      |                      |
| Within India                           | 16,436.11            | 16,402.09            |
| <b>Total</b>                           | <b>16,436.11</b>     | <b>16,402.09</b>     |

#### Terms of repayment of subordinated liabilities as on March 31, 2026

| Original maturity loan             | Interest rate | Due within 1 Year   |                   | Due between 2 to 5 Years |                   | Due more than 5 Years |                   | Total     |
|------------------------------------|---------------|---------------------|-------------------|--------------------------|-------------------|-----------------------|-------------------|-----------|
|                                    |               | No. of Installments | Amount (In Lakhs) | No. of Installments      | Amount (In Lakhs) | No. of Installments   | Amount (In Lakhs) |           |
| Bullet repayment schedule          |               |                     |                   |                          |                   |                       |                   |           |
| 1-7 Years                          | 11.51%-12.50% | -                   | -                 | -                        | -                 | -                     | -                 | -         |
|                                    | >12.51%       | 1                   | 2,500             | 1                        | 14,000.00         | -                     | -                 | 16,500.00 |
| Total                              |               |                     |                   |                          | 14,000.00         |                       | -                 | 16,500.00 |
| Add : Interest accrued but not due |               |                     |                   |                          |                   |                       |                   | 10.62     |
| Less : Unamortized Finance Cost    |               |                     |                   |                          |                   |                       |                   | (74.51)   |
| Total Amortized Cost               |               |                     |                   |                          | 14,000.00         |                       | -                 | 16,436.11 |

#### Terms of repayment of subordinated liabilities as on March 31, 2025

| Original maturity loan             | Interest rate | Due within 1 Year   |                   | Due between 2 to 5 Years |                   | Due more than 5 Years |                   | Total     |
|------------------------------------|---------------|---------------------|-------------------|--------------------------|-------------------|-----------------------|-------------------|-----------|
|                                    |               | No. of Installments | Amount (In Lakhs) | No. of Installments      | Amount (In Lakhs) | No. of Installments   | Amount (In Lakhs) |           |
| Bullet repayment schedule          |               |                     |                   |                          |                   |                       |                   |           |
| 1-7 Years                          | 11.51%-12.50% | -                   | -                 | -                        | -                 | -                     | -                 | -         |
|                                    | >12.51%       |                     |                   | 2                        | 16,500.00         | -                     | -                 | 16,500.00 |
| Total                              |               |                     |                   |                          | 16,500.00         |                       | -                 | 16,500.00 |
| Add : Interest accrued but not due |               |                     |                   |                          |                   |                       |                   | 10.62     |
| Less : Unamortized Finance Cost    |               |                     |                   |                          |                   |                       |                   | (108.53)  |
| Total Amortized Cost               |               |                     |                   |                          | 16,500.00         |                       | -                 | 16,402.09 |

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 17 OTHER FINANCIAL LIABILITIES

| Particulars                                              | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|----------------------------------------------------------|-------------------------|-------------------------|
| Lease Liabilities (Refer Note 42)                        | 174.51                  | 77.82                   |
| Employee benefits payable                                | 1,222.34                | 634.04                  |
| Expenses payable                                         | 3.70                    | 13.12                   |
| Other Payables                                           | 1,363.54                | 1,125.44                |
| Security deposit from franchisees and Customers          | 1,000.16                | 2,810.71                |
| Payable towards securitisation / assignment transactions | 5,308.49                | 3,602.39                |
| <b>Total</b>                                             | <b>9,072.74</b>         | <b>8,263.52</b>         |

#### 18 PROVISIONS

| Particulars                                           | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-------------------------------------------------------|-------------------------|-------------------------|
| Provision for gratuity (Refer Note 34b)               | 157.24                  | 35.36                   |
| Provision for leave benefits(Refer Note 34c)          | 111.27                  | 84.48                   |
| Provision for others                                  | -                       | 6.16                    |
| Expected credit loss towards undrawn loan commitments | 12.01                   | 11.39                   |
| <b>Total</b>                                          | <b>280.52</b>           | <b>137.39</b>           |

#### 19 OTHER NON-FINANCIAL LIABILITIES

| Particulars            | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|------------------------|-------------------------|-------------------------|
| Statutory dues payable | 491.50                  | 497.35                  |
| <b>Total</b>           | <b>491.50</b>           | <b>497.35</b>           |

#### 20 EQUITY SHARE CAPITAL

| Particulars                                                          | As at March 31, 2026 |                  | As at March 31, 2025 |                  |
|----------------------------------------------------------------------|----------------------|------------------|----------------------|------------------|
|                                                                      | Number               | Amount           | Number               | Amount           |
| <b>Authorised Capital</b>                                            |                      |                  |                      |                  |
| Equity shares of ₹ 5 each* (March 31, 2025: ₹ 10 each)               | 20,00,00,000         | 10,000.00        | 10,00,00,000         | 10,000.00        |
| Preference shares of ₹ 100 each                                      | 25,00,000            | 2,500.00         | 25,00,000            | 2,500.00         |
|                                                                      | <b>20,25,00,000</b>  | <b>12,500.00</b> | <b>10,25,00,000</b>  | <b>12,500.00</b> |
| <b>Issued, subscribed and fully paid-up shares</b>                   |                      |                  |                      |                  |
| Equity Shares of ₹ 5 each* fully paid up (March 31, 2025: ₹ 10 each) | 18,12,21,680         | 9,061.09         | 7,01,56,445          | 7,015.65         |
|                                                                      | <b>18,12,21,680</b>  | <b>9,061.09</b>  | <b>7,01,56,445</b>   | <b>7,015.65</b>  |
| <b>Issued, subscribed and partly paid-up shares</b>                  |                      |                  |                      |                  |
| Equity Shares of ₹ 5 each*, ₹ 0.50 per share paid up                 | 64,98,302            | 32.49            | -                    | -                |
|                                                                      | <b>64,98,302</b>     | <b>32.49</b>     | <b>-</b>             | <b>-</b>         |
| <b>Total</b>                                                         | <b>18,77,19,982</b>  | <b>9,093.58</b>  | <b>7,01,56,445</b>   | <b>7,015.65</b>  |

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### A. Reconciliation of number of shares

| Particulars                                                                                               | As at March 31, 2026 |                 | As at March 31, 2025 |                 |
|-----------------------------------------------------------------------------------------------------------|----------------------|-----------------|----------------------|-----------------|
|                                                                                                           | Number               | Amount          | Number               | Amount          |
| <b>Fully paid equity share of ₹ 5 each* (March 31, 2025: ₹ 10 each)</b>                                   |                      |                 |                      |                 |
| At the beginning of the year                                                                              | 7,01,56,445          | 7,015.65        | 7,01,56,445          | 7,015.65        |
| Shares issued during the year                                                                             | 2,04,54,395          | 2,045.44        |                      | -               |
| Increase on account of stock split from face value of ₹ 10 each to ₹ 5 each effective from March 30, 2026 | 9,06,10,840          | -               | Not Applicable       |                 |
| <b>Outstanding at the end of the year (A)</b>                                                             | <b>18,12,21,680</b>  | <b>9,061.09</b> | <b>7,01,56,445</b>   | <b>7,015.65</b> |
| <b>Equity shares of ₹ 5 each* and ₹ 0.50 paid up</b>                                                      |                      |                 |                      |                 |
| At the beginning of the year                                                                              | -                    | -               | -                    | -               |
| Shares issued during the year                                                                             | 32,49,151            | 32.49           |                      |                 |
| Increase on account of stock split from face value of ₹ 10 each to ₹ 5 each effective from March 30, 2026 | 32,49,151            | -               | Not Applicable       |                 |
| <b>Outstanding at the end of the year(B)</b>                                                              | <b>64,98,302</b>     | <b>32.49</b>    |                      |                 |
| <b>Total Outstanding at the end of the year(A+B)</b>                                                      | <b>18,77,19,982</b>  | <b>9,093.58</b> | <b>7,01,56,445</b>   | <b>7,015.65</b> |

#### B. Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 5 per share\*. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The partly paid equity shares rank pari passu with the existing equity shares of the Company in all respects, including dividend, voting rights, winding-up rights and all other rights and privileges as may be attached to the equity shares from time to time, in each case to the extent of the amount paid-up (with respect to the face value) on such partly paid equity shares by the respective shareholders. Accordingly, holders of partly paid equity shares are entitled to receive dividends and exercise other rights proportionate to the amount paid-up on such shares. The dividend if and when proposed by the Board of Directors will be subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, if any, in proportion to the number of equity shares held by the shareholder. The holders of partly paid equity shares shall rank pari passu with the holders of fully paid equity shares in respect of such distribution, to the extent of the amount paid-up (with respect to the face value) on the partly paid equity shares.

#### C. Details of shareholder(s) holding more than 5% of equity shares in the Company :

| Name of shareholder                                                                                                                                           | As at March 31, 2026 |           | As at March 31, 2025 |           |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-----------|----------------------|-----------|
|                                                                                                                                                               | No. of shares held   | % Holding | No. of shares held   | % Holding |
| <b>Equity shares of ₹ 5 each* fully paid up</b>                                                                                                               |                      |           |                      |           |
| Vupputuri Gopala Kishan Prasad                                                                                                                                | 4,24,08,430          | 22.59%    | 1,98,53,581          | 28.30%    |
| Norwest Capital LLC                                                                                                                                           | 4,63,94,848          | 24.71%    |                      |           |
| Rajadhiraja Limited (Creador)                                                                                                                                 | 2,23,25,580          | 11.89%    |                      |           |
| India Business Excellence Fund IV                                                                                                                             | 1,91,03,760          | 10.18%    |                      |           |
| India Business Excellence Fund-IIA                                                                                                                            | -                    | 0.00%     | 1,30,51,546          | 18.60%    |
| Vistra ITCL (India) Limited (formerly known as IL and FS Trust Company Limited) (Trustee of Business Excellence Trust-II - India Business Excellence Fund II) | -                    | 0.00%     | 78,04,018            | 11.12%    |



## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Name of shareholder                                   | As at March 31, 2026 |           | As at March 31, 2025 |           |
|-------------------------------------------------------|----------------------|-----------|----------------------|-----------|
|                                                       | No. of shares held   | % Holding | No. of shares held   | % Holding |
| Accion Digital Transformation Fund, LP                | -                    | 0.00%     | 55,81,395            | 7.96%     |
| Teachers Insurance And Annuity Association Of America | -                    | 0.00%     | 55,81,395            | 7.96%     |
| <b>Equity shares of ₹ 5 each* and ₹ 0.50 paid up</b>  |                      |           |                      |           |
| Vupputuri Gopala Kishan Prasad                        | 64,98,302            | 3.46%     | -                    | 0.00%     |

As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

#### D. Shareholding of Promoters

| Name of shareholder                                                            | As at March 31, 2026 |                   |                          | As at March 31, 2025 |                   |
|--------------------------------------------------------------------------------|----------------------|-------------------|--------------------------|----------------------|-------------------|
|                                                                                | No. of Shares        | % of Total Shares | % Change during the year | No. of Shares        | % of Total Shares |
| <b>a. Equity shares of ₹ 5 each* fully paid up (March 31, 2025: ₹ 10 each)</b> |                      |                   |                          |                      |                   |
| Vupputuri Gopala Kishan Prasad                                                 | 4,24,08,430          | 22.59%            | 6.80%                    | 1,98,53,581          | 28.30%            |
| Vupputuri Indira Devi                                                          | 34,14,794            | 1.82%             | 3.60%                    | 16,48,142            | 2.35%             |
| Koganti Vasumathi Devi                                                         | 52,94,532            | 2.82%             | 0.00%                    | 26,47,266            | 3.77%             |
| Vupputuri Vasantha Lakshmi                                                     | 49,83,588            | 2.65%             | 0.00%                    | 24,91,794            | 3.55%             |
| Vupputuri Raghu Ram                                                            | 36,01,340            | 1.92%             | 0.00%                    | 18,00,670            | 2.57%             |
| Durga Rani Chunduri                                                            | 29,88,200            | 1.59%             | 0.00%                    | 14,94,100            | 2.13%             |
| Sinha Satyanand Chunduri                                                       | 2,35,400             | 0.13%             | 0.00%                    | 1,17,700             | 0.17%             |
| <b>b. Equity shares of ₹ 5 each* and ₹ 0.50 paid up</b>                        |                      |                   |                          |                      |                   |
| Vupputuri Gopala Kishan Prasad                                                 | 64,98,302            | 3.46%             | 100.00%                  | -                    | 0.00%             |

\*Further, pursuant to the approval of shareholders at the Extraordinary General Meeting held on March 06, 2026, the face value of equity shares has been split from ₹ 10 each to ₹ 5 each, with March 30, 2026 being the record date. Accordingly, the face value per share stands revised to ₹ 5 each with effect from that date.

## 21 OTHER EQUITY

| Particulars                                                                  | As at March 31, 2026 | As at March 31, 2025 |
|------------------------------------------------------------------------------|----------------------|----------------------|
| Capital reserve                                                              | 32.50                | 32.50                |
| Securities premium reserve                                                   | 1,17,231.17          | 45,436.27            |
| Share Based Payment reserve                                                  | 391.14               | 35.92                |
| Statutory Reserve under section 45-IC of the Reserve Bank of India Act, 1934 | 12,988.63            | 9,692.03             |
| General reserve                                                              | 3,220.25             | 2,396.10             |
| Retained earnings                                                            | 46,601.58            | 34,242.95            |
| <b>Total</b>                                                                 | <b>1,80,465.27</b>   | <b>91,835.77</b>     |

# NOTES

## TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

### Nature and purpose of reserve

#### a. Capital reserve

This reserve was created to record the excess carrying value of optionally convertible debentures provided through securities premium. The excess value is recorded by reversing the capital reserve with corresponding debit to debentures.

#### b. Securities premium reserve

The securities premium reserve is used to record the premium received on issue of shares. The reserve can be utilised only for limited purpose such as issuance of bonus shares in accordance with provision of the Companies Act, 2013.

#### c. Statutory reserve

Reserves created under Section 45IC of The Reserve Bank of India Act, 1934

#### d. Share based payment reserve

The share based payment reserve is used to recognise the grant date fair value of options issued to employees of the Company and its subsidiaries under stock option schemes of the Company.

#### e. Retained earnings

Retained earnings represents surplus / accumulated earnings of the Company and are available for distribution to shareholders.

#### f. General Reserve

It is a free reserve which is created by appropriation from profits of the current year and/or undistributed profits of previous years, before declaration of dividend duly complying with any regulations in this regard.

### B. Movement in Other equity

| Particulars                                                                             | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-----------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>I. Capital Reserve</b>                                                               |                         |                         |
| Opening balance                                                                         | 32.50                   | 32.50                   |
| Add : Share issued during the year                                                      | -                       | -                       |
|                                                                                         | <b>32.50</b>            | <b>32.50</b>            |
| <b>II. Securities premium reserve</b>                                                   |                         |                         |
| Opening balance                                                                         | 45,436.27               | 45,454.27               |
| Add : Premium received on issue of securities                                           | 72,903.55               |                         |
| Less : Share issue expenses                                                             | (1,108.65)              | (18.00)                 |
|                                                                                         | <b>1,17,231.17</b>      | <b>45,436.27</b>        |
| <b>III. Share Based Payment reserve</b>                                                 |                         |                         |
| Opening balance                                                                         | 35.92                   | 21.71                   |
| Add : During the year                                                                   | 355.22                  | 14.21                   |
|                                                                                         | <b>391.14</b>           | <b>35.92</b>            |
| <b>IV. Statutory Reserve under section 45-IC of the Reserve Bank of India Act, 1934</b> |                         |                         |
| Opening balance                                                                         | 9,692.03                | 7,533.09                |
| Add : Transfer from retained earnings                                                   | 3,296.60                | 2,158.94                |
|                                                                                         | <b>12,988.63</b>        | <b>9,692.03</b>         |
| <b>V. General Reserve</b>                                                               |                         |                         |
| Opening balance                                                                         | 2,396.10                | 1,856.36                |
| Add : Transfer from retained earnings                                                   | 824.15                  | 539.74                  |
|                                                                                         | <b>3,220.25</b>         | <b>2,396.10</b>         |

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Particulars                                                                    | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|--------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>VI. Retained earnings</b>                                                   |                         |                         |
| Opening balance                                                                | 34,242.95               | 26,152.48               |
| Add : Changes in accounting policy /Prior period errors                        |                         | 0.44                    |
| Restated Opening balance                                                       | 34,242.95               | 26,152.92               |
| Add : Profit for the year                                                      | 16,483.02               | 10,794.73               |
| Add : Other comprehensive income                                               | (3.64)                  | (6.02)                  |
| <b>Appropriations:</b>                                                         |                         |                         |
| Transfer to Statutory Reserve u/s 45-IC of the Reserve Bank of India Act, 1934 | (3,296.60)              | (2,158.94)              |
| Transfer to General reserve                                                    | (824.15)                | (539.74)                |
|                                                                                | <b>46,601.58</b>        | <b>34,242.95</b>        |
| <b>Total</b>                                                                   | <b>46,601.58</b>        | <b>34,242.95</b>        |

#### 22 INTEREST INCOME

| Particulars                                    | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|------------------------------------------------|------------------------------|------------------------------|
| On financial assets measured at amortised cost |                              |                              |
| Interest on loans                              | 82,492.12                    | 60,588.22                    |
| Interest on deposits with banks                | 359.34                       | 158.85                       |
| Interest on investment in debentures           | 2,230.59                     | 981.92                       |
| Income on Investment In PTC                    | 82.27                        | 56.88                        |
| Income on Investment in Commercial paper       | 319.24                       | -                            |
| Interest on others                             | 2.49                         | 10.67                        |
| <b>Total</b>                                   | <b>85,486.05</b>             | <b>61,796.54</b>             |

#### 23 FEES AND COMMISSION INCOME

| Particulars            | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|------------------------|------------------------------|------------------------------|
| Other fees and charges | 752.79                       | 739.12                       |
| <b>Total</b>           | <b>752.79</b>                | <b>739.12</b>                |

#### 24 NET GAIN (LOSS) ON DE RECOGNITION OF FINANCIAL INSTRUMENTS UNDER AMORTISED COST

| Particulars                                               | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|-----------------------------------------------------------|------------------------------|------------------------------|
| Net gain (Loss) on derecognition of financial instruments | 2,817.11                     | 2,314.00                     |
| <b>Total</b>                                              | <b>2,817.11</b>              | <b>2,314.00</b>              |

#### 25 NET GAIN ON FAIR VALUE CHANGES

| Particulars  | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|--------------|------------------------------|------------------------------|
| Realised     | 468.13                       | 175.21                       |
| Un Realised  | 9.75                         | -                            |
| <b>Total</b> | <b>477.88</b>                | <b>175.21</b>                |

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 26 OTHER OPERATING INCOME

| Particulars         | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|---------------------|------------------------------|------------------------------|
| Bad debts recovered | 3.04                         | 0.05                         |
| <b>Total</b>        | <b>3.04</b>                  | <b>0.05</b>                  |

#### 27 OTHER INCOME

| Particulars                   | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|-------------------------------|------------------------------|------------------------------|
| Interest on income tax refund | 52.24                        | 53.30                        |
| Rental income                 | 3.81                         | 9.15                         |
| Income from Support Services  | 1,185.05                     | 925.05                       |
| Miscellaneous Income          | 20.09                        | 0.73                         |
| Interest on gratuity fund     | -                            | 0.20                         |
| <b>Total</b>                  | <b>1,261.19</b>              | <b>988.43</b>                |

#### 28 FINANCE COSTS

| Particulars                                                | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|------------------------------------------------------------|------------------------------|------------------------------|
| <b>On financial liabilities measured at amortised cost</b> |                              |                              |
| Interest on deposits                                       | 98.81                        | 82.06                        |
| Interest on borrowings                                     | 27,933.66                    | 25,704.52                    |
| Interest on commercial paper and bonds                     | -                            | -                            |
| Interest on debentures                                     | 7,352.69                     | 3,011.87                     |
| Interest on subordinated liabilities                       | 2,394.24                     | 2,393.57                     |
| Interest on ICD                                            | -                            | 1.21                         |
| Interest on lease liabilities (Refer Note 42)              | 14.98                        | 20.42                        |
| Interest on securitisation                                 | 1,805.24                     | 266.27                       |
| Bank Charges                                               | 36.64                        | 32.69                        |
| Other finance cost                                         | 2,023.70                     | 1,684.73                     |
| Discount on Commercial Paper                               | 51.69                        | -                            |
| <b>Total</b>                                               | <b>41,711.65</b>             | <b>33,197.34</b>             |

#### 29 IMPAIRMENT ON FINANCIAL INSTRUMENTS

| Particulars                                                | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|------------------------------------------------------------|------------------------------|------------------------------|
| <b>On financial instruments measured at amortised cost</b> |                              |                              |
| Loans                                                      | 3,349.65                     | 2,396.09                     |
| Undrawn Loan Commitments                                   | 0.62                         | 11.39                        |
| Trade receivables                                          | -                            | -                            |
| Bad debts and write offs                                   | 5,092.71                     | 1,558.79                     |
| Provisions                                                 | (6.16)                       | 6.16                         |
| <b>Total</b>                                               | <b>8,436.82</b>              | <b>3,972.43</b>              |

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 30 EMPLOYEE BENEFITS EXPENSES

| Particulars                               | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|-------------------------------------------|------------------------------|------------------------------|
| Salaries and wages                        | 12,724.79                    | 10,238.68                    |
| Contribution to provident and other funds | 534.80                       | 426.37                       |
| Share based payment to employees          | 272.09                       | 12.44                        |
| Staff welfare expenses                    | 376.93                       | 284.31                       |
| Gratuity                                  | 162.20                       | 66.70                        |
| Leave encashment                          | 28.35                        | 18.49                        |
| <b>Total</b>                              | <b>14,099.16</b>             | <b>11,046.99</b>             |

#### 31 DEPRECIATION, AMORTISATION AND IMPAIRMENT

| Particulars                                                   | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|---------------------------------------------------------------|------------------------------|------------------------------|
| Depreciation on property, plant and equipment (Refer Note 10) | 163.02                       | 84.42                        |
| Depreciation on right to use assets (Refer Note 10)           | 76.65                        | 210.40                       |
| Depreciation on investment property(Refer Note 9)             | 0.17                         | 0.17                         |
| Amortisation of intangible assets (Refer Note 11B)            | 30.67                        | 41.81                        |
| <b>Total</b>                                                  | <b>270.51</b>                | <b>336.80</b>                |

#### 32 OTHER EXPENSES

| Particulars                                           | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|-------------------------------------------------------|------------------------------|------------------------------|
| Rent (Refer Note 42)                                  | 583.79                       | 411.08                       |
| Communication cost                                    | 94.22                        | 89.01                        |
| Travelling and conveyance                             | 619.01                       | 379.79                       |
| Rates and taxes                                       | 1,048.28                     | 758.52                       |
| Insurance                                             | 7.67                         | 2.90                         |
| Commission and Brokerage                              | 182.62                       | 60.45                        |
| Repairs and maintenance                               | 288.42                       | 180.55                       |
| Printing and stationery                               | 50.47                        | 48.48                        |
| Payment to auditors (Refer Note 31.1)                 | 33.00                        | 43.20                        |
| Advertisement, publicity and sales promotion expenses | -                            | 0.23                         |
| Operation Cost                                        | 63.93                        | 48.13                        |
| Legal and professional fees                           | 644.19                       | 522.23                       |
| Corporate social responsibility (Refer Note 31.2)     | 211.00                       | 161.74                       |
| Director sitting fees                                 | 57.45                        | 59.80                        |
| Miscellaneous expenses                                | 338.27                       | 217.63                       |
| <b>Total</b>                                          | <b>4,222.32</b>              | <b>2,983.74</b>              |

##### 32.1 Payment to the auditors:

| Particulars                                  | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|----------------------------------------------|------------------------------|------------------------------|
| Auditor's remuneration                       |                              |                              |
| - Audit fees (including Limited review fees) | 30.50                        | 39.50                        |
| In other capacity                            |                              |                              |
| - Certification services                     | 2.50                         | 3.70                         |
| Other of pocket expenses                     | -                            | -                            |
| <b>Total</b>                                 | <b>33.00</b>                 | <b>43.20</b>                 |



## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 32.2 Corporate social responsibility:

| Particulars                                                                                                                                                                            | Year ended<br>March 31, 2026                                                                            | Year ended<br>March 31, 2025                                                                            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|
| a) Amount required to be spent by the company during the year                                                                                                                          | 210.30                                                                                                  | 149.97                                                                                                  |
| b) Amount spent during the year on :                                                                                                                                                   |                                                                                                         |                                                                                                         |
| i) Construction/acquisition of any asset                                                                                                                                               | -                                                                                                       | -                                                                                                       |
| ii) On purposes other than (i) above                                                                                                                                                   | 211.00                                                                                                  | 161.74                                                                                                  |
| c) Shortfall at the end of the year                                                                                                                                                    | -                                                                                                       | -                                                                                                       |
| d) Total of previous years shortfall                                                                                                                                                   | -                                                                                                       | -                                                                                                       |
| e) Net Shortfall                                                                                                                                                                       | -                                                                                                       | -                                                                                                       |
| f) Reason for shortfall                                                                                                                                                                | NA                                                                                                      | NA                                                                                                      |
| g) Nature of CSR activities                                                                                                                                                            | HealthCare,<br>Education & Skill<br>Development,<br>Gender Equality<br>and Empowerment,<br>Environment. | HealthCare,<br>Education & Skill<br>Development,<br>Gender Equality<br>and Empowerment,<br>Environment. |
| h) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Indian Accounting Standards           | -                                                                                                       | -                                                                                                       |
| i) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately. | -                                                                                                       | -                                                                                                       |

#### Excess Amount spent as per Section 135(5) of the companies act

| Particulars                                 | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|---------------------------------------------|------------------------------|------------------------------|
| Opening Balance                             | 20.37                        | 8.60                         |
| Amount spent during the year                | 211.00                       | 161.74                       |
|                                             | <b>231.37</b>                | <b>170.34</b>                |
| Amount required to be spent during the year | 210.30                       | 149.97                       |
| <b>Closing Balance</b>                      | <b>21.07</b>                 | <b>20.37</b>                 |

## 33 INCOME TAX

#### (a) Income tax expense

| Particulars                                     | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|-------------------------------------------------|------------------------------|------------------------------|
| <b>Current tax</b>                              |                              |                              |
| Current tax on profits for the year             | 5,383.95                     | 3,186.28                     |
| Adjustment for current tax of the prior periods | (29.65)                      | (8.99)                       |
| <b>Subtotal (A)</b>                             | <b>5,354.30</b>              | <b>3,177.29</b>              |
| <b>Deferred tax</b>                             |                              |                              |
| Decrease/(Increase) in deferred tax assets      | (587.23)                     | (506.46)                     |
| (Decrease)/Increase in deferred tax liabilities | 807.51                       | 1,010.49                     |
| <b>Subtotal (B)</b>                             | <b>220.28</b>                | <b>504.03</b>                |
| <b>Income tax expense for the year (A+B)</b>    | <b>5,574.58</b>              | <b>3,681.32</b>              |

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### (b) Deferred tax

The major components of deferred tax (liabilities) arising on account of timing differences for the year ended March 31, 2026:

| Particulars                                                                                                                         | Net balance<br>March 31, 2025 | Recognised in<br>profit or loss | Recognised<br>in OCI | Net balance<br>March 31, 2026 |
|-------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|---------------------------------|----------------------|-------------------------------|
| <b>Deferred tax assets</b>                                                                                                          |                               |                                 |                      |                               |
| Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis | 30.16                         | 36.19                           | 1.23                 | 67.58                         |
| Impact of provision for expected credit loss on loans                                                                               | 1,362.43                      | 605.16                          |                      | 1,967.59                      |
| Impact of difference between tax depreciation and depreciation/amortisation charged for the financial reporting                     | 14.91                         | (78.46)                         |                      | (63.55)                       |
| Impact of leases under Ind AS 116                                                                                                   | 19.58                         | 24.34                           |                      | 43.92                         |
| Share based payment                                                                                                                 | -                             | -                               |                      | -                             |
| Others                                                                                                                              | -                             | -                               |                      | -                             |
| EIR impact of financial assets and liabilities                                                                                      |                               | -                               |                      |                               |
| <b>(A)</b>                                                                                                                          | <b>1,427.08</b>               | <b>587.23</b>                   | <b>1.23</b>          | <b>2,015.54</b>               |
| <b>Deferred tax liabilities</b>                                                                                                     |                               |                                 |                      |                               |
| Impact of amortisation of ancillary borrowing cost                                                                                  | 613.42                        | (17.99)                         |                      | 595.43                        |
| EIR impact of financial assets and liabilities                                                                                      | 87.30                         | (104.26)                        |                      | (16.96)                       |
| Impact of direct assignment and securitisation transactions                                                                         | 1,183.74                      | 709.01                          |                      | 1,892.75                      |
| Interest income recognised on stage 3 loans                                                                                         | 245.42                        | 197.06                          |                      | 442.48                        |
| Impact of leases under Ind AS 116                                                                                                   | 17.75                         | 23.69                           |                      | 41.44                         |
| <b>(B)</b>                                                                                                                          | <b>2,147.62</b>               | <b>807.51</b>                   | <b>-</b>             | <b>2,955.13</b>               |
| <b>Deferred tax liabilities (net) (A-B)</b>                                                                                         | <b>(720.54)</b>               | <b>(220.28)</b>                 | <b>1.23</b>          | <b>(939.59)</b>               |

The major components of deferred tax (liabilities) arising on account of timing differences for the year ended March 31, 2025:

| Particulars                                                                                                                         | Net balance<br>March 31, 2024 | Recognised in<br>profit or loss | Recognised<br>in OCI | Net balance<br>March 31, 2025 |
|-------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|---------------------------------|----------------------|-------------------------------|
| <b>Deferred tax assets</b>                                                                                                          |                               |                                 |                      |                               |
| Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis | 72.58                         | (44.44)                         | 2.02                 | 30.16                         |
| Impact of provision for expected credit loss on loans                                                                               | 756.38                        | 606.05                          | -                    | 1,362.43                      |
| Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting                     | 14.44                         | 0.47                            | -                    | 14.91                         |
| Impact of leases under Ind AS 116                                                                                                   | 69.74                         | (50.16)                         | -                    | 19.58                         |
| Share based payment                                                                                                                 | 5.47                          | (5.47)                          | -                    | -                             |
| Others                                                                                                                              | -                             | -                               | -                    | -                             |
| EIR impact of financial assets and liabilities                                                                                      |                               | -                               |                      |                               |
| <b>(A)</b>                                                                                                                          | <b>918.60</b>                 | <b>506.46</b>                   | <b>2.02</b>          | <b>1,427.08</b>               |

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Particulars                                                 | Net balance<br>March 31, 2024 | Recognised in<br>profit or loss | Recognised<br>in OCI | Net balance<br>March 31, 2025 |
|-------------------------------------------------------------|-------------------------------|---------------------------------|----------------------|-------------------------------|
| <b>Deferred tax liabilities</b>                             |                               |                                 |                      |                               |
| Impact of amortisation of ancillary borrowing cost          | 394.48                        | 218.94                          | -                    | 613.42                        |
| EIR impact of financial assets and liabilities              | (73.35)                       | 160.65                          | -                    | 87.30                         |
| Impact of direct assignment and securitisation transactions | 601.08                        | 582.66                          | -                    | 1,183.74                      |
| Interest income recognised on stage 3 loans                 | 148.94                        | 96.48                           | -                    | 245.42                        |
| Impact of leases under Ind AS 116                           | 65.99                         | (48.24)                         | -                    | 17.75                         |
| <b>(B)</b>                                                  | <b>1,137.15</b>               | <b>1,010.49</b>                 | <b>-</b>             | <b>2,147.63</b>               |
| <b>Deferred tax liabilities (net) (A-B)</b>                 | <b>(218.55)</b>               | <b>(504.03)</b>                 | <b>2.02</b>          | <b>(720.55)</b>               |

#### (c) Reconciliation of effective tax rate

| Particulars                                                                | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|----------------------------------------------------------------------------|------------------------------|------------------------------|
|                                                                            | ₹                            | ₹                            |
| Profit before tax as per Statement of profit and loss (A)                  | 22,057.60                    | 14,476.05                    |
| Applicable income tax rate                                                 | 25.17%                       | 25.17%                       |
| Expected Income Tax Expense (B)                                            | 5,551.46                     | 3,643.33                     |
| <b>Tax effect of:</b>                                                      |                              |                              |
| Effect of income exempt from tax                                           | (0.25)                       | (0.66)                       |
| Effect of expenses/provisions not deductible in determining taxable profit | 56.37                        | 41.16                        |
| Effect of differential tax rate                                            | -                            | -                            |
| Adjustment related to tax of prior years                                   | (29.65)                      | (8.99)                       |
| Others                                                                     | (3.35)                       | 6.48                         |
| <b>Income tax expense</b>                                                  | <b>5,574.58</b>              | <b>3,681.32</b>              |

## 34 EMPLOYEE BENEFITS

### a. Defined contribution plan - provident funds

In accordance with Employees' Provident Fund and Miscellaneous Provisions Act, 1952, employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which, both the employee and the Company contribute monthly at a determined rate. These contributions are made to a recognized provident fund administered by Regional Provident Fund Commissioner

The Company recognised ₹ 534.80 Lakhs (PY: ₹ 426.37 Lakhs) for year ended March 31, 2026, for provident fund and other contributions in the Statement of profit and loss.

### b. Defined Benefit Plan - Gratuity

The Company has a defined benefit gratuity plan (unfunded). Every employee who has completed five years or more of service is eligible for gratuity on cessation of employment and it is computed at 15 days salary (last drawn salary) for each completed year of service subject to limit of ₹ 20 Lakhs as per The Payment of Gratuity Act, 1972.

The following tables summarizes the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the Balance Sheet for the gratuity plan.

| Particulars                               | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-------------------------------------------|-------------------------|-------------------------|
| Present value of obligation (A)           | 465.53                  | 285.54                  |
| Fair Value of plan assets (B)             | 308.29                  | 250.18                  |
| <b>Present value of obligation (A- B)</b> | <b>157.24</b>           | <b>35.36</b>            |

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Particulars                                             | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|---------------------------------------------------------|-------------------------|-------------------------|
| Obligation expected to be settled in the next 12 months | 125.55                  | 87.50                   |
| Obligation expected to be settled beyond next 12 months | 339.98                  | 198.04                  |

#### Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

| Particulars                                         | Defined Benefit Obligation |                | Fair Value of plan assets |                | Net defined benefit (asset) liability |                |
|-----------------------------------------------------|----------------------------|----------------|---------------------------|----------------|---------------------------------------|----------------|
|                                                     | March 31, 2026             | March 31, 2025 | March 31, 2026            | March 31, 2025 | March 31, 2026                        | March 31, 2025 |
| <b>Opening balance</b>                              | 285.54                     | 226.21         | 250.18                    | -              | 35.36                                 | 226.21         |
| Current service cost                                | 98.40                      | 59.61          | -                         | -              | 98.40                                 | 59.61          |
| Past service cost                                   | 62.96                      | -              | -                         | -              | 62.96                                 | -              |
| Interest cost                                       | 19.75                      | 15.94          | -                         | -              | 19.75                                 | 15.94          |
| Interest Income                                     | -                          | -              | 18.92                     | 9.04           | (18.92)                               | (9.04)         |
| <b>Defined benefit cost included in P&amp;L</b>     | <b>181.11</b>              | <b>75.55</b>   | <b>269.10</b>             | <b>9.04</b>    | <b>162.19</b>                         | <b>66.51</b>   |
| <b>Other comprehensive income</b>                   |                            |                |                           |                |                                       |                |
| Remeasurement loss (gain) due to:                   |                            |                |                           |                |                                       |                |
| Demographic assumptions                             | -                          | (41.72)        | -                         | -              | -                                     | (41.72)        |
| Financial assumption                                | (9.94)                     | 1.70           | -                         | -              | (9.94)                                | 1.70           |
| Experience adjustments                              | 15.57                      | 35.16          | -                         | -              | 15.57                                 | 35.16          |
| (Return) on Plan Assets (Excluding Interest Income) |                            | -              | (0.81)                    | (8.86)         | 0.81                                  | 8.86           |
| <b>Total remeasurements in OCI</b>                  | <b>5.63</b>                | <b>(4.86)</b>  | <b>(0.81)</b>             | <b>(8.86)</b>  | <b>6.44</b>                           | <b>4.00</b>    |
| <b>Others</b>                                       |                            |                |                           |                |                                       |                |
| Employer contributions                              |                            |                | 40.00                     | 250.00         | (40.00)                               | (250.00)       |
| Benefits paid                                       | (6.75)                     | (11.36)        | -                         | -              | (6.75)                                | (11.36)        |
| <b>Closing balance</b>                              | <b>465.53</b>              | <b>285.54</b>  | <b>308.29</b>             | <b>250.18</b>  | <b>157.24</b>                         | <b>35.36</b>   |

#### Actuarial assumptions:

The following were the principal actuarial assumptions at the reporting date:

| Particulars                                                    | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|----------------------------------------------------------------|-------------------------|-------------------------|
| Discount rate                                                  | 7.79%                   | 7.00%                   |
| Salary escalation rate                                         | 6.00%                   | 6.00%                   |
| Withdrawal/attrition rate (based on categories)                | 35.00%                  | 35.00%                  |
| Mortality rate (as % of IALM (2012-14) Ult. Mortality Table)   | 100.00%                 | 100.00%                 |
| Disability rate(as % of above mortality rate)                  | 0.00%                   | 0.00%                   |
| Expected weighted average remaining working lives of employees | 25.74 years             | 25.59 years             |

#### Notes:

- The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.
- The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

- c) Attrition rate indicated above represents the Company's best estimate of employee turnover in future (other than on account of retirement, death or disablement) determined considering various factors such as nature of business, retention policy, industry factors, past experience, etc.
- d) Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities

#### Sensitivity analysis:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

| Particulars                     | As at March 31, 2026 |          | As at March 31, 2025 |          |
|---------------------------------|----------------------|----------|----------------------|----------|
|                                 | Increase             | Decrease | Increase             | Decrease |
| Salary escalation Rate (+/- 1%) | 479.86               | 451.76   | 294.09               | 277.31   |
|                                 | 3.08%                | (2.96%)  | 2.99%                | (2.88%)  |
| Discount Rate (+/- 1%)          | 453.62               | 478.20   | 278.32               | 293.22   |
|                                 | (2.56%)              | 2.72%    | (2.53%)              | 2.69%    |
| Withdrawal Rate (+/- 1%)        | 463.56               | 467.53   | 284.15               | 286.96   |
|                                 | (0.42%)              | 0.43%    | (0.49%)              | 0.50%    |

The Sensitivity is performed on the defined benefit obligation at the respective valuation date by modifying one parameter whilst retaining other parameters constant. There are no changes from the previous year to the methods and assumptions underlying the sensitivity analyses.

#### Expected future contributions

The Best Estimate Contribution for the Company during the next year would be ₹ 1,57,24,855

Expected cash flow for following years:

| Maturity Profile of Defined Benefit Obligations |        |
|-------------------------------------------------|--------|
| Year 1                                          | 126.29 |
| Year 2                                          | 106.07 |
| Year 3                                          | 83.03  |
| Year 4                                          | 71.08  |
| Year 5                                          | 57.46  |
| Year 6                                          | 42.91  |
| Year 7                                          | 31.18  |
| Year 8                                          | 23.17  |
| Year 9                                          | 15.85  |
| Year 10                                         | 11.15  |
| Year 11+                                        | 26.56  |

The weighted average duration of the defined benefit obligation is 3.00

#### c. Compensated absences :

The Company provides for accumulated compensated absences as at the balance sheet date using projected unit credit method based on actuarial valuation.

| Particulars                                             | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|---------------------------------------------------------|-------------------------|-------------------------|
| Present value of unfunded obligation                    | 111.27                  | 84.48                   |
| Expenses recognised in the Statement of Profit and Loss | 28.35                   | 18.49                   |



## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 35 EARNINGS PER SHARE

| Particulars                                                                                                         | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|---------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Profit for the year</b>                                                                                          | <b>16,483.02</b>        | <b>10,794.73</b>        |
| Weighted average number of equity shares used in calculating basic earnings per share                               | 1,762.27                | 1,403.13                |
| Effect of potential dilutive Equity Shares on account of unexercised employee stock options                         | 6.36                    | 4.57                    |
| Weighted average number of equity shares and potential equity shares used in calculating diluted earnings per share | 1,768.63                | 1,407.70                |
| <b>Basic earnings per share*</b>                                                                                    | <b>9.35</b>             | <b>7.69</b>             |
| <b>Diluted earnings per share*</b>                                                                                  | <b>9.32</b>             | <b>7.67</b>             |

\*The Company has split its equity shares from the face value of ₹ 10 each to ₹ 5 each, effective from March 30, 2026. Consequently, the EPS for all periods presented has been restated to reflect the new number of equity shares.

#### 36 SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Promoters of the Company. The Company operates only in one Business Segment i.e. lending, since the nature of the loans are exposed to similar risks and return profiles, hence they are collectively operating under a single segment. Accordingly the Company does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

#### 37 TRANSFER OF FINANCIAL ASSETS

##### Transfer of financial assets that are not derecognised in their entirety

##### (i) Securitisations:

The Company has transferred certain pools of fixed rate loan receivables backed by underlying assets in the form of PTCs by entering in to securitisation transactions with the Special Purpose Vehicle Trusts ("SPV Trust") sponsored by Catalyst Trusteeship Limited for consideration received in cash at the inception of the transaction. The Company, being Originator of these loan receivables, also acts as Servicer with a responsibility of collection of receivables from its borrowers and depositing the same in Collection and Payout Account maintained by the SPV Trust for making scheduled payouts to the investors in Pass Through Certificates (PTCs) issued by the SPV Trust. These securitisation transactions also requires the company to provide for first loss credit enhancement in various forms, such as cash collateral, subordinated series A2 & equity PTCs, subordinated over collateral and subordinated excess interest spread as credit support in the event of shortfall in collections from underlying loan contracts. By virtue of existence of credit enhancement, the company is exposed to credit risk, being the expected losses that will be incurred on the transferred loan receivables to the extent of the credit enhancement provided.

In view of the above, the company has retained substantially all the risks and rewards of ownership of the financial asset and thereby does not meet the derecognition criteria as set out in Ind AS 109. Consideration received in this transaction is presented as "Associated liabilities in respect of securitisation transactions" under Note no 15 The following table provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities.

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

The table below outlines the carrying amounts and fair values of all financial assets transferred that are not derecognised in their entirety and associated liabilities.

| Particulars                                                                                      | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|--------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| Carrying amount of transferred assets measured at amortised cost(This is part of Loan portfolio) | 19,950.98               | 13,539.75               |
| Carrying amount of associated liabilities (Term Loan)                                            | 18,466.83               | 13,054.35               |
| Fair value of assets (A)                                                                         | 19,457.48               | 13,417.09               |
| Fair value of associated liabilities (B) (Refer Note 15)                                         | 18,321.69               | 12,962.47               |
| Net position at FV (A-B)                                                                         | 1,135.79                | 454.62                  |

The carrying amount of above assets and liabilities is a reasonable approximation of their fair values.

#### Transfer of financial assets which qualify for derecognition in their entirety

##### (i) Assignment transaction

The Company has sold loans and advances measured at amortised cost under assignment deals, as a source of finance. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been derecognised from the Company's balance sheet.

The gain arising on said transactions are recorded upfront by discounting the future cash flows accruing in the form of differential interest on such assigned loan to their present values.

| Particulars                                                            | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|------------------------------------------------------------------------|-------------------------|-------------------------|
| Carrying amount of transferred assets measured at amortised cost       | 55,838.85               | 37,854.23               |
| Carrying amount of exposures retained by the company at amortised cost | 6,872.77                | 4,206.03                |
| Gain on sale of the derecognised financial assets                      | 5,446.46                | 4,099.01                |

##### (ii) Transferred financial assets that are derecognised in their entirety but where the Company has continuing involvement

The Company has not transferred any assets that are derecognised in their entirety where the Company continues to have continuing involvement

## 38 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

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

| Particulars                                       | As at March 31, 2026 |                    |                    | As at March 31, 2025 |                    |                    |
|---------------------------------------------------|----------------------|--------------------|--------------------|----------------------|--------------------|--------------------|
|                                                   | Within 12 months     | After 12 months    | Total              | Within 12 months     | After 12 months    | Total              |
| <b>ASSETS</b>                                     |                      |                    |                    |                      |                    |                    |
| <b>Financial assets</b>                           |                      |                    |                    |                      |                    |                    |
| Cash and cash equivalents                         | 32,082.59            | -                  | 32,082.59          | 19,943.00            | -                  | 19,943.00          |
| Bank Balance other than cash and cash equivalents | 3,180.42             | -                  | 3,180.42           | 8.74                 | 2,525.12           | 2,533.86           |
| Receivables                                       |                      |                    |                    |                      |                    |                    |
| (I) Trade receivables                             | 541.13               | -                  | 541.13             | 238.12               |                    | 238.12             |
| (II) Other receivables                            |                      |                    | -                  |                      |                    | -                  |
| Loans                                             | 221528.73            | 357539.51          | 5,79,068.24        | 172035.73            | 279351.90          | 4,51,387.63        |
| Investments                                       | 3,184.94             | 43,737.42          | 46,922.36          |                      | 16,134.82          | 16,134.82          |
| Other Financial assets                            | 111.14               | 8,074.92           | 8,186.06           | 2,612.45             | 2,755.30           | 5,367.75           |
| <b>Sub total</b>                                  | <b>2,60,628.95</b>   | <b>4,09,351.85</b> | <b>6,69,980.80</b> | <b>1,94,838.04</b>   | <b>3,00,767.14</b> | <b>4,95,605.18</b> |

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Particulars                             | As at March 31, 2026 |                    |                    | As at March 31, 2025 |                    |                    |
|-----------------------------------------|----------------------|--------------------|--------------------|----------------------|--------------------|--------------------|
|                                         | Within 12 months     | After 12 months    | Total              | Within 12 months     | After 12 months    | Total              |
| <b>Non-financial assets</b>             |                      |                    |                    |                      |                    |                    |
| Current Tax assets (Net)                | -                    | -                  | -                  | 332.56               | -                  | 332.56             |
| Deferred Tax assets (Net)               |                      | -                  | -                  | -                    | -                  | -                  |
| Investment Property                     |                      | 71.63              | 71.63              | -                    | 129.86             | 129.86             |
| Property, plant and equipment           |                      | 3,934.71           | 3,934.71           | -                    | 335.88             | 335.88             |
| Right to Use Assets                     |                      | 164.67             | 164.67             | -                    | 70.56              | 70.56              |
| Capital work in progress                |                      | -                  | -                  |                      | 2,944.30           | 2,944.30           |
| Intangibles assets under development    |                      | -                  | -                  |                      | -                  | -                  |
| Intangible assets                       |                      | 83.44              | 83.44              | -                    | 114.11             | 114.11             |
| Other non-financial assets              | 881.23               | 580.87             | 1,462.10           | 956.22               | 712.39             | 1,668.61           |
| <b>Sub total</b>                        | <b>881.23</b>        | <b>4,835.32</b>    | <b>5,716.55</b>    | <b>1,288.78</b>      | <b>4,307.10</b>    | <b>5,595.88</b>    |
| <b>Total assets</b>                     | <b>2,61,510.18</b>   | <b>4,14,187.17</b> | <b>6,75,697.35</b> | <b>1,96,126.82</b>   | <b>3,05,074.24</b> | <b>5,01,201.06</b> |
| <b>LIABILITIES AND EQUITY</b>           |                      |                    |                    |                      |                    |                    |
| <b>LIABILITIES</b>                      |                      |                    |                    |                      |                    |                    |
| <b>Financial liabilities</b>            |                      |                    |                    |                      |                    |                    |
| Debt Securities                         | 60,515.89            | 34,063.15          | 94,579.04          | 9,835.09             | 61,143.53          | 70,978.62          |
| Borrowings (Other than Debt Securities) | 1,61,690.77          | 2,01,552.36        | 3,63,243.13        | 1,39,821.42          | 1,65,528.70        | 3,05,350.12        |
| Subordinated Liabilities                | 2,510.62             | 13,925.49          | 16,436.11          | 10.62                | 16,391.47          | 16,402.09          |
| Other Financial liabilities             | 8,072.58             | 1,000.16           | 9,072.74           | 5,839.85             | 2,423.67           | 8,263.52           |
| <b>Sub total</b>                        | <b>2,32,789.85</b>   | <b>2,50,541.16</b> | <b>4,83,331.02</b> | <b>1,55,506.98</b>   | <b>2,45,487.37</b> | <b>4,00,994.35</b> |
| <b>Non-Financial liabilities</b>        |                      |                    |                    |                      |                    |                    |
| Current tax liabilities (Net)           | 1,095.86             |                    | 1,095.86           |                      |                    |                    |
| Provisions                              | -                    | 280.52             | 280.52             |                      | 137.39             | 137.39             |
| Deferred tax liabilities (Net)          | -                    | 939.60             | 939.60             |                      | 720.55             | 720.55             |
| Other non-financial liabilities         | 491.50               |                    | 491.50             | 497.35               | -                  | 497.35             |
| <b>Sub total</b>                        | <b>1,587.36</b>      | <b>1,220.12</b>    | <b>2,807.48</b>    | <b>497.35</b>        | <b>857.94</b>      | <b>1,355.29</b>    |
| <b>Total liabilities</b>                | <b>2,34,377.21</b>   | <b>2,51,761.28</b> | <b>4,86,138.50</b> | <b>1,56,004.33</b>   | <b>2,46,345.31</b> | <b>4,02,349.64</b> |

### 39 CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

| Particulars                          | As at March 31, 2025 | Cash Flows (net) | Others (net)*  | As at March 31, 2026 |
|--------------------------------------|----------------------|------------------|----------------|----------------------|
| Subordinated liabilities             | 16,402.10            | 0.00             | 34.01          | 16,436.11            |
| Debt securities                      | 70,978.62            | 23,497.46        | 102.96         | 94,579.04            |
| Borrowing other than debt securities | 3,05,350.12          | 58,044.61        | (151.60)       | 3,63,243.13          |
|                                      | <b>3,92,730.84</b>   | <b>81,542.07</b> | <b>(14.63)</b> | <b>4,74,258.28</b>   |

| Particulars                          | As at March 31, 2024 | Cash Flows (net)   | Others (net)*   | As at March 31, 2025 |
|--------------------------------------|----------------------|--------------------|-----------------|----------------------|
| Subordinated liabilities             | 16,372.46            | 0.00               | 29.64           | 16,402.10            |
| Debt securities                      | 15,989.66            | 54,927.42          | 61.54           | 70,978.62            |
| Borrowing other than debt securities | 2,40,928.86          | 64,689.43          | (268.17)        | 3,05,350.12          |
|                                      | <b>2,73,290.98</b>   | <b>1,19,616.85</b> | <b>(176.99)</b> | <b>3,92,730.84</b>   |

\*Others column includes the effect of accrued but not paid interest on borrowing, amortisation of processing fees and cash flows from securitisation etc amounting to ₹ 14.63 Lakhs and 176.99 Lakhs respectively for the year ended March 26 and March 25

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 40 EMPLOYEE STOCK OPTION PLAN (ESOP)

The Company had granted 5,62,860 share options (face value of ₹ 10/- each) under Employee Stock Option Plan 2019 on June 11, 2019 to the employees of IKF Finance Limited and 4,16,060 share options been lapsed over the period. Further, the Company had granted 3,66,094 equity share options (face value of ₹ 10 each) under the Employee Stock Option Plan, 2025 on March 12, 2025. During the current financial year, the Company granted 2,33,848 equity share options (face value of ₹ 10 each) under the Employee Stock Option Plan, 2025 on June 1, 2025 to the employees of IKF Finance Limited and IKF Home Finance Limited. The shares will vest gradually and vesting of these share options is dependent on continued employment with the company.

Further, pursuant to the approval of shareholders at the Extraordinary General Meeting held on March 06, 2026, the face value of equity share options has been split from ₹ 10 each to ₹ 5 each, with March 30, 2026 being the record date. Accordingly, the face value per share option stands revised to ₹ 5 each with effect from that date.

#### A. Expenses arising from share-based payment transactions

Total expenses arising from equity - settled share-based payment transaction recognised in profit or loss as part of employee benefit expense for the year ended March 31, 2026 is ₹ 212.07 Lakhs (March 31, 2025 - ₹ 12.44 Lakhs).

#### B. Movement of share options

The following table illustrates the number and exercise prices and movements in share options for the year ended March 31, 2026

| Scheme Reference | Grant date | Exercise Price | Balance as At April 01, 2025 | Granted during the year | Forfeited during the year | Exercised during the year | Expired during the year | Balance as at March 30, 2026 | Exercise Price after share option split | Balance as at March 31, 2026 after share option split |
|------------------|------------|----------------|------------------------------|-------------------------|---------------------------|---------------------------|-------------------------|------------------------------|-----------------------------------------|-------------------------------------------------------|
| ESOP - 2019      | 11-Jun-19  | 120            | 1,46,800                     | -                       | -                         | -                         | -                       | 1,46,800                     | 60.00                                   | 2,93,600                                              |
| ESOP - 2025      | 12-Mar-25  | 120            | 30,220                       | -                       | -                         | -                         | -                       | 30,220                       | 60.00                                   | 60,440                                                |
|                  | 12-Mar-25  | 215            | 1,20,876                     | -                       | -                         | -                         | -                       | 1,20,876                     | 107.50                                  | 2,41,752                                              |
|                  | 12-Mar-25  | 305            | 2,14,998                     | -                       | 47,749                    | -                         | -                       | 1,67,249                     | 152.50                                  | 3,34,498                                              |
|                  | 01-Jun-25  | 305            | -                            | 2,33,848                | 23,996                    | -                         | -                       | 2,09,852                     | 152.50                                  | 4,19,704                                              |
|                  |            |                | <b>5,12,894</b>              | <b>2,33,848</b>         | <b>71,745</b>             |                           |                         | <b>6,74,997</b>              |                                         | <b>13,49,994</b>                                      |

Pursuant to the sub-division of equity shares from face value of ₹ 10 each to ₹ 5 each effective March 30, 2026, the number of outstanding stock options has been proportionately adjusted and the exercise price has been revised in accordance with the terms of the ESOP schemes. Accordingly, the number of options outstanding as at March 31, 2026 stands revised from 6,74,997 options to 13,49,994 options and the exercise prices have been adjusted proportionately.

The total options exercisable as at March 31, 2026 after share option split is 4,16,122

The weighted average remaining contractual life for the share options outstanding as at March 31, 2026 is 0 to 1.95 years (March 31, 2025: 0 to 2.95 years).

The following table illustrates the number and exercise prices and movements in share options for the year ended March 31, 2025

| Scheme Reference | Grant date | Exercise Price | Balance as At April 01, 2024 | Granted during the year | Forfeited during the year | Exercised during the year | Expired during the year | Balance as at March 31, 2025 |
|------------------|------------|----------------|------------------------------|-------------------------|---------------------------|---------------------------|-------------------------|------------------------------|
| ESOP - 2019      | 11-Jun-19  | 120            | 1,46,800                     | -                       | -                         | -                         | -                       | 1,46,800                     |
| ESOP - 2025      | 12-Mar-25  | 120            | -                            | 30,220                  | -                         | -                         | -                       | 30,220                       |
|                  | 12-Mar-25  | 215            | -                            | 1,20,876                | -                         | -                         | -                       | 1,20,876                     |
|                  | 12-Mar-25  | 305            | -                            | 2,14,998                | -                         | -                         | -                       | 2,14,998                     |
|                  |            |                | <b>1,46,800</b>              | <b>3,66,094</b>         | -                         | -                         | -                       | <b>5,12,894</b>              |

The total options exercisable as at 31 March 2025 is 1,46,800

The weighted average remaining contractual life for the share options outstanding as at March 31, 2025 is 0 to 2.95 years (March 31, 2024: 0 years).

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### C. Fair value of options granted

The fair value of options was determined using the Black Scholes Model using the following inputs as follows:

| Particulars                                 | ESOP -2019               | ESOP -2025         |
|---------------------------------------------|--------------------------|--------------------|
| Fair values at the measurement date         | 14.79                    | 110.25 to 271.14   |
| Expected volatility                         | 0.36                     | 0.30               |
| Risk-free interest rate (%)                 | 4.50%                    | 5.67% to 6.60%     |
| Expected life of share options/SARs (years) | 1.30 years to 4.30 years | 1 years to 4 years |
| Exercise price (INR)                        | 120.00                   | 120 to 305         |
| Revised Exercise price (INR)*               | 60.00                    | 60 -152.50         |

\*Pursuant to the approval of shareholders at the Extraordinary General Meeting held on March 06, 2026, the equity shares of the Company were sub-divided from a face value of ₹ 10 each to ₹ 5 each, effective March 30, 2026. Accordingly, the exercise price of stock options has been adjusted proportionately.

There is no impact on the fair value of options at the grant date or on other valuation assumptions as a result of the share split.

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

#### 41 CONTINGENT LIABILITIES AND COMMITMENTS

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

The Company believes that the outcome of these proceedings will not have a materially adverse effect on the Company's financial position and results of operations.

##### 41.1 Contingent Liability

There are no Contingent Liabilities as on March 31, 2026 (March 31, 2025: NIL)

##### 41.2 Commitment

There is a capital commitment of ₹ 2740.50 Lakhs as on March 31, 2026 (March 31, 2025: ₹ 6835.29 Lakhs)

#### 42 LEASES

##### Company as a Lessee

The Company's lease asset classes primarily consist of leases for office spaces. 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). For these short-term 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 includes 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.



## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

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 interest rate implicit 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.

#### Following are the changes in the carrying value of right of use assets (Refer Note 10)

| Particulars            | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|------------------------|-------------------------|-------------------------|
| <b>Opening</b>         | 70.56                   | 262.17                  |
| Additions              | 170.76                  | 23.92                   |
| Deletion               | -                       | (5.13)                  |
| Depreciation           | (76.65)                 | (210.40)                |
| <b>Closing Balance</b> | <b>164.67</b>           | <b>70.56</b>            |

#### The following is the movement in lease liabilities :

| Particulars                            | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|----------------------------------------|-------------------------|-------------------------|
| <b>Balance at the beginning</b>        | 77.82                   | 277.11                  |
| Additions                              | 165.42                  | 23.22                   |
| Finance cost accrued during the period | 14.98                   | 20.42                   |
| Payment of lease liabilities           | (83.71)                 | (242.93)                |
| <b>Balance at the end</b>              | <b>174.51</b>           | <b>77.82</b>            |

#### The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

| Particulars                   | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-------------------------------|-------------------------|-------------------------|
| Less than 3 months            | 22.08                   | 18.19                   |
| Over 3 months & upto 6 months | 21.65                   | 8.22                    |
| Over 6 months & upto 1 year   | 43.57                   | 15.46                   |
| Over 1 year & upto 3 years    | 107.57                  | 24.99                   |
| Over 3 years                  | -                       | 21.56                   |

#### The following are the amounts recognised in statement of profit or loss:

| Particulars                                                 | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-------------------------------------------------------------|-------------------------|-------------------------|
| Depreciation expense of right-of-use assets (Refer Note 10) | 76.65                   | 210.40                  |
| Interest expense on lease liabilities(Refer Note 28)        | 14.98                   | 20.42                   |
| Expense relating to short-term leases(Refer Note 32)        | 583.79                  | 411.08                  |
| <b>Total amount recognised in profit or loss</b>            | <b>675.42</b>           | <b>641.90</b>           |

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### Future Commitments:

| Particulars                                                                    | As at<br>March 31, 2026 |
|--------------------------------------------------------------------------------|-------------------------|
| Future undiscounted lease payments for which the leases have not yet commenced | -                       |

#### Extension / Termination Options:

Some of the leases contain extension and termination options. Such options are taken into account in the determination of the lease term only if extension or non-termination can be assumed with reasonable certainty. On this basis, there were no such amounts included in the measurement of lease liabilities as at March 31, 2026.

#### 43 CAPITAL MANAGEMENT

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements by its regulators and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

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

| Particulars                                  | As at<br>March 31, 2026 |             |        | As at<br>March 31, 2025 |
|----------------------------------------------|-------------------------|-------------|--------|-------------------------|
|                                              | Numerator               | Denominator | Ratio  | Ratio                   |
| Capital to Risk Weighted Assets Ratio (CRAR) | 1,61,581.69             | 5,91,160.39 | 27.34% | 20.86%                  |
| Tier I CRAR                                  | 1,55,689.03             | 5,91,160.39 | 26.34% | 18.79%                  |
| Tier II CRAR                                 | 5,892.66                | 5,91,160.39 | 1.00%  | 2.07%                   |

#### 44 ANALYTICAL RATIOS

| Particulars                                  | As at<br>March 31, 2026 |             |         | As at<br>March 31, 2025 | %<br>Variance | Reasons for<br>Variance<br>(if above 25%)                           |
|----------------------------------------------|-------------------------|-------------|---------|-------------------------|---------------|---------------------------------------------------------------------|
|                                              | Numerator               | Denominator | Ratio   | Ratio                   |               |                                                                     |
| Capital to Risk Weighted Assets Ratio (CRAR) | 1,61,581.69             | 5,91,160.39 | 27.34%  | 20.86%                  | 31.07%        | Equity capital raised during current financial year 2025-26         |
| Tier I CRAR                                  | 1,55,689.03             | 5,91,160.39 | 26.34%  | 18.79%                  | 40.16%        | Equity capital raised during current financial year 2025-26         |
| Tier II CRAR                                 | 5,892.66                | 5,91,160.39 | 1.00%   | 2.07%                   | -51.89%       | No new Tier II capital raised during current financial year 2025-26 |
| Liquidity Coverage Ratio*                    | 320.82                  | 64.72       | 495.73% | NA                      | NA            | NA                                                                  |

\*Liquidity coverage ratio is applicable to the company from April 1, 2025 since the company is a non-deposit taking NBFC and the asset size is more than ₹ 5,000 crore based on the audited financial statements for the year ended March 31, 2025.

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 45 FAIR VALUE MEASUREMENT:

##### A. 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 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:

**Level 1** - Valuation technique using quoted market price: financial instruments with quoted prices for identical instruments in active markets that Company can access at the measurement date.

**Level 2** - Valuation technique using observable inputs: 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.

**Level 3** - Valuation technique with significant unobservable inputs: Those that include one or more unobservable input that is significant to the measurement as whole.

##### B. Fair value of financial instrument not measured at fair value:

The table 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                                       | Level |                            |                            |                            |                            |
|---------------------------------------------------|-------|----------------------------|----------------------------|----------------------------|----------------------------|
|                                                   |       | As at<br>March 31,<br>2026 | As at<br>March 31,<br>2025 | As at<br>March 31,<br>2026 | As at<br>March 31,<br>2025 |
| <b>Financial Assets</b>                           |       |                            |                            |                            |                            |
| Cash and cash equivalents                         | 1     | 32,082.59                  | 19,943.00                  | 32,082.59                  | 19,943.00                  |
| Bank Balance other than cash and cash equivalents | 1     | 3,180.42                   | 2,533.86                   | 3,180.42                   | 2,533.86                   |
| Trade receivables                                 | 2     | 541.13                     | 238.12                     | 541.13                     | 238.12                     |
| Loans                                             | 2     | 5,79,068.24                | 4,51,387.63                | 5,81,038.19                | 4,49,282.10                |
| Rent and utility deposits                         | 2     | 371.42                     | 343.41                     | 371.42                     | 343.41                     |
| EIS receivable                                    | 2     | 7,703.50                   | 4,801.68                   | 7,703.50                   | 4,801.68                   |
| Other financial assets                            | 2     | 111.14                     | 222.66                     | 111.14                     | 222.66                     |
| Investment in PTC                                 | 2     | 2,400.75                   | 913.82                     | 2,400.75                   | 913.82                     |
|                                                   |       | <b>6,25,459.19</b>         | <b>4,80,384.18</b>         | <b>6,27,429.14</b>         | <b>4,78,278.65</b>         |
| <b>Financial Liabilities</b>                      |       |                            |                            |                            |                            |
| Debt securities                                   | 2     | 94,579.04                  | 70,978.62                  | 95,454.91                  | 72,150.60                  |
| Borrowings (other than debt securities)           | 2     | 3,63,243.13                | 3,05,350.12                | 3,65,834.03                | 3,07,201.38                |
| Subordinated Liabilities                          | 2     | 16,436.11                  | 16,402.09                  | 16,574.51                  | 16,610.19                  |
| Other financial liabilities                       | 2     | 9,072.74                   | 8,263.52                   | 9,072.74                   | 8,263.52                   |
| <b>Total Financial liabilities</b>                |       | <b>4,83,331.02</b>         | <b>4,00,994.35</b>         | <b>4,86,936.19</b>         | <b>4,04,225.69</b>         |

Investment in subsidiary is measured at cost in accordance with Ind AS 27.

##### 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 and, as such, may differ from the techniques and assumptions explained in notes.

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 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 are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, bank balance other than cash and cash equivalents, trade receivables, rent and utility deposits and other financial liabilities.

#### Loans and advances to customers

The fair values of loans are estimated by discounted cash flow models based on contractual cash flows using actual or estimated yields.

#### Borrowings other than debt securities, Debt securities and Subordinated liabilities

The fair value of issued debt is estimated by a discounted cash flow model incorporating the Company's own credit risk.

#### EIS receivable

EIS receivable is calculated by discounting the contractual future cash flows. The carrying value closely approximates its fair value.

#### C. Categories of Financial Instruments :

| Particulars                                   | As at March 31, 2026 |                                      |                  |                    |
|-----------------------------------------------|----------------------|--------------------------------------|------------------|--------------------|
|                                               | Amortised cost       | At Fair Value Through profit or loss | At Deemed Cost   | Total              |
| Cash and cash equivalents                     | 32,082.59            | -                                    | -                | 32,082.59          |
| Bank Balance other than included in (a) above | 3,180.42             | -                                    | -                | 3,180.42           |
| Receivables                                   |                      | -                                    | -                | -                  |
| (I) Trade receivables                         | 541.13               | -                                    | -                | 541.13             |
| (II) Other receivables                        |                      | -                                    | -                | -                  |
| Loans                                         | 5,79,068.24          | -                                    | -                | 5,79,068.24        |
| Investments                                   | 2,400.75             | 3,184.94                             | 41,336.67        | 46,922.36          |
| Other financial assets                        | 8,186.06             | -                                    | -                | 8,186.06           |
| <b>Total</b>                                  | <b>6,25,459.18</b>   | <b>3,184.94</b>                      | <b>41,336.67</b> | <b>6,69,980.79</b> |
| Debt securities                               | 94,579.04            | -                                    | -                | 94,579.04          |
| Borrowings (other than debt securities)       | 3,63,243.13          | -                                    | -                | 3,63,243.13        |
| Subordinated Liabilities                      | 16,436.11            | -                                    | -                | 16,436.11          |
| Other financial liabilities                   | 9,072.74             | -                                    | -                | 9,072.74           |
| <b>Total</b>                                  | <b>4,83,331.02</b>   | <b>-</b>                             | <b>-</b>         | <b>4,83,331.02</b> |

| Particulars                                   | As at March 31, 2025 |                                      |                  |                    |
|-----------------------------------------------|----------------------|--------------------------------------|------------------|--------------------|
|                                               | Amortised cost       | At Fair Value Through profit or loss | At Deemed Cost   | Total              |
| Cash and cash equivalents                     | 19,943.00            | -                                    | -                | 19,943.00          |
| Bank Balance other than included in (a) above | 2,533.86             | -                                    | -                | 2,533.86           |
| Receivables                                   | -                    | -                                    | -                | -                  |
| (I) Trade receivables                         | 238.12               | -                                    | -                | 238.12             |
| (II) Other receivables                        | -                    | -                                    | -                | -                  |
| Loans                                         | 4,51,387.63          | -                                    | -                | 4,51,387.63        |
| Investments                                   | 913.82               | -                                    | 15,221.00        | 16,134.82          |
| Other financial assets                        | 5,367.75             | -                                    | -                | 5,367.75           |
| <b>Total</b>                                  | <b>4,80,384.18</b>   | <b>-</b>                             | <b>15,221.00</b> | <b>4,95,605.18</b> |
| Debt securities                               | 70,978.62            | -                                    | -                | 70,978.62          |
| Borrowings (other than debt securities)       | 3,05,350.12          | -                                    | -                | 3,05,350.12        |
| Deposits                                      |                      | -                                    | -                | -                  |
| Subordinated Liabilities                      | 16,402.09            | -                                    | -                | 16,402.09          |
| Other financial liabilities                   | 8,263.52             | -                                    | -                | 8,263.52           |
| <b>Total</b>                                  | <b>4,00,994.35</b>   | <b>-</b>                             | <b>-</b>         | <b>4,00,994.35</b> |

# NOTES

## TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

### 46 RISK MANAGEMENT

Risk is an integral part of the Company's business and sound risk management is critical to the success. As a financial intermediary, the Company is exposed to risks that are particular to its lending and the environment within which it operates and primarily includes credit, liquidity and market risks. The Board of Directors of the Company are responsible for the overall risk management approach and for approving the risk management strategies and principles. The Company has a risk management policy which covers all the risk associated with its assets and liabilities.

#### 46.1 Introduction and Risk Profile

##### Risk management and mitigation

The Company's risks are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment, as necessary.

The Company's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

It is the Company's policy to ensure that a robust risk awareness is embedded in its organisational risk culture. Employees are expected to take ownership and be accountable for the risks the Company is exposed to that they decide to take on. The Company's continuous training and development emphasises that employees are made aware of the Company's risk appetite and they are supported in their roles and responsibilities to monitor and keep their exposure to risk within the Company's risk appetite limits.

The Company is generally exposed to credit risk, liquidity risk, market risk, prepayment risk and operational risk.

#### 46.2 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. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical concentrations, and by monitoring exposures in relation to such limits. Credit risk is monitored by the credit department of the Company. It is their responsibility to review and manage credit risk. Credit risk consists of line credit managers who are responsible for their business lines and manage specific portfolios and experts who support both the line credit manager, as well as the business with tools like credit risk systems, policies, models and reporting. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

##### Impairment assessment

The references below show where the Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the summary of material accounting policies.

##### Definition of default and cure

The Company considers a financial instrument as defaulted and therefore Stage 3 (credit-impaired) for Expected Credit Loss (ECL) calculations in all cases when the borrower becomes more than 3 months past due on its contractual payments.

The staging criteria used by the Company is as below:

| Loans months past due       | Stage   |
|-----------------------------|---------|
| Upto 1 month                | Stage 1 |
| Between 1 month to 3 months | Stage 2 |
| More than 3 months          | Stage 3 |

The Company considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes past due for more than 3 months on its contractual payments. It is the Company's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when the due amount have been paid. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade, at the time of the cure, and whether this indicates there has been a significant increase in credit risk compared to initial recognition.



## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### Exposure at default (EAD)

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the ability to increase its exposure while approaching default and potential early repayments too.

#### Probability of default (PD)

The Probability of Default is an estimate of the likelihood of default over a given time horizon. PD is computed separately for each stage, incorporating historical trends (roll rate model), and forward-looking macroeconomic factors (MEF). For Stage-1 12m PD, Roll Rate Model (Dynamic Pool Approach) was adopted for all the portfolios, as delinquency trends serve as strong indicators of credit risk. For Stage-2 LT PD, is computed by projecting contractual cash flows and adjusting them for default risk. Cumulative PDs are applied year-wise to determine the probability-weighted defaulted discounted cash flows. This ensures credit risk is incorporated systematically across the loan's remaining tenure.

#### Loss given Default (LGD)

Loss Given Default (LGD) refers to the proportion of a loan outstanding amount that is not recovered in the event of default. A model has been developed based on historical data from defaulted loans that have been fully resolved or written off. The analysis encompasses the entire recovery cycle, from the initial default event to the final closure, ensuring a comprehensive assessment of loss dynamics. For each defaulted loan, actual recovery cash flows recorded throughout the resolution period have been systematically captured and analyzed. These cash flows are discounted using the respective Effective Interest Rate (EIR) applicable to the loan, maintaining alignment with Expected Credit Loss (ECL) principles.

#### Significant increase in credit risk

The Company continuously monitors all assets subject to ECLs in order to determine whether an instrument or a portfolio of instruments is subject to 12 month ECL or lifetime ECL. The Company assesses whether there has been an event which could cause a significantly increase in the credit risk of the underlying asset or the customers ability to pay and accordingly change the 12 month ECL to a lifetime ECL.

If contractual payments are more than 30 days past due, the credit risk is deemed to have increased significantly since initial recognition.

#### Gross movement of loans for the year ended March 31, 2026:-

| Particulars                                          | Stage I            | Stage II         | Stage III        | Total              |
|------------------------------------------------------|--------------------|------------------|------------------|--------------------|
| Gross carrying amount as at April 01, 2025           |                    |                  |                  |                    |
| Term loans                                           | 4,13,588.01        | 33,421.49        | 10,256.89        | 4,57,266.39        |
| Staff loans                                          | 89.10              | 1.25             | -                | 90.35              |
| New loans originated during the year                 |                    |                  |                  | -                  |
| Term loans                                           | 3,51,108.76        | 6,536.09         | 277.23           | 3,57,922.08        |
| Staff loans                                          | 100.84             | -                | -                | 100.84             |
| Inter-stage movements:                               |                    |                  |                  |                    |
| - Term loans                                         |                    |                  |                  |                    |
| Transfers to Stage 1                                 | 2,665.36           | (2,517.45)       | (147.91)         | -                  |
| Transfers to Stage 2                                 | (23,964.03)        | 24,424.00        | (459.97)         | -                  |
| Transfers to Stage 3                                 | (5,845.31)         | (3,838.98)       | 9,684.29         | -                  |
| Interest on stage 3 loans                            |                    |                  | 782.99           | 782.99             |
| Amounts written off                                  |                    |                  |                  |                    |
| Term loans                                           | (2,635.12)         | (1,648.45)       | (1,754.94)       | (6,038.51)         |
| Staff loans                                          |                    |                  |                  | -                  |
| Assets derecognised or repaid (excluding write offs) |                    |                  |                  |                    |
| Term loans                                           | (2,00,754.90)      | (18,021.87)      | (3,855.27)       | (2,22,632.04)      |
| Staff loans                                          | (50.51)            | (1.25)           | 0.87             | (50.51)            |
| <b>Gross carrying amount as at March 31, 2026</b>    |                    |                  |                  |                    |
| Term loans                                           | <b>5,34,162.77</b> | <b>38,354.83</b> | <b>14,783.31</b> | <b>5,87,300.91</b> |
| Staff loans                                          | <b>139.43</b>      | <b>-</b>         | <b>0.87</b>      | <b>140.30</b>      |

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### Gross movement of loans for the year ended March 31, 2025:-

| Particulars                                          | Stage I            | Stage II         | Stage III        | Total              |
|------------------------------------------------------|--------------------|------------------|------------------|--------------------|
| Gross carrying amount as at April 01, 2024           |                    |                  |                  |                    |
| Term loans                                           | 2,97,549.87        | 23,524.15        | 7,728.83         | 3,28,802.86        |
| Staff loans                                          | 300.92             | -                | -                | 300.92             |
| New loans originated during the year                 |                    |                  |                  | -                  |
| Term loans                                           | 2,76,834.55        | 7,719.50         | 567.62           | 2,85,121.68        |
| Staff loans                                          | 33.72              | -                | -                | 33.72              |
| Inter-stage movements:                               |                    |                  |                  |                    |
| -Term loans                                          |                    |                  |                  |                    |
| Transfers to Stage 1                                 | 3,754.69           | (3,225.67)       | (529.02)         | -                  |
| Transfers to Stage 2                                 | (21,755.23)        | 21,784.82        | (29.59)          | -                  |
| Transfers to Stage 3                                 | (3,666.16)         | (2,277.51)       | 5,943.68         | -                  |
| Interest on stage 3 loans                            | -                  | -                | 383.34           | 383.34             |
| Amounts written off                                  |                    |                  |                  |                    |
| Term loans                                           | (670.87)           | (493.49)         | (394.43)         | (1,558.79)         |
| Staff loans                                          | -                  | -                | -                | -                  |
| Assets derecognised or repaid (excluding write offs) |                    |                  |                  |                    |
| Term loans                                           | (1,38,460.09)      | (13,609.06)      | (3,413.54)       | (1,55,482.69)      |
| Staff loans                                          | (244.29)           | -                | -                | (244.29)           |
| <b>Gross carrying amount as at March 31, 2025</b>    |                    |                  |                  |                    |
| Term loans                                           | <b>4,13,588.01</b> | <b>33,421.49</b> | <b>10,256.89</b> | <b>4,57,266.39</b> |
| Staff loans                                          | <b>89.10</b>       | <b>1.25</b>      | <b>-</b>         | <b>90.35</b>       |

#### ECL movement of term loans during the year ended March 31, 2026:-

| Particulars                                             | Stage I         | Stage II        | Stage III       | Total           |
|---------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|
| <b>Gross carrying amount as at April 1, 2025</b>        | <b>1,224.98</b> | <b>1,297.53</b> | <b>3,446.60</b> | <b>5,969.11</b> |
| New loans originated during the year                    | 1,073.47        | 366.91          | 92.70           | 1,533.08        |
| Inter-stage movements:                                  |                 |                 |                 |                 |
| Transfers to Stage 1                                    | 296.93          | (184.01)        | (112.92)        | -               |
| Transfers to Stage 2                                    | (90.56)         | 321.49          | (230.93)        | -               |
| Transfers to Stage 3                                    | (39.03)         | (174.87)        | 213.90          | -               |
| Amounts written off                                     | (31.79)         | (169.33)        | (856.82)        | (1,057.94)      |
| Assets derecognised or repaid (excluding write offs)    | (186.29)        | (238.22)        | (439.99)        | (864.50)        |
| Net Remeasurement of ECL arising from transfer of stage | (570.03)        | 511.12          | 2,852.13        | 2,793.22        |
| <b>Gross carrying amount as at March 31, 2026</b>       | <b>1,677.68</b> | <b>1,730.61</b> | <b>4,964.68</b> | <b>8,372.97</b> |

#### ECL movement of term loans during the year ended March 31, 2025:-

| Particulars                                             | Stage I         | Stage II        | Stage III       | Total           |
|---------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|
| <b>Gross carrying amount as at April 01, 2024</b>       | <b>1,377.13</b> | <b>370.87</b>   | <b>1,825.02</b> | <b>3,573.02</b> |
| New loans originated during the year                    | 839.49          | 362.02          | 190.70          | 1,392.21        |
| Inter-stage movements:                                  |                 |                 |                 |                 |
| Transfers to Stage 1                                    | 150.73          | (69.00)         | (81.73)         | -               |
| Transfers to Stage 2                                    | (220.14)        | 223.86          | (3.72)          | -               |
| Transfers to Stage 3                                    | (29.57)         | (59.76)         | 89.33           | -               |
| Amounts written off                                     | (19.86)         | (21.86)         | (339.69)        | (381.41)        |
| Assets derecognised or repaid (excluding write offs)    | (164.60)        | (103.14)        | (531.35)        | (799.09)        |
| Net Remeasurement of ECL arising from transfer of stage | (708.20)        | 594.54          | 2,298.04        | 2,184.38        |
| <b>Gross carrying amount as at March 31, 2025</b>       | <b>1,224.98</b> | <b>1,297.53</b> | <b>3,446.60</b> | <b>5,969.11</b> |

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### Concentration of Credit Risk

Company's loan portfolio is predominantly to finance commercial vehicle loans. The Company manages concentration of risk primarily by geographical region. The following tables show the region-wise concentrations of net terms loans.

| Geography | March 31, 2026     | March 31, 2025     |
|-----------|--------------------|--------------------|
| West      | 1,72,711.33        | 1,37,811.08        |
| Central   | 26,473.51          | 18,953.29          |
| South     | 3,81,072.90        | 2,97,439.93        |
| North     | 458.30             | -                  |
| East      | 6,725.17           | 3,152.44           |
|           | <b>5,87,441.21</b> | <b>4,57,356.74</b> |

#### Quantitative Information of Collateral

Net value of total term loans to value of collateral is as follows:

| As at March 31, 2026   | Loan to value    |                    |                    |                    |
|------------------------|------------------|--------------------|--------------------|--------------------|
|                        | Upto 50%         | 51%-70%            | More than 70%      | Total              |
| Cars & Muvs            | 2804.24          | 38657.56           | 65252.52           | 1,06,714.32        |
| Commercial Vehicles    | 5596.34          | 48378.25           | 133306.23          | 1,87,280.82        |
| Construction Equipment | 6276.49          | 29584.77           | 177709.99          | 2,13,571.25        |
| Three Wheeler          | 259.85           | 3030.02            | 1446.01            | 4,735.88           |
| Tractor                | 327.54           | 4113.37            | 1995.26            | 6,436.17           |
| Two Wheeler            | 313.94           | 583.90             | 279.39             | 1,177.23           |
| SME                    | 16666.82         | 15976.66           | 32093.13           | 64,736.61          |
| Leasing                | 0.00             | 307.68             | 2481.25            | 2,788.93           |
| <b>Total</b>           | <b>32,245.22</b> | <b>1,40,632.21</b> | <b>4,14,563.78</b> | <b>5,87,441.21</b> |

| As at March 31, 2025   | Loan to value    |                    |                    |                    |
|------------------------|------------------|--------------------|--------------------|--------------------|
|                        | Upto 50%         | 51%-70%            | More than 70%      | Total              |
| Cars & Muvs            | 2301.51          | 31912.01           | 33431.30           | 67,644.82          |
| Commercial Vehicles    | 6234.21          | 49007.06           | 116487.27          | 1,71,728.55        |
| Construction Equipment | 9335.71          | 30819.11           | 79842.25           | 1,19,997.06        |
| Three Wheeler          | 284.08           | 5071.70            | 1326.15            | 6,681.93           |
| Tractor                | 266.30           | 3973.07            | 1399.59            | 5,638.96           |
| Two Wheeler            | 1378.40          | 2347.57            | 607.43             | 4,333.40           |
| SME                    | 19950.15         | 12572.09           | 48809.78           | 81,332.02          |
| <b>Total</b>           | <b>39,750.36</b> | <b>1,35,702.61</b> | <b>2,81,903.77</b> | <b>4,57,356.74</b> |

#### 46.3 Liquidity Risk

In assessing the Company's liquidity position, consideration shall be given to: (1) present and anticipated asset quality (2) present and future earnings capacity (3) historical funding requirements (4) current liquidity position (5) anticipated future funding needs, and (6) sources of funds. The Company maintains a portfolio of marketable assets that are assumed to be easily liquidated and undrawn cash credit limits which can be used in the event of an unforeseen interruption in cash flow. The Company also enters into securitization deals (direct assignment as well as pass through certificates) of their loan portfolio, the funding from which can be accessed to meet liquidity needs. Net liquid assets consist of cash and short-term bank deposits. Borrowings from banks and financial institutions and issue of Non convertible debentures are considered as important sources of funds to finance lending to customers.

# NOTES

## TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

### Analysis of financial assets and liabilities by remaining contractual maturities:

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at March 31, 2026.

| Particulars                                              | Less than 3 months | Over 3 months & upto 6 months | Over 6 months & upto 1 year | Over 1 year & upto 3 years | Over 3 years       | Total              |
|----------------------------------------------------------|--------------------|-------------------------------|-----------------------------|----------------------------|--------------------|--------------------|
| <b>Financial assets</b>                                  |                    |                               |                             |                            |                    |                    |
| Cash and cash equivalents                                | 28,370.51          | 3,712.08                      | -                           | -                          | -                  | 32,082.59          |
| Bank Balance other than included in above                | -                  | -                             | 3,180.42                    | -                          | -                  | 3,180.42           |
| Trade receivables                                        | 541.13             | -                             | -                           | -                          | -                  | 541.13             |
| Loans                                                    | 73,208.82          | 50,372.55                     | 97,947.35                   | 2,92,867.65                | 73,044.85          | 5,87,441.22        |
| Investments                                              | -                  | 3,240.82                      | -                           | 2,400.75                   | 41,336.67          | 46,978.24          |
| Other financial assets                                   | -                  | 111.14                        | -                           | -                          | 8,074.92           | 8,186.06           |
| <b>Total undiscounted financial assets</b>               | <b>1,02,120.46</b> | <b>57,436.59</b>              | <b>1,01,127.77</b>          | <b>2,95,268.40</b>         | <b>1,22,456.44</b> | <b>6,78,409.66</b> |
| <b>Financial liabilities</b>                             |                    |                               |                             |                            |                    |                    |
| Trade payables                                           | -                  | -                             | -                           | -                          | -                  | -                  |
| Other payables                                           | -                  | -                             | -                           | -                          | -                  | -                  |
| Subordinated Liabilities                                 | 10.62              | 2,500.00                      | -                           | -                          | 14,000.00          | 16,510.62          |
| Debt securities                                          | 9,990.96           | 11,124.98                     | 39,399.95                   | 34,774.98                  | -                  | 95,290.87          |
| Borrowings (other than debt securities)                  | 37,992.07          | 39,084.47                     | 84,614.21                   | 1,75,619.34                | 27,624.89          | 3,64,934.98        |
| Other financial liabilities                              | 8,072.58           | -                             | -                           | 1,000.16                   | -                  | 9,072.74           |
| <b>Total undiscounted financial liabilities</b>          | <b>56,066.23</b>   | <b>52,709.45</b>              | <b>1,24,014.16</b>          | <b>2,11,394.48</b>         | <b>41,624.89</b>   | <b>4,85,809.21</b> |
| <b>Net undiscounted financial assets / (liabilities)</b> | <b>46,054.23</b>   | <b>4,727.14</b>               | <b>(22,886.39)</b>          | <b>83,873.92</b>           | <b>80,831.55</b>   | <b>1,92,600.45</b> |

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at March 31, 2025.

| Particulars                                              | Less than 3 months | Over 3 months & upto 6 months | Over 6 months & upto 1 year | Over 1 year & upto 3 years | Over 3 years     | Total              |
|----------------------------------------------------------|--------------------|-------------------------------|-----------------------------|----------------------------|------------------|--------------------|
| <b>Financial assets</b>                                  |                    |                               |                             |                            |                  |                    |
| Cash and cash equivalents                                | 19,943.00          | -                             | -                           | -                          | -                | 19,943.00          |
| Bank Balance other than included in (a) above            | 6.16               | -                             | 2.58                        | 2,525.12                   | -                | 2,533.85           |
| Trade receivables                                        | -                  | 238.12                        | -                           | -                          | -                | 238.12             |
| Loans                                                    | 60,367.65          | 37,618.72                     | 74,049.36                   | 2,12,748.24                | 72,225.92        | 4,57,009.89        |
| Investments                                              | -                  | -                             | -                           | -                          | 16,134.82        | 16,134.82          |
| Other financial assets                                   | 928.32             | 754.11                        | 1,053.68                    | 2,273.24                   | 1,344.46         | 6,353.82           |
| <b>Total undiscounted financial assets</b>               | <b>81,245.13</b>   | <b>38,610.95</b>              | <b>75,105.62</b>            | <b>2,17,546.60</b>         | <b>89,705.20</b> | <b>5,02,213.51</b> |
| <b>Financial liabilities</b>                             |                    |                               |                             |                            |                  |                    |
| Trade payables                                           | -                  | -                             | -                           | -                          | -                | -                  |
| Other payables                                           | -                  | -                             | -                           | -                          | -                | -                  |
| Subordinated Liabilities                                 | 10.62              | -                             | -                           | 2,500.00                   | 14,000.00        | 16,510.62          |
| Debt securities                                          | 3,710.09           | 2,874.98                      | 3,250.02                    | 61,925.03                  | -                | 71,760.12          |
| Borrowings (other than debt securities)                  | 30,589.44          | 29,773.88                     | 79,458.10                   | 1,51,898.93                | 15,177.05        | 3,06,897.40        |
| Other financial liabilities                              | 5,611.87           | 37.93                         | 195.90                      | 1,422.08                   | 1,006.34         | 8,274.13           |
| <b>Total undiscounted financial liabilities</b>          | <b>39,922.02</b>   | <b>32,686.79</b>              | <b>82,904.02</b>            | <b>2,17,746.04</b>         | <b>30,183.39</b> | <b>4,03,442.27</b> |
| <b>Net undiscounted financial assets / (liabilities)</b> | <b>41,323.11</b>   | <b>5,924.16</b>               | <b>(7,798.40)</b>           | <b>(199.45)</b>            | <b>59,521.81</b> | <b>98,771.24</b>   |

## NOTES

### TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

The table below shows the contractual expiry by maturity of the Company's contingent liabilities and commitments. Each undrawn loan commitment is included in the time band containing the earliest date it can be drawn down.

| Particulars                                                                                | On demand       | Less than 3 months | Over 3 months & upto 6 months | Over 6 months & upto 1 year | Over 1 year & upto 3 years | Over 3 years |
|--------------------------------------------------------------------------------------------|-----------------|--------------------|-------------------------------|-----------------------------|----------------------------|--------------|
| <b>As at March 31, 2026</b>                                                                |                 |                    |                               |                             |                            |              |
| Guarantees and counter guarantees                                                          | -               | -                  | -                             | -                           | -                          | -            |
| Estimated amount of contracts remaining to be executed on capital account, net of advances | -               | -                  | -                             | -                           | -                          | -            |
| Other Commitments                                                                          | -               | 2,740.50           | -                             | -                           | -                          | -            |
| <b>Total commitments</b>                                                                   | <b>-</b>        | <b>2,740.50</b>    | <b>-</b>                      | <b>-</b>                    | <b>-</b>                   | <b>-</b>     |
| <b>As at March 31, 2025</b>                                                                |                 |                    |                               |                             |                            |              |
| Guarantees and counter guarantees                                                          | -               | -                  | -                             | -                           | -                          | -            |
| Estimated amount of contracts remaining to be executed on capital account, net of advances | -               | -                  | -                             | -                           | -                          | -            |
| Other Commitments                                                                          | 4,456.50        | 2,378.79           |                               |                             |                            |              |
| <b>Total commitments</b>                                                                   | <b>4,456.50</b> | <b>2,378.79</b>    | <b>-</b>                      | <b>-</b>                    | <b>-</b>                   | <b>-</b>     |

#### 46.4 Market Risk

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The objective of market risk management is to avoid excessive exposure of our earnings and equity to loss and reduce our exposure to the volatility inherent in financial instruments. There are broadly two types of market risks: (1) Interest rate risk, and (2) Price risk. The Company has not made investments in quoted equity instruments or other quoted investments and hence is not exposed to Equity price risk. Interest rate risk is discussed below:

##### Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is subject to interest rate risk, primarily since it lends to customers at fixed rates and for maturity periods shorter than the funding sources.

The Company has taken borrowings at floating rates gives rise to interest rate risk. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk, the Company seek to optimize borrowing profile between short-term and long-term loans. The Company adopts funding strategies to ensure diversified resource-raising options to minimize cost and maximize stability of funds. Assets and liabilities are categorized into various time buckets based on their maturities. The Interest Rate Risk is mitigated by availing funds at very competitive rates through diversified borrowings and for different tenors.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before taxes affected through the impact on floating rate borrowings are as follows:

| Impact on Profit before taxes       | As at March 31, 2026 | As at March 31, 2025 |
|-------------------------------------|----------------------|----------------------|
| <b>On Floating Rate Borrowings:</b> |                      |                      |
| 1% increase in interest rates       | (2,258.44)           | (1,804.03)           |
| 1% decrease in interest rates       | 2,258.44             | 1,804.03             |



# NOTES

## TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

### 46.5 Prepayment risk

Prepayment risk is the risk that the Company will incur a financial loss because its customers and counterparties repay or request repayment earlier or later than expected, such as fixed rate loans like ours when interest rates fall.

### 46.6 Operational and business risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

## 47 RELATED PARTY DISCLOSURE

### a. Name of related party and nature of relationship:

|                                                                                             |                                                                                                                                                                                                                                                                                                |
|---------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Enterprises having a significant influence</b>                                           | India Business Excellence Fund -IIA                                                                                                                                                                                                                                                            |
|                                                                                             | Vistra ITCL (india) Limied (formerly known as IL and FS trust Company Limited)<br>(Trustee of Business Excellence Trust -II - India Business Excellence Fund - II)                                                                                                                             |
|                                                                                             | Norwest Capital LLC                                                                                                                                                                                                                                                                            |
| <b>Subsidiary</b>                                                                           | IKF Home Finance Limited<br>(formerly known as IKF Housing Finance Private Limited)                                                                                                                                                                                                            |
| <b>Enterprises significantly influenced by Key Management Personnel and their relatives</b> | IKF Infratech Private Limited                                                                                                                                                                                                                                                                  |
| <b>Key Management Personnel (KMP)</b>                                                       | Mr. V.G.K.Prasad - Chairman and Executive Director<br>Mrs.K Vasumathi Devi - Managing Director<br>Mr.Prakash Bhawnani - Chief Financial Officer (From 5 <sup>th</sup> November 2024)<br>Mr. Ch.Sreenivasa Rao - Company Secretary (Chief Financial officer till 4 <sup>th</sup> November 2024) |
| <b>Relative of Key Management Personnel</b>                                                 | Mrs. V. Vasantha Lakshmi<br>Mrs. V Indira Devi<br>Mr. V. Raghu Ram<br>Mr. Sinha Satyanand Chunduri<br>Mrs. Durga Rani Chunduri<br>Mrs. Mayuri Bhawnani<br>Mrs. Ch Rani<br>Ms. K Mounica                                                                                                        |

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### b. Transaction with related parties:

| Name of related party                 | Nature of transaction                                           | For the FY 2025      |                                                     |                          |                      | For the FY 2026      |                                                     |                          |                      |                      |
|---------------------------------------|-----------------------------------------------------------------|----------------------|-----------------------------------------------------|--------------------------|----------------------|----------------------|-----------------------------------------------------|--------------------------|----------------------|----------------------|
|                                       |                                                                 | As at March 31, 2024 | Transaction value for the year ended March 31, 2025 | Received During the year | Paid During The year | As at March 31, 2025 | Transaction value for the year ended March 31, 2026 | Received During the year | Paid During the Year | As at March 31, 2026 |
| Key management personnel              |                                                                 |                      |                                                     |                          |                      |                      |                                                     |                          |                      |                      |
| Mr. V G K Prasad                      | Rent paid                                                       | -                    | 24.95                                               | -                        | -                    | -                    | 26.14                                               | -                        | -                    | -                    |
|                                       | Director's remuneration                                         | -                    | 144.00                                              | -                        | -                    | -                    | 156.00                                              | -                        | -                    | -                    |
|                                       | Director Commission Payable                                     | 135.52               | 193.98                                              | -                        | 135.52               | 193.98               | 295.57                                              | -                        | 193.98               | 295.57               |
|                                       | Rent deposit given                                              | 50.00                | -                                                   | -                        | -                    | 50.00                | -                                                   | -                        | -                    | 50.00                |
|                                       | Purchase of IKF Home Finance Ltd shares *****                   | -                    | -                                                   | -                        | -                    | -                    | -                                                   | -                        | 4,358.85             | -                    |
|                                       | Share Capital -Partly Paid (₹ 0.5/- Paid up)                    | -                    | -                                                   | -                        | -                    | -                    | -                                                   | (32.49)                  | -                    | 32.49                |
| Mrs.K. Vasumathi Devi                 | Share Capital (₹ 5/- Paid up*) (March 31,2025: ₹ 10 /-paid up)  | 1,985.36             | -                                                   | -                        | -                    | 1,985.36             | -                                                   | (135.06)                 | -                    | 2,120.42             |
|                                       | Director's remuneration                                         | -                    | 72.00                                               | -                        | -                    | -                    | 78.00                                               | -                        | -                    | -                    |
|                                       | Director Commission Payable                                     | 68.23                | 95.54                                               | -                        | 68.23                | 95.54                | 145.58                                              | -                        | 95.54                | 145.58               |
|                                       | Purchase of IKF Home Finance Ltd shares *****                   | -                    | -                                                   | -                        | -                    | -                    | -                                                   | -                        | 641.53               | -                    |
|                                       | Share Capital (₹ 5/- Paid up*) (March 31, 2025: ₹ 10 /-paid up) | 264.73               | -                                                   | -                        | -                    | 264.73               | -                                                   | -                        | -                    | 264.73               |
|                                       | Salary Paid                                                     | -                    | 51.03                                               | -                        | -                    | -                    | 113.93                                              | -                        | -                    | -                    |
| Mr. Prakash Bhawnani                  | Number of ESOP granted during FY 2024-25 (in Lakhs )***         | -                    | 0.51                                                | -                        | -                    | 0.51                 | -                                                   | -                        | -                    | -                    |
|                                       | Salary Paid                                                     | -                    | 36.08                                               | -                        | -                    | -                    | 38.57                                               | -                        | -                    | -                    |
| Relatives of key management personnel |                                                                 |                      |                                                     |                          |                      |                      |                                                     |                          |                      |                      |
| Mrs. V Indira Devi                    | Rent paid                                                       | -                    | 55.44                                               | -                        | -                    | -                    | 58.08                                               | -                        | -                    | -                    |
|                                       | Salary Paid                                                     | -                    | 12.00                                               | -                        | -                    | -                    | 12.00                                               | -                        | -                    | -                    |
|                                       | Rent deposit given                                              | 38.50                | -                                                   | -                        | -                    | 38.50                | -                                                   | -                        | -                    | 38.50                |
|                                       | Purchase of IKF Home Finance Ltd shares *****                   | -                    | -                                                   | -                        | -                    | -                    | -                                                   | -                        | 399.41               | -                    |
|                                       | Share Capital (₹ 5/- Paid up*) (March 31,2025: ₹ 10 /-paid up)  | 164.81               | -                                                   | -                        | -                    | 164.81               | -                                                   | -                        | -                    | 170.74**             |

# NOTES

## TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Name of related party        | Nature of transaction                                                                       | For the FY 2025      |                                                     |                          |                      |                      | For the FY 2026                                     |                          |                      |                      |
|------------------------------|---------------------------------------------------------------------------------------------|----------------------|-----------------------------------------------------|--------------------------|----------------------|----------------------|-----------------------------------------------------|--------------------------|----------------------|----------------------|
|                              |                                                                                             | As at March 31, 2024 | Transaction value for the year ended March 31, 2025 | Received During the year | Paid During The year | As at March 31, 2025 | Transaction value for the year ended March 31, 2026 | Received During the year | Paid During the Year | As at March 31, 2026 |
| Mrs. V Vasantha Lakshmi      | Share Capital (₹ 5/- Paid up*)<br>(March 31, 2025: ₹ 10 /-paid up)                          | 249.18               | -                                                   | -                        | -                    | 249.18               | -                                                   | -                        | -                    | 249.18               |
|                              | Purchase of IKF Home Finance Ltd shares *****                                               | -                    | -                                                   | -                        | -                    | -                    | -                                                   | -                        | 603.85               | -                    |
| Mr. V Raghu Ram              | Share Capital (₹ 5/- Paid up*)<br>(March 31, 2025: ₹ 10 /-paid up)                          | 180.07               | -                                                   | -                        | -                    | 180.07               | -                                                   | -                        | -                    | 180.07               |
|                              | Purchase of IKF Home Finance Ltd shares *****                                               | -                    | -                                                   | -                        | -                    | -                    | -                                                   | -                        | 436.37               | -                    |
| Ms.K.Mounica                 | Salary Paid                                                                                 | -                    | -                                                   | -                        | -                    | -                    | 2.80                                                | -                        | -                    | -                    |
| Mr. Sinha Satyanand Chunduri | Share Capital (₹ 5/- Paid up*)<br>(March 31, 2025: ₹ 10 /-paid up)                          | 11.77                | -                                                   | -                        | -                    | 11.77                | -                                                   | -                        | -                    | 11.77                |
| Mrs. Durga Rani Chunduri     | Share Capital (₹ 5/- Paid up*)<br>(March 31, 2025: ₹ 10 /-paid up)                          | 149.41               | -                                                   | -                        | -                    | 149.41               | -                                                   | -                        | -                    | 149.41               |
| IKF Home Finance Limited     | Direct Assignment                                                                           | 1,383.99             | -                                                   | (409.97)                 | -                    | 974.02               | -                                                   | (244.86)                 | -                    | 729.16               |
|                              | Interest Receivable on Direct Assignment                                                    | 20.81                | 166.87                                              | (171.73)                 | -                    | 15.96                | 114.19                                              | (116.91)                 | -                    | 13.24                |
|                              | Investments in equity shares by IKF Finance Ltd.,                                           | 15,219.23            | -                                                   | -                        | -                    | 15,219.23            | -                                                   | -                        | 19,592.54            | 34,811.77            |
|                              | Investments in equity shares by IKF Finance Ltd by purchase of shares from promoters *****  | -                    | -                                                   | -                        | -                    | -                    | -                                                   | -                        | -                    | 6,440.00             |
|                              | Service Fee Collected                                                                       | -                    | 91.03                                               | -                        | -                    | -                    | 35.72                                               | -                        | -                    | -                    |
|                              | Service Fee Paid                                                                            | -                    | 5.08                                                | -                        | -                    | -                    | -                                                   | -                        | -                    | -                    |
|                              | ESOP Compensation for employees of IKF Home Finance Ltd                                     | -                    | 1.77                                                | -                        | -                    | 1.77                 | 83.13                                               | -                        | -                    | 84.90                |
|                              | Number of ESOP Granted to the employees of IKF Home Finance Ltd(Net of Lapse)(in Lakhs )*** | -                    | 0.43                                                | -                        | -                    | -                    | 0.95                                                | -                        | -                    | -                    |

# NOTES

## TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Name of related party                                                                                                                                             | Nature of transaction                                           | For the FY 2025      |                                                     |                          |                      | For the FY 2026      |                                                     |                          |                      |                      |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|----------------------|-----------------------------------------------------|--------------------------|----------------------|----------------------|-----------------------------------------------------|--------------------------|----------------------|----------------------|
|                                                                                                                                                                   |                                                                 | As at March 31, 2024 | Transaction value for the year ended March 31, 2025 | Received During the year | Paid During The year | As at March 31, 2025 | Transaction value for the year ended March 31, 2026 | Received During the year | Paid During the Year | As at March 31, 2026 |
| Enterprises significantly influenced by key management personnel or their relatives                                                                               |                                                                 |                      |                                                     |                          |                      |                      |                                                     |                          |                      |                      |
| IKF Infratech Private Limited                                                                                                                                     | Inter Corporate deposits taken                                  | -                    | -                                                   | 490.00                   | (490.00)             | -                    | -                                                   | -                        | -                    | -                    |
|                                                                                                                                                                   | Interest Paid                                                   | -                    | 1.21                                                | -                        | -                    | -                    | -                                                   | -                        | -                    | -                    |
| Enterprises having a significant influence                                                                                                                        |                                                                 |                      |                                                     |                          |                      |                      |                                                     |                          |                      |                      |
| India Business Excellence Fund-IIA ****                                                                                                                           | Share Capital (₹ 5/- Paid up*) (March 31, 2025: ₹ 10 /-paid up) | 1,305.16             | -                                                   | -                        | -                    | 1,305.16             | -                                                   | -                        | -                    | -                    |
| Vistra ITCL (India) Limited (formerly known as IL and FS Trust Company Limited) (Trustee of Business Excellence Trust-II - India Business Excellence Fund II)**** | Share Capital (₹ 5/- Paid up*) (March 31, 2025: ₹ 10 /-paid up) | 780.40               | -                                                   | -                        | -                    | 780.40               | -                                                   | -                        | -                    | -                    |
| Norwest Capital LLC                                                                                                                                               | Share Capital (₹ 5/- Paid up*) (March 31, 2025: ₹ 10 /-paid up) | -                    | -                                                   | -                        | -                    | -                    | (2,319.74)                                          | -                        | -                    | 2,319.74             |

# NOTES

## TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Particulars                           | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|---------------------------------------|-------------------------|-------------------------|
| Short-term employee benefits          | 842.46                  | 604.63                  |
| Post-employment benefits <sup>#</sup> | -                       | -                       |
| Long-term employee benefits           | -                       | -                       |
| Termination benefits                  | -                       | -                       |
| Employee-share based payment          | -                       | -                       |
| <b>Total compensation</b>             | <b>842.46</b>           | <b>604.63</b>           |

<sup>#</sup>As the provision for gratuity is made for the Company as a whole, the amount pertaining to the Key Management Personnel is not specifically identified and hence is not included above.

\*Further, pursuant to the approval of shareholders at the Extraordinary General Meeting held on March 06, 2026, the face value of equity shares has been split from ₹ 10 each to ₹ 5 each, with March 30, 2026 being the record date. Accordingly, the face value per share stands revised to ₹ 5 each with effect from that date.

\*\* The Increased/Decreased value is relating to purchase of shares/debentures from the public.

\*\*\*Further, pursuant to the approval of shareholders at the Extraordinary General Meeting held on March 06, 2026, the face value of equity share options has been split from ₹ 10 each to ₹ 5 each, with March 30, 2026 being the record date. Accordingly, the face value per share option stands revised to ₹ 5 each with effect from that date.

\*\*\*\*Represents enterprises which ceased to be related parties during the current financial year due to divestment of shareholding.

\*\*\*\*\* Company purchased shares of IKF Home Finance Limited from the promoters, and the same have been disclosed separately on an individual basis

### Notes:

- Transaction values are excluding taxes and duties.
- Name of the related parties and nature of their relationships where control exists have been disclosed irrespective of whether or not there have been transactions with the Company. In other cases, disclosures have been made only when there have been transactions with those parties.
- Related parties as defined under clause 9 of the Ind AS 24 'Related party disclosures' have been identified based on representations made by key managerial personnel and information available with the Company. All above transactions are in the ordinary course of business
- The Company has not granted loans or advances to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that is repayable on demand or without specifying any terms or period of repayment for the financial years ended March 31, 2026 and March 31, 2025.

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

**48 DISCLOSURE PURSUANT TO MASTER DIRECTION-RBI/DOR/2025-26/359 DOR.ACC.REC.NO.278/21.04.018/2025-26 RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANIES – FINANCIAL STATEMENTS: PRESENTATION AND DISCLOSURES) DIRECTIONS, 2025 DATED NOVEMBER 28, 2025 AS AMENDED**

**A comparison between provision required under IRACP and impairment allowances under Ind AS 109:**

**As at March 31, 2026**

| 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 | Provision 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)                                              |
| <b>Performing Assets</b>                                                                                                                                                                          |                                        |                                     |                                                           |                     |                                        |                                                          |
| Standard                                                                                                                                                                                          | Stage 1                                | 5,34,302.20                         | 1,677.68                                                  | 5,32,624.52         | 2,136.22                               | (458.54)                                                 |
|                                                                                                                                                                                                   | Stage 2                                | 38,354.83                           | 1,730.62                                                  | 36,624.21           | 152.93                                 | 1,577.68                                                 |
| <b>Subtotal for Performing Assets</b>                                                                                                                                                             |                                        | <b>5,72,657.03</b>                  | <b>3,408.30</b>                                           | <b>5,69,248.73</b>  | <b>2,289.15</b>                        | <b>1,119.14</b>                                          |
| <b>Non-Performing Assets (NPA)</b>                                                                                                                                                                |                                        |                                     |                                                           |                     |                                        |                                                          |
| Substandard                                                                                                                                                                                       | Stage 3                                | 10,004.04                           | 3,359.26                                                  | 6,644.78            | 903.50                                 | 2,455.76                                                 |
| Doubtful - upto 1 year                                                                                                                                                                            | Stage 3                                | 4,716.30                            | 1,583.96                                                  | 3,132.34            | 709.53                                 | 874.42                                                   |
| Doubtful - 1 to 3 years                                                                                                                                                                           | Stage 3                                | 63.84                               | 21.45                                                     | 42.39               | 28.68                                  | -7.23                                                    |
| Doubtful - more than 3 years                                                                                                                                                                      | Stage 3                                | -                                   | -                                                         | -                   | -                                      | -                                                        |
| Loss                                                                                                                                                                                              | Stage 3                                | -                                   | -                                                         | -                   | -                                      | -                                                        |
| <b>Subtotal for NPA</b>                                                                                                                                                                           |                                        | <b>14,784.18</b>                    | <b>4,964.67</b>                                           | <b>9,819.51</b>     | <b>1,641.71</b>                        | <b>3,322.96</b>                                          |
| 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                                | -                                   | -                                                         | -                   | -                                      | -                                                        |
| <b>Subtotal for other items</b>                                                                                                                                                                   |                                        | <b>-</b>                            | <b>-</b>                                                  | <b>-</b>            | <b>-</b>                               | <b>-</b>                                                 |
| <b>Total</b>                                                                                                                                                                                      | <b>Stage 1</b>                         | <b>5,34,302.20</b>                  | <b>1,677.68</b>                                           | <b>5,32,624.52</b>  | <b>2,136.22</b>                        | <b>(458.54)</b>                                          |
|                                                                                                                                                                                                   | <b>Stage 2</b>                         | <b>38,354.83</b>                    | <b>1,730.62</b>                                           | <b>36,624.21</b>    | <b>152.93</b>                          | <b>1,577.68</b>                                          |
|                                                                                                                                                                                                   | <b>Stage 3</b>                         | <b>14,784.18</b>                    | <b>4,964.68</b>                                           | <b>9,819.51</b>     | <b>1,641.71</b>                        | <b>3,322.96</b>                                          |
|                                                                                                                                                                                                   | <b>Total</b>                           | <b>5,87,441.21</b>                  | <b>8,372.97</b>                                           | <b>5,79,068.24</b>  | <b>3,930.86</b>                        | <b>4,442.10</b>                                          |

**As at March 31, 2025**

| 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 | Provision 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)                                              |
| <b>Performing Assets</b>              |                                        |                                     |                                                           |                     |                                        |                                                          |
| Standard                              | Stage 1                                | 4,13,677.11                         | 1,224.96                                                  | 4,12,452.15         | 1,660.72                               | (435.76)                                                 |
|                                       | Stage 2                                | 33,422.75                           | 1,297.55                                                  | 32,125.20           | 132.51                                 | 1,165.04                                                 |
| <b>Subtotal for Performing Assets</b> |                                        | <b>4,47,099.86</b>                  | <b>2,522.51</b>                                           | <b>4,44,577.34</b>  | <b>1,793.23</b>                        | <b>729.28</b>                                            |
| <b>Non-Performing Assets (NPA)</b>    |                                        |                                     |                                                           |                     |                                        |                                                          |
| Substandard                           | Stage 3                                | 6,875.67                            | 2,309.95                                                  | 4,565.72            | 642.24                                 | 1,667.71                                                 |
| Doubtful - upto 1 year                | Stage 3                                | 3,326.34                            | 1,117.51                                                  | 2,208.82            | 846.69                                 | 270.83                                                   |
| Doubtful - 1 to 3 years               | Stage 3                                | 54.88                               | 19.14                                                     | 35.75               | 13.39                                  | 5.75                                                     |



## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| 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 | Provision 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)                                              |
| Doubtful - more than 3 years                                                                                                                                                                      | Stage 3                                | -                                   | -                                                         | -                   | -                                      | -                                                        |
| Loss                                                                                                                                                                                              | Stage 3                                | -                                   | -                                                         | -                   | -                                      | -                                                        |
| <b>Subtotal for NPA</b>                                                                                                                                                                           |                                        | <b>10,256.89</b>                    | <b>3,446.60</b>                                           | <b>6,810.29</b>     | <b>1,502.31</b>                        | <b>1,944.29</b>                                          |
| 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                                | -                                   | -                                                         | -                   | -                                      | -                                                        |
| <b>Subtotal for other items</b>                                                                                                                                                                   |                                        | -                                   | -                                                         | -                   | -                                      | -                                                        |
| <b>Total</b>                                                                                                                                                                                      | <b>Stage 1</b>                         | <b>4,13,677.11</b>                  | <b>1,224.96</b>                                           | <b>4,12,452.15</b>  | <b>1,660.72</b>                        | <b>(435.76)</b>                                          |
|                                                                                                                                                                                                   | <b>Stage 2</b>                         | <b>33,422.75</b>                    | <b>1,297.55</b>                                           | <b>32,125.20</b>    | <b>132.51</b>                          | <b>1,165.04</b>                                          |
|                                                                                                                                                                                                   | <b>Stage 3</b>                         | <b>10,256.89</b>                    | <b>3,446.60</b>                                           | <b>6,810.29</b>     | <b>1,502.31</b>                        | <b>1,944.29</b>                                          |
|                                                                                                                                                                                                   | <b>Total</b>                           | <b>4,57,356.74</b>                  | <b>5,969.11</b>                                           | <b>4,51,387.64</b>  | <b>3,295.54</b>                        | <b>2,673.57</b>                                          |

\*Provision required as per IRACP norms is excluding provision on interest income from Stage 3 loans.

In terms of requirement of Master Direction-Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023, non banking financial companies are required to create impairment reserve for any short fall in impairment allowance under Ind As 109 and IRACP norms (including provision on standard assets). The impairment allowance under Ind As 109 made by the company exceeds the total provision required under IRACP (including standard assets provisioning), as at March 31, 2026 and March 31, 2025 and accordingly, no amount is required to be transferred to impairment reserve.

#### 49. RBI DISCLOSURES

The following additional information is disclosed in the terms of RBI/DOR/2025-26/359 DOR.ACC.REC No.278/21.04.018/2025-26 Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 dated November 28, 2025 as amended

##### 49.01 Capital to Risk Asset Ratio (CRAR)

| Particulars                                             | As at March 31, 2026 | As at March 31, 2025 |
|---------------------------------------------------------|----------------------|----------------------|
| Tier I Capital                                          | 1,55,689.03          | 85,319.59            |
| Tier II Capital                                         | 5,892.66             | 9,407.75             |
| Total Capital                                           | 1,61,581.70          | 94,727.34            |
| Total Risk Weighted Assets                              | 5,91,160.39          | 4,54,081.56          |
| CRAR (%)                                                | 27.34%               | 20.86%               |
| CRAR - Tier I Capital (%)                               | 26.34%               | 18.79%               |
| CRAR - Tier II Capital (%)                              | 1.00%                | 2.07%                |
| Amount of subordinated debt raised as Tier - II Capital | 16,500.00            | 16,500.00            |
| Amount raised by issue of perpetual debt Instruments    | -                    | -                    |

“Tier I Capital”, “Tier II Capital”, “Owned Fund” and the “Capital Adequacy Ratio” are computed in accordance with the applicable prudential norms and regulatory guidelines issued by the Reserve Bank of India and are disclosed in accordance with the provisions of the Master Direction – Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025, vide Notification No. RBI/DOR/2025-26/359, DOR.ACC.REC.No.278/21.04.018/2025-26 dated November 28, 2025, as amended.

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 49.02 Investments

| Particulars                                                                | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|----------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>(a) Value of Investments</b>                                            |                         |                         |
| (I) Gross value of investments                                             |                         |                         |
| (a) In India                                                               | 46,922.36               | 16,134.82               |
| (a) Outside India                                                          | -                       | -                       |
| (II) Provisions for Depreciation                                           |                         |                         |
| (a) In India                                                               | -                       | -                       |
| (a) Outside India                                                          | -                       | -                       |
| (III) Net value of investments                                             |                         |                         |
| (a) In India                                                               | 46,922.36               | 16,134.82               |
| (a) Outside India                                                          | -                       | -                       |
| <b>(b) Movements of provisions held towards impairment on investments</b>  |                         |                         |
| (I) Opening balance                                                        | -                       | -                       |
| (II) Add : Provisions made during the year                                 | -                       | -                       |
| (III) Less : Write-off/ Written- back of excess provisions during the year | -                       | -                       |
| (IV) Closing balance                                                       | -                       | -                       |

#### 49.03 Derivatives

The Company has not entered into any forward rate agreements, interest rate swaps, and exchange traded interest rate derivatives. Hence, no disclosure is made for the same.

#### 49.04 Disclosures relating to securitisation

| Particulars                                                                                              | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|----------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| (I) No of SPEs holding assets for securitisation transactions originated by the originator               | 2.00                    | 1.00                    |
| (II) Total amount of securitised assets as per books of the SPEs                                         | 19,498.81               | 13,442.32               |
| (III) Total amount of exposure retained by the originator to comply with MRR as on date of balance sheet |                         |                         |
| (a) Off-balance sheet exposure towards credit enhancements                                               |                         |                         |
| (i) First Loss                                                                                           | -                       | -                       |
| (ii) Others                                                                                              | -                       | -                       |
| (a) On-balance sheet exposure towards credit enhancements                                                |                         |                         |
| (i) First Loss                                                                                           | 4,820.76                | 2,036.56                |
| (ii) Others                                                                                              | -                       | -                       |
| (IV) Amount of exposures to securitisation transactions other than MRR                                   |                         |                         |
| (a) Off-balance sheet exposure                                                                           |                         |                         |
| (i) Exposure to own securitisations                                                                      |                         |                         |
| (1) First Loss                                                                                           | -                       | -                       |
| (2) Others                                                                                               | -                       | -                       |
| (i) Exposure to third party securitisations                                                              |                         |                         |
| (1) First Loss                                                                                           | -                       | -                       |
| (2) Others                                                                                               | -                       | -                       |
| (b) On balance sheet exposure                                                                            |                         |                         |
| (i) Exposure to own securitisations                                                                      |                         |                         |
| (1) First Loss                                                                                           | -                       | -                       |
| (2) Others                                                                                               | -                       | -                       |

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Particulars                                                                                                                                                                                                                                  | As at<br>March 31, 2026                    | As at<br>March 31, 2025                            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|----------------------------------------------------|
| (i) Exposure to third party securitisations                                                                                                                                                                                                  |                                            |                                                    |
| (1) First Loss                                                                                                                                                                                                                               | -                                          | -                                                  |
| (2) Others                                                                                                                                                                                                                                   | -                                          | -                                                  |
| (V) Sale consideration received for the securitised assets                                                                                                                                                                                   | 35,376.14                                  | 14,599.23                                          |
| Gain/loss on sale on account of securitisation                                                                                                                                                                                               | -                                          | -                                                  |
| (VI) Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.                                                                                                       | Credit Enhancement, Servicing Agent        | Credit Enhancement, Servicing Agent                |
| (VII) Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided. (Credit Enhancement) |                                            |                                                    |
| (a) Amount paid                                                                                                                                                                                                                              | 4,820.76                                   | 2,036.56                                           |
| (b) Repayment received                                                                                                                                                                                                                       | -                                          | -                                                  |
| (c) Outstanding amount                                                                                                                                                                                                                       | 4,820.76                                   | 2,036.56                                           |
| (VIII) Average default rate of portfolios observed in the past.                                                                                                                                                                              |                                            |                                                    |
| (a) Vehicle Loans                                                                                                                                                                                                                            | 0.77%                                      | 0.41%                                              |
| (b) Others                                                                                                                                                                                                                                   | -                                          | -                                                  |
| (IX) Amount and number of additional/top up loan given on same underlying asset.                                                                                                                                                             |                                            |                                                    |
| (a) Vehicle Loans                                                                                                                                                                                                                            | -                                          | -                                                  |
| (b) Others                                                                                                                                                                                                                                   | -                                          | -                                                  |
| (X) Investor complaints (a) Directly/Indirectly received and; (b) Complaints outstanding                                                                                                                                                     | -                                          | -                                                  |
| (XI) Credit Rating                                                                                                                                                                                                                           | Series A PTC -AAA(SO)and Equity PTC-A+(SO) | Series A1(a) and A1(b)AAA(SO) Series A2 A+(Stable) |

#### 49.05 Disclosures on Co-lending Arrangements

Details of Co-Lending Arrangements (CLA) as a Originating Reporting Entity

| Particulars                                                           | Year Ended March 31, 2026                            |
|-----------------------------------------------------------------------|------------------------------------------------------|
| Number of CLA'S                                                       | 2                                                    |
| Number of outstanding loans                                           | 1838                                                 |
| Amount of outstanding loans <sup>#</sup>                              | 20481.28                                             |
| Weighted average Interest rate                                        | 18.38%                                               |
| Fee charged /paid (loan origination)- ₹ in Lakhs                      | -                                                    |
| Broad sector in which CLA was Made                                    | Commercial Vehicles, Construction Equipment and MSME |
| Performance of loans under CLA -(₹ in Lakhs)                          |                                                      |
| - Total Disbursement till March 31, 2026 <sup>#</sup>                 | 53224.13                                             |
| - Outstanding on above disbursement as on March 31, 2026 <sup>#</sup> | 20481.28                                             |
| - Write Off done till March 31, 2026 <sup>#</sup>                     | -                                                    |
| - Gross NPA as on March 31, 2026 <sup>#</sup>                         | 1619.35                                              |
| Details related to Default loss Guarantee                             | Nil                                                  |

<sup>#</sup>Balance of both Originator and Partner

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 49.06 Details of financial assets sold to securitisation / reconstruction company for asset reconstruction.

The Company has not sold financial assets to Securitisation / Reconstruction companies for asset reconstruction in the current and previous year

#### 49.07 Disclosure of transfer of loan exposure of loans transferred / acquired during the year ended March 31, 2026

(i) Details of loans not in default transferred / acquired through assignment during the Year ended March 31, 2026

| Particulars                                                   | Transferred    | Acquired       |
|---------------------------------------------------------------|----------------|----------------|
| Aggregate amount of loans transferred / acquired (₹ in Lakhs) | 55,838.85      | 3,115.94       |
| Weighted average maturity (in months)                         | 37.73          | 29.47          |
| Weighted average holding period (in months)                   | 9.93           | 10.86          |
| Retention of beneficial economic interest by the originator   | 10%-15%        | 10%            |
| Tangible security Coverage                                    | 100%           | 100%           |
| Rating-wise distribution of rated loans                       | Not Applicable | Not Applicable |

(ii) The Company has not transferred any non-performing assets (NPAs) during the year ended March 31, 2026

(iii) The Company has not transferred any Special Mention Account (SMA) and loan in default during the year ended March 31, 2026

(iv) The Company has not acquired any stressed loan during the year ended March 31, 2026

#### 49.08 Value of Imports calculated on CIF basis

The Company has not imported any goods therefore value of import on CIF basis is Nil

#### 49.09 Expenditure in Foreign Currency

| Particulars                 | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|-----------------------------|------------------------------|------------------------------|
| Legal and professional fees | 12.22                        | 22.32                        |
| <b>Total</b>                | <b>12.22</b>                 | <b>22.32</b>                 |

#### 49.10 Earnings in Foreign Currency

The Company does not have any earnings in foreign currency

#### 49.11 Details of credit impaired assets purchased / sold

The Company has not purchased / sold non-performing financial assets in the current and previous year

#### 49.12 Exposure to Real estate sector

| Particulars                                                                                                                                                                                                                                                                                                                                          | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| Residential Mortgages -                                                                                                                                                                                                                                                                                                                              | -                            | -                            |
| Lending - Fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented                                                                                                                                                                                                                           |                              |                              |
| Commercial Real Estate -                                                                                                                                                                                                                                                                                                                             | -                            | -                            |
| Lending - Secured by mortgages on commercial real estates (office buildings, retail space, multi purpose 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 limits |                              |                              |
| Investments in -                                                                                                                                                                                                                                                                                                                                     | 41,336.67                    | 15,221.00                    |
| Funded and Non-funded Exposures NHB and Housing Finance Companies(HFCs)                                                                                                                                                                                                                                                                              |                              |                              |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                         | <b>41,336.67</b>             | <b>15,221.00</b>             |

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 49.13 Exposure to Capital Market

The Company has no exposure to the capital market directly or indirectly in the current and previous year.

#### 49.14 Financing of Parent Company Product

This disclosure is not applicable as the Company does not have any holding / parent company

#### 49.15 Single Borrower Limit / Group Borrower Limit

The Company has not lent / invested / lent and invested in any borrower / group of borrower in excess of limits prescribed by the RBI.

#### 49.16 Unsecured Advances

The Company has no unsecured advances given against rights, licenses, authorizations etc. during the year and for previous year.

#### 49.17 Registration from Other Financial Sector Regulators

The Company is registered with following other financial sector regulators (Financial regulators as described by Ministry of Finance):

- |                                                        |                         |
|--------------------------------------------------------|-------------------------|
| i. R.B.I.                                              | - B-09.00172            |
| ii. Ministry of Corporate Affairs                      | - U65992AP1991PLC012736 |
| iii. Ministry of Finance (Financial Intelligence Unit) | - FINBF13220            |

#### 49.18 Penalty

No penalties were imposed by RBI and other regulators during the current year

#### 49.19 Credit Rating

| Particulars                  | As at<br>March 31, 2026 |                                                             |                                                      | As at<br>March 31, 2025                                  |
|------------------------------|-------------------------|-------------------------------------------------------------|------------------------------------------------------|----------------------------------------------------------|
| Nature of borrowing          | Rating / Outlook        |                                                             |                                                      | Rating / Outlook                                         |
|                              | INDIA RATING            | CARE                                                        | ICRA                                                 | CARE                                                     |
| Long term bank facilities    | AA-(Stable)             | A+ (Stable)                                                 | -                                                    | A+ (Stable)                                              |
| Commercial Paper             | A1+                     | -                                                           | -                                                    | -                                                        |
| Non - Convertible Debentures | AA-(Stable)             | A+ (Stable)                                                 | -                                                    | A+ (Stable)                                              |
| PTC                          | -                       | Series A1(a) and<br>A1(b)AAA(SO)<br>Series A2<br>A+(Stable) | Series A PTC<br>-AAA(SO)and<br>Equity PTC-<br>A+(SO) | Series A1(a)<br>and A1(b)AAA(SO)<br>Series A2 A+(Stable) |

#### 49.20 Provisions

| Particulars                               | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-------------------------------------------|-------------------------|-------------------------|
| 1. Provisions towards income tax          | 5,383.95                | 3,186.28                |
| 2. Provisions towards loans               | 3,349.65                | 2,396.09                |
| 3. Provisions towards undrawn commitments | 0.62                    | 11.39                   |
| 4. Provisions for others                  | -6.16                   | 6.16                    |
| 5. Provisions towards trade receivables   | -                       | -                       |

#### 49.21 Draw down from Reserves:

There has been no draw down from reserves during the year ended March 31, 2026 (previous year: Nil)

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 49.22 Concentration of Loans

| Particulars                                                                   | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-------------------------------------------------------------------------------|-------------------------|-------------------------|
| Total Loans to twenty largest borrowers                                       | 22,997.34               | 29,909.22               |
| Percentage of Loans to twenty largest borrowers to total advances of the NBFC | 3.91%                   | 6.54%                   |

#### 49.23 Concentration of All Exposure (including off - balance sheet exposures)

| Particulars                                                                                                            | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| Total Exposure to twenty largest borrowers / customers                                                                 | 23,913.96               | 30,007.61               |
| Percentage of exposure to twenty largest borrowers / customers to total exposure of the NBFC on borrowers / customers. | 3.56%                   | 5.78%                   |

#### 49.24 Concentration of credit impaired loans

| Particulars                                         | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-----------------------------------------------------|-------------------------|-------------------------|
| Total Exposure to top four credit impaired accounts | 3,014.58                | 1,378.31                |

#### 49.25 Sector Wise Credit-Impaired Assets under Ind AS

| Particulars                        | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|------------------------------------|-------------------------|-------------------------|
| 1. Agriculture & allied activities | 10.06%                  | 13.76%                  |
| 2. MSME                            | -                       | -                       |
| 3. Corporate Borrowers             | -                       | -                       |
| 4. Services                        | 2.32%                   | 1.83%                   |
| 5. Unsecured Personal Loans        | -                       | -                       |
| 6. Auto Loans                      | 2.40%                   | 2.75%                   |
| 7. Others                          | 0.31%                   | 3.34%                   |

#### 49.26 Movement of Credit-Impaired Loans under Ind AS

| Particulars                                                          | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|----------------------------------------------------------------------|-------------------------|-------------------------|
| (I) Net impaired loss allowance to Net loans (%)                     | 1.69%                   | 1.50%                   |
| (II) Movement of Credit impaired loans under Ind-AS (Gross)          |                         |                         |
| (a) Opening Balance                                                  | 10,256.89               | 7,728.83                |
| (b) (Deletion)/Addition during the year                              | 4,527.29                | 2,528.06                |
| (c) Closing balance                                                  | 14,784.18               | 10,256.89               |
| (III) Movement of Net Impaired loss                                  |                         |                         |
| (a) Opening Balance                                                  | 6,810.29                | 5,903.81                |
| (b) (Deletion)/Addition during the year                              | 3,009.22                | 906.48                  |
| (c) Closing balance                                                  | 9,819.51                | 6,810.29                |
| (III) Movement of impairment loss allowance on credit impaired loans |                         |                         |
| (a) Opening Balance                                                  | 3,446.60                | 1,825.02                |
| (b) (Deletion)/Addition during the year                              | 1,518.07                | 1,621.58                |
| (c) Closing balance                                                  | 4,964.67                | 3,446.60                |

#### 49.27 Overseas Assets

The Company does not have any joint venture or subsidiary abroad; hence this disclosure is not applicable.

#### 49.28 Area of Operation

The Company along with its subsidiary operates in India and does not have any joint ventures and overseas subsidiaries. Hence this disclosure is not applicable.



## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 49.29 Off Balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

The Company has not sponsored any off-Balance Sheet SPV

#### 49.30 Customer Complaints

| Sr. No                                                                          | Particulars                                                                                                   | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|---------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Complaints received by the Company from its customers</b>                    |                                                                                                               |                         |                         |
| 1                                                                               | Number of complaints pending at beginning of the year                                                         | -                       | -                       |
| 2                                                                               | Number of complaints received during the year                                                                 | 58                      | 61                      |
| 3                                                                               | Number of complaints disposed during the year                                                                 | 53                      | 61                      |
| 3.1                                                                             | Of which, number of complaints rejected by the Company -                                                      |                         |                         |
| 4                                                                               | Number of complaints pending at the end of the year                                                           | 5                       | -                       |
| <b>Maintainable complaints received by the Company from Office of ombudsman</b> |                                                                                                               |                         |                         |
| 5                                                                               | Number of maintainable complaints received by the Company from Office of Ombudsman                            | 8                       | 9                       |
| 5.1                                                                             | Of 5, number of complaints resolved in favour of the Company by office of Ombudsman                           | 7                       | 9                       |
| 5.2                                                                             | Of 5, number of complaints resolved through conciliation/ mediation/ advisories issued by Office of Ombudsman | -                       | -                       |
| 5.3                                                                             | Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the Company        | -                       | -                       |
| 6                                                                               | Number of Awards unimplemented within the stipulated time (other than those appealed)                         | -                       | -                       |
| 7                                                                               | Number of complaints pending at the end of the year                                                           | 1                       | -                       |

#### 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                                                 |
| <b>Year ended March 31, 2026</b>                     |                                                           |                                               |                                                                                  |                                                     |                                                   |
| Credit reports related                               |                                                           | 22                                            | 69%                                                                              | -                                                   | -                                                 |
| Document related                                     |                                                           | 15                                            | (21%)                                                                            | 1                                                   | -                                                 |
| Loan related                                         |                                                           | 10                                            | (47%)                                                                            | -                                                   | -                                                 |
| Payment related                                      |                                                           | 11                                            | 100%                                                                             | 1                                                   | -                                                 |
| Others                                               |                                                           | 8                                             | 0%                                                                               | 1                                                   | -                                                 |
| <b>Total</b>                                         |                                                           | <b>66</b>                                     | <b>(6%)</b>                                                                      | <b>-</b>                                            | <b>-</b>                                          |
| <b>Year ended March 31, 2025</b>                     |                                                           |                                               |                                                                                  |                                                     |                                                   |
| Credit reports related                               |                                                           | 13                                            | (13%)                                                                            | -                                                   | -                                                 |
| Document related                                     |                                                           | 19                                            | (24%)                                                                            | -                                                   | -                                                 |
| Loan related                                         |                                                           | 19                                            | 138%                                                                             | -                                                   | -                                                 |
| Payment related                                      |                                                           | 11                                            | (27%)                                                                            | -                                                   | -                                                 |
| Others                                               |                                                           | 8                                             | (20%)                                                                            | -                                                   | -                                                 |
| <b>Total</b>                                         |                                                           | <b>70</b>                                     | <b>(4%)</b>                                                                      | <b>-</b>                                            | <b>-</b>                                          |

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 49.31 Details of frauds noticed / reported are as below:

| Particulars                 | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|-----------------------------|------------------------------|------------------------------|
| Amount Involved             | -                            | -                            |
| Amount Recovered            | -                            | -                            |
| Amount Written off/provided | -                            | -                            |
| Balance                     | -                            | -                            |

#### 49.32 Transactions with Non-Executive Directors

| Name of Non-Executive Director  | Transaction Type        | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|---------------------------------|-------------------------|------------------------------|------------------------------|
| Sunil Rewachand Chandiramani    | Payment of Sitting Fees | 13.50                        | 14.25                        |
| Kannan V                        | Payment of Sitting Fees | 16.20                        | 12.05                        |
| Raman Uberoi                    | Payment of Sitting Fees | 16.50                        | 15.75                        |
| Sethuraman Ganesh               | Payment of Sitting Fees | 11.25                        | 13.00                        |
| Satyanarayana Prasad Kanaparthi | Payment of Sitting Fees | -                            | 4.75                         |

#### 49.33 Postponement of Revenue Recognition

Refer note 2.5 Revenue from operations for the circumstances in which revenue recognition has been postponed pending uncertainty of realisation.

#### 49.34 Dues to micro, small and medium enterprises

For the year ended March 31, 2026, no vendor / supplier has intimated the Company about its status as micro or small enterprises or its registration with the appropriate authority under MSMED. There are no amounts that need to be disclosed in accordance with the Micro Small and Medium Enterprise Development Act, 2006 (the 'MSMED') pertaining to micro or small enterprises.

#### 49.35 Disclosure on Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses in terms of RBI circular RBI / 2021-22 / 31 DOR. STR. REC.11 / 21.04.048 / 2021-22 dated May 5, 2021:

| Type of borrower   | Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A) | Of (A), aggregate debt that slipped into NPA during the half-year | Of (A) amount written off during the half-year | Of (A) amount paid by the borrowers during the half-year | Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year |
|--------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|------------------------------------------------|----------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| Personal Loans     | -                                                                                                                                                  | -                                                                 | -                                              | -                                                        | -                                                                                                                                      |
| Corporate Persons* | -                                                                                                                                                  | -                                                                 | -                                              | -                                                        | -                                                                                                                                      |
| of which MSMEs     | -                                                                                                                                                  | -                                                                 | -                                              | -                                                        | -                                                                                                                                      |
| Others             | 32.73                                                                                                                                              | -                                                                 | -                                              | 32.73                                                    | -                                                                                                                                      |
| <b>Total</b>       | <b>32.73</b>                                                                                                                                       | <b>-</b>                                                          | <b>-</b>                                       | <b>32.73</b>                                             | <b>-</b>                                                                                                                               |

\*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

Disclosures for Reserve Bank of India circular on Resolution Framework for Covid-19 related stress dated August 6, 2020 are not applicable to the Company as none of the borrowers opted for the resolution plan.

#### 49.36 Restructuring of Loans

The Company has not restructured any loans during the year ended March 31, 2026

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 49.37 Loans against Gold and Silver collateral

(i) Details of loans extended against eligible gold and silver collateral

| Particulars                                                          | Loan Outstanding |                     | Average Ticket Size | Average LTV Ratio | Gross NPA |
|----------------------------------------------------------------------|------------------|---------------------|---------------------|-------------------|-----------|
|                                                                      | Amount           | As % of Total Loans |                     |                   |           |
| <b>1. Opening balance of the FY [(a)+(b)]</b>                        | -                | -                   | -                   | -                 | -         |
| (a) Consumption loans                                                | -                | -                   | -                   | -                 | -         |
| of which bullet repayment loans                                      | -                | -                   | -                   | -                 | -         |
| (b) Income generating loans                                          | -                | -                   | -                   | -                 | -         |
| <b>2. New loans sanctioned and disbursed during the FY [(c)+(d)]</b> | -                | -                   | -                   | -                 | NA        |
| (c) Consumption loans                                                | -                | -                   | -                   | -                 | NA        |
| of which bullet repayment loans                                      | -                | -                   | -                   | -                 | NA        |
| (d) Income generating loans                                          | -                | -                   | -                   | -                 | NA        |
| <b>3. Renewals sanctioned and disbursed during the FY</b>            | -                | -                   | -                   | -                 | NA        |
| <b>4. Top-up loans sanctioned and disbursed during the FY</b>        | -                | -                   | -                   | -                 | NA        |
| <b>5. Loans repaid during the FY [(e)+(f)]</b>                       | -                | -                   | -                   | NA                | NA        |
| (e) Consumption loans                                                | -                | -                   | -                   | NA                | NA        |
| of which bullet repayment loans                                      | -                | -                   | -                   | NA                | NA        |
| (f) Income generating loans                                          | -                | -                   | -                   | NA                | NA        |
| <b>6. Non-Performing Loans recovered during the FY [(g) + (h)]</b>   | -                | -                   | -                   | NA                | NA        |
| (g) Consumption loans                                                | -                | -                   | -                   | NA                | NA        |
| of which bullet repayment loans                                      | -                | -                   | -                   | NA                | NA        |
| (h) Income generating loans                                          | -                | -                   | -                   | NA                | NA        |
| <b>7. Loans written off during the FY [(i) + (j)]</b>                | -                | -                   | -                   | NA                | NA        |
| (i) Consumption loans                                                | -                | -                   | -                   | NA                | NA        |
| of which bullet repayment loans                                      | -                | -                   | -                   | NA                | NA        |
| (j) Income generating loans                                          | -                | -                   | -                   | NA                | NA        |
| <b>8. Closing balance at the end of FY [(k) + (l)]</b>               | -                | -                   | -                   | -                 | -         |
| (k) Consumption loans                                                | -                | -                   | -                   | -                 | -         |
| of which bullet repayment loans                                      | -                | -                   | -                   | -                 | -         |
| (l) Income generating loans                                          | -                | -                   | -                   | -                 | -         |

(ii) Details of gold and silver collateral and auctions

| Particulars                                                                             | Details |
|-----------------------------------------------------------------------------------------|---------|
| (a) Unclaimed gold or silver collateral at the end of the financial year (in grams)     | -       |
| (b) Number of loan accounts in which auctions were conducted                            | -       |
| (c) Total outstanding in loan accounts mentioned in (b)                                 | -       |
| (d) Gold or silver collateral acquired during the FY due to default of loans (in grams) | -       |
| (e) Gold or silver collateral auctioned during the FY (in grams)                        | -       |
| (f) Recovery made through auctions during the FY                                        | -       |
| (g) Recovery percentage:                                                                | -       |
| as % of value of gold or silver collateral                                              | -       |
| as % of outstanding loan                                                                | -       |

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 49.38 Disclosure related to project finance

| Item Description                                                                                                                                                                                      | Number of Accounts | Total Outstanding |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-------------------|
| (1) Projects under implementation accounts at the beginning of the quarter.                                                                                                                           | -                  | -                 |
| (2) Projects under implementation accounts sanctioned during the quarter.                                                                                                                             | -                  | -                 |
| (3) Projects under implementation accounts where DCCO has been achieved during the quarter                                                                                                            | -                  | -                 |
| (4) Projects under implementation accounts at the end of the quarter. (1+2-3)                                                                                                                         | -                  | -                 |
| (5) Out of '4' – accounts in respect of which resolution process involving extension in original / extended DCCO, as the case may be, has been invoked.                                               | -                  | -                 |
| (5.1) Out of '5' – accounts in respect of which Resolution plan has been implemented                                                                                                                  | -                  | -                 |
| (5.2) Out of '5' – accounts in respect of which Resolution plan is under implementation.                                                                                                              | -                  | -                 |
| (5.3) Out of '5' – accounts in respect of which Resolution plan has failed.                                                                                                                           | -                  | -                 |
| (6) Out of '5', accounts in respect of which resolution process involving extension in original / extended DCCO, as the case may be, has been invoked due to change in scope and size of the project. | -                  | -                 |
| (7) Out of '5', account in respect of which cost overrun associated with extension in original / extended DCCO, as the case may be, was funded                                                        | -                  | -                 |
| (7.1) Out of '7', accounts where SBCF was sanctioned during financial closure and renewed continuously                                                                                                | -                  | -                 |
| (7.2) Out of '7', accounts where SBCF was not pre-sanctioned or renewed continuously                                                                                                                  | -                  | -                 |
| (8) Out of '4' – accounts in respect of which resolution process not involving extension in original / extended DCCO, as the case may be, has been invoked.                                           | -                  | -                 |
| (8.1) Out of '8' – accounts in respect of which Resolution plan has been implemented                                                                                                                  | -                  | -                 |
| (8.2) Out of '8' – accounts in respect of which Resolution plan is under implementation.                                                                                                              | -                  | -                 |
| (8.3) Out of '8' – accounts in respect of which Resolution plan has failed.                                                                                                                           | -                  | -                 |

#### 49.39 Non-Fund Based (NFB) Credit Facilities

| Particulars                                          | As at March 31, 2026 |                   | As at March 31, 2025 |                   |
|------------------------------------------------------|----------------------|-------------------|----------------------|-------------------|
|                                                      | Secured Portion      | Unsecured Portion | Secured Portion      | Unsecured Portion |
| (I) Outstanding Guarantees                           | -                    | -                 | -                    | -                 |
| (i) In India                                         | -                    | -                 | -                    | -                 |
| (ii) Outside India                                   | -                    | -                 | -                    | -                 |
| (II) Acceptances, Endorsements and other Obligations | -                    | -                 | -                    | -                 |
| (II) Other NFB Credit facilities                     | -                    | -                 | -                    | -                 |

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 49.40 Credit Default Swaps

| Particulars                                                                                     | Amount |
|-------------------------------------------------------------------------------------------------|--------|
| (1) No. of transactions during the year                                                         | -      |
| (2) Amount of protection bought during the year                                                 | -      |
| (3) No. of transactions where credit event payment was received during the year                 | -      |
| (a) pertaining to current year's transactions                                                   | -      |
| (b) pertaining to previous year(s)' transactions                                                | -      |
| (4) Outstanding transactions as on March 31                                                     | -      |
| (a) No. of Transactions                                                                         | -      |
| (b) Amount of protection                                                                        | -      |
| (5) Net income / profit (expenditure / loss) in respect of CDS transactions during year-to-date | -      |
| (a) premium paid                                                                                | -      |
| (b) Credit event payments received (net of value of deliverable obligation).                    | -      |

#### 49.41 Asset liability management

##### Maturity pattern of certain items of asset and liabilities - As at March 31, 2026

| Pattern               | 1 day to 7 days | 8 day to 14 days | 15 day to 30-31 days | Over 1 month to 2 months | Over 2 months upto 3 months | Over 3 to 6 months | Over 6 months to 1 year | Over 1 to 3 years | Over 3 to 5 years | Over 5 years | Total       |
|-----------------------|-----------------|------------------|----------------------|--------------------------|-----------------------------|--------------------|-------------------------|-------------------|-------------------|--------------|-------------|
| <b>Liabilities*</b>   |                 |                  |                      |                          |                             |                    |                         |                   |                   |              |             |
| Borrowings from banks | 1,692.82        | 52.08            | 6,391.18             | 6,462.51                 | 12,308.56                   | 27,743.94          | 57,367.54               | 1,32,767.10       | 23,625.21         | -            | 2,68,410.94 |
| Other Borrowings      | 1,166.89        | 1,028.01         | 1,385.41             | 3,087.14                 | 4,417.45                    | 11,340.53          | 27,246.67               | 42,852.25         | 3,999.69          | -            | 96,524.04   |
| Market Borrowings     | -               | -                | 1,042.87             | 2,774.66                 | 6,184.05                    | 13,624.98          | 39,399.95               | 48,774.98         | -                 | -            | 1,11,801.49 |
| <b>Assets</b>         |                 |                  |                      |                          |                             |                    |                         |                   |                   |              |             |
| Advances*             | 4,510.48        | 3,775.35         | 30,615.06            | 17,041.61                | 17,266.32                   | 50,372.55          | 97,947.35               | 2,92,867.65       | 61,853.80         | 11,191.05    | 5,87,441.23 |
| Investments           | -               | -                | -                    | -                        | -                           | 3,240.82           | -                       | 2,400.75          | -                 | 41,336.67    | 46,978.24   |

##### Maturity pattern of certain items of asset and liabilities - As at March 31, 2025

| Pattern               | 1 day to 7 days | 8 day to 14 days | 15 day to 30-31 days | Over 1 month to 2 months | Over 2 months upto 3 months | Over 3 to 6 months | Over 6 months to 1 year | Over 1 to 3 years | Over 3 to 5 years | Over 5 years | Total       |
|-----------------------|-----------------|------------------|----------------------|--------------------------|-----------------------------|--------------------|-------------------------|-------------------|-------------------|--------------|-------------|
| <b>Liabilities*</b>   |                 |                  |                      |                          |                             |                    |                         |                   |                   |              |             |
| Borrowings from banks | 2,642.24        | 800.41           | 3,601.27             | 4,347.30                 | 10,967.72                   | 21,409.56          | 63,990.83               | 1,03,038.24       | 13,539.27         | 250.00       | 2,24,586.84 |
| Other Borrowings      | 1,273.20        | 471.73           | 1,300.34             | 2,483.80                 | 2,701.43                    | 8,364.32           | 15,467.27               | 48,860.69         | 1,347.15          | 40.63        | 82,310.56   |
| Market Borrowings     | -               | -                | 999.47               | 1,578.23                 | 1,143.01                    | 2,874.98           | 3,250.02                | 64,425.03         | 14,000.00         | -            | 88,270.74   |
| <b>Assets</b>         |                 |                  |                      |                          |                             |                    |                         |                   |                   |              |             |
| Advances*             | 3,501.03        | 2,303.01         | 29,814.31            | 12,194.97                | 12,554.33                   | 37,618.72          | 74,049.36               | 2,12,748.24       | 60,456.80         | 11,769.12    | 4,57,009.89 |
| Investments           | -               | -                | -                    | -                        | -                           | -                  | -                       | 913.82            | -                 | 15,221.00    | 16,134.82   |

\*The amount appearing above for gross loans and borrowings excludes the impact of EIR.

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

**49.42 Liquidity Disclosure pursuant to Master Direction-RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 dated November 28, 2025 as amended**

#### i) Funding Concentration based on significant counterparty (both deposits and borrowings)

| Sr. No | No of Significant Counterparties | As at March 31, 2026 |                     |                         | As at March 31, 2025 |                     |                         |
|--------|----------------------------------|----------------------|---------------------|-------------------------|----------------------|---------------------|-------------------------|
|        |                                  | Amount #             | % of total Deposits | % of Total Liabilities* | Amount #             | % of total Deposits | % of Total Liabilities* |
| 1      | 35                               | 3,62,237.01          | NA                  | 74.51%                  | 3,44,169.20          | NA                  | 85.54%                  |

#### ii) Top 20 large deposits – Not Applicable

#### iii) Top 10 Borrowings

| As at March 31, 2026 |                        | As at March 31, 2025 |                        |
|----------------------|------------------------|----------------------|------------------------|
| Amount #             | % of Total Borrowings* | Amount #             | % of Total Borrowings* |
| 1,90,115.09          | 41.61%                 | 1,63,242.58          | 42.87%                 |

#### iv) Funding Concentration based on significant instrument/product

| Sr. No | Name of the instrument     | As at March 31, 2026 |                         | As at March 31, 2025 |                         |
|--------|----------------------------|----------------------|-------------------------|----------------------|-------------------------|
|        |                            | Amount #             | % of Total Liabilities* | Amount #             | % of Total Liabilities* |
| 1      | Term Loan                  | 3,41,339.33          | 70.21%                  | 2,69,218.71          | 66.91%                  |
| 2      | Non Convertible Debentures | 89,424.89            | 18.39%                  | 70,922.46            | 17.63%                  |
| 3      | Cash Credit/WCDL           | 4,677.04             | 0.96%                   | 24,165.51            | 6.01%                   |
| 4      | Subordinate Debt           | 16,500.00            | 3.39%                   | 16,500.00            | 4.10%                   |
| 5      | Commercial paper           | 5,000.00             | 1.03%                   | -                    | -                       |
|        | <b>Total</b>               | <b>4,56,941.26</b>   | <b>93.99%</b>           | <b>3,80,806.69</b>   | <b>94.65%</b>           |

#### v) Stock Ratios

| Sr. No. | Particulars                                            | 31 March, 2026 | 31 March, 2025 |
|---------|--------------------------------------------------------|----------------|----------------|
| 1       | Commercial Papers to Total Liabilities                 | 1.03%          | 0.00%          |
| 2       | Commercial Papers to Total Assets                      | 0.74%          | 0.00%          |
| 3       | NCDs (Original Maturity < 1 year) to Total Liabilities | 0.00%          | 0.00%          |
| 4       | NCDs (original Maturity < 1 year) to Total Assets      | 0.00%          | 0.00%          |
| 5       | Other Short Term Liabilities # to Total Liabilities*   | 1.99%          | 1.58%          |
| 6       | Other Short Term Liabilities # to Total Assets         | 1.43%          | 1.26%          |

#### vi) Institutional set-up for liquidity risk management:

The Company has an Asset Liability Management Committee (ALCO), a management level committee to handle liquidity risk management. The ALCO meetings are held at periodic intervals. At the apex level, the Risk Management Committee (RMC), a sub-committee of the Board of Directors of the Company, oversees the liquidity risk management. The RMC subsequently updates the Board of Directors on the same.

#Amount does not include accrued but not paid interest on borrowing and amortisation of processing fees.

\*Total Liabilities does not include Net Worth.



## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 49.43 Sectoral Exposure

| Sr. No. | Sectors                                    | Current Year     |                 |               | Previous Year    |                 |               |
|---------|--------------------------------------------|------------------|-----------------|---------------|------------------|-----------------|---------------|
|         |                                            | Total Exposure   | GNPA (In Lacs)  | GNPA(%)       | Total Exposure   | GNPA (In lacs)  | GNPA(%)       |
| 1       | <b>Agriculture &amp; Allied Activities</b> | 9,289.88         | 934.21          | 10.06%        | 8,505.11         | 1,170.47        | 13.76%        |
|         | <b>Total</b>                               | <b>9289.88</b>   | <b>934.21</b>   | <b>10.06%</b> | <b>8505.11</b>   | <b>1170.47</b>  | <b>13.76%</b> |
| 2       | <b>Industry</b>                            |                  |                 |               |                  |                 |               |
|         | Others                                     | 2,120.19         | 396.33          | 18.69%        | 2,318.25         | 294.20          | 12.69%        |
|         | <b>Total</b>                               | <b>2120.19</b>   | <b>396.33</b>   | <b>18.69%</b> | <b>2318.25</b>   | <b>294.20</b>   | <b>0.00%</b>  |
| 3       | <b>Services</b>                            |                  |                 |               |                  |                 |               |
|         | Transport Operators                        | 2,03,219.78      | 5,460.22        | 2.69%         | 1,87,006.57      | 4,420.74        | 2.36%         |
|         | NBFC                                       | 20,118.50        | 2,661.92        | 13.23%        | 39,185.08        | -               | 0.00%         |
|         | Construction Equipment                     | 2,13,571.25      | 1,124.98        | 0.53%         | 1,19,997.06      | 793.44          | 0.66%         |
|         | Others                                     | 38,840.57        | 1,813.36        | 4.67%         | 34,943.79        | 1,774.32        | 5.08%         |
|         | <b>Total</b>                               | <b>475750.10</b> | <b>11060.48</b> | <b>2.32%</b>  | <b>381132.50</b> | <b>6988.50</b>  | <b>1.83%</b>  |
| 4       | <b>Personal loans</b>                      |                  |                 |               |                  |                 |               |
|         | Vehicle/Auto Loans                         | 99,398.07        | 2,390.42        | 2.40%         | 64,300.52        | 1,766.94        | 2.75%         |
|         | Others                                     | 882.97           | 2.73            | 0.31%         | 1,100.36         | 36.78           | 3.34%         |
|         | <b>Total</b>                               | <b>100281.04</b> | <b>2393.15</b>  | <b>2.39%</b>  | <b>65400.88</b>  | <b>1803.72</b>  | <b>2.76%</b>  |
|         | <b>Grand Total</b>                         | <b>587441.21</b> | <b>14784.17</b> | <b>2.52%</b>  | <b>457356.73</b> | <b>10256.89</b> | <b>2.24%</b>  |

#### 49.44 Intra Group Exposure

The Company has no exposure to the Intra Group Exposures for the financial years ended March 31, 2026 and March 31, 2025

#### 49.45 Unhedged Foreign Currency Exposure

The Company does not have any unhedged foreign currency exposures for the financial years ended March 31, 2026 and March 31, 2025

| Sr. No. | Particulars                                     | Unhedged     |               |
|---------|-------------------------------------------------|--------------|---------------|
|         |                                                 | Current Year | Previous Year |
|         | <b>Foreign Currency Receivables</b>             |              |               |
|         | Exports                                         | -            | -             |
|         | Loans to joint venture /wholly owned subsidiary | -            | -             |
|         | Others                                          | -            | -             |
|         | <b>Foreign Currency Payables</b>                |              |               |
|         | Imports                                         | -            | -             |
|         | Trade credits                                   | -            | -             |
|         | External commercial Borrowings (ECB)            | -            | -             |
|         | Others                                          | -            | -             |

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 49.46 Currency Futures

The Company has no exposure to the currency futures for the financial years ended March 31, 2026 and March 31, 2025

#### 49.47 Breach of Covenant

There were no instances of default or breaches of covenant in respect of loan availed or debt securities issued during the financial years ended March 31, 2026 and March 31, 2025.

#### 49.48 Divergence in Asset Classification and Provisioning

The RBI has neither assessed any additional provisioning requirements in excess of 5 percent of the reported profits before tax and impairment loss on financial instruments for the financial year ended March 31, 2026, nor identified any additional Gross NPAs in excess of 5% of the reported Gross NPAs for the said period.

#### 49.49 Corporate Governance

As per RBI Guidelines, Specific Disclosures relating to Corporate Governance should be disclosed under the Corporate Governance section of the Annual Report

#### 49.50 Net Profit or Loss for the period, prior period items and changes in accounting policies

The Company does not have any prior period items and changes in accounting policies impacting the current period's profit or loss.

#### 49.51 Off-balance sheet exposures and structured products

The Company does not have any off-balance sheet exposures and structured products

#### 49.52 Currency Options

The Company has no exposure to the currency options in the current and previous year.

# NOTES

## TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

### 49.53 Liquidity Coverage ratio

| Particulars                                                                    | As at March 31, 2026       |                                |  | As at December 31, 2025    |                                |  | As at September 30, 2025   |                                |  | As at June 30, 2025        |                                |  |
|--------------------------------------------------------------------------------|----------------------------|--------------------------------|--|----------------------------|--------------------------------|--|----------------------------|--------------------------------|--|----------------------------|--------------------------------|--|
|                                                                                | Unweighted Value (average) | Total weighted Value (average) |  | Unweighted Value (average) | Total weighted Value (average) |  | Unweighted Value (average) | Total weighted Value (average) |  | Unweighted Value (average) | Total weighted Value (average) |  |
| <b>High Quality Liquid Assets</b>                                              |                            |                                |  |                            |                                |  |                            |                                |  |                            |                                |  |
| 1 Total High Quality Liquid Assets (HQLA)                                      | 320.82                     | 320.82                         |  | 183.02                     | 183.02                         |  | 385.44                     | 374.57                         |  | 324.30                     | 324.30                         |  |
| <b>Cash Outflows</b>                                                           |                            |                                |  |                            |                                |  |                            |                                |  |                            |                                |  |
| 2 Deposits (for deposit taking companies)                                      | -                          | -                              |  | -                          | -                              |  | -                          | -                              |  | -                          | -                              |  |
| 3 Unsecured wholesale funding                                                  | -                          | -                              |  | -                          | -                              |  | -                          | -                              |  | -                          | -                              |  |
| 4 Secured wholesale funding                                                    | 133.60                     | 153.64                         |  | 153.93                     | 177.02                         |  | 140.10                     | 161.12                         |  | 194.21                     | 223.34                         |  |
| 5 Additional requirements, of which                                            | -                          | -                              |  | -                          | -                              |  | -                          | -                              |  | -                          | -                              |  |
| (i) Outflows related to derivative exposures and other collateral requirements | -                          | -                              |  | -                          | -                              |  | -                          | -                              |  | -                          | -                              |  |
| (ii) Outflows related to loss of funding on debt products                      | -                          | -                              |  | -                          | -                              |  | -                          | -                              |  | -                          | -                              |  |
| (iii) Credit and liquidity facilities                                          | -                          | -                              |  | -                          | -                              |  | -                          | -                              |  | -                          | -                              |  |
| 6 Other contractual funding obligations                                        | 91.50                      | 105.23                         |  | 82.69                      | 95.09                          |  | 79.21                      | 91.09                          |  | 72.13                      | 82.95                          |  |
| 7 Other contingent funding obligations                                         | -                          | -                              |  | -                          | -                              |  | -                          | -                              |  | -                          | -                              |  |
| 8 <b>TOTAL CASH OUTFLOWS</b>                                                   | 225.10                     | 258.87                         |  | 236.62                     | 272.11                         |  | 219.31                     | 252.21                         |  | 266.34                     | 306.29                         |  |
| <b>Cash Inflows</b>                                                            |                            |                                |  |                            |                                |  |                            |                                |  |                            |                                |  |
| 9 Secured lending                                                              | 233.75                     | 175.31                         |  | 235.00                     | 176.25                         |  | 229.5                      | 172.1                          |  | 212.35                     | 159.26                         |  |
| 10 Inflows from fully performing exposures                                     | -                          | -                              |  | -                          | -                              |  | -                          | -                              |  | -                          | -                              |  |
| 11 Other cash inflows                                                          | 35.00                      | 26.25                          |  | 374.02                     | 280.52                         |  | 220.5                      | 165.4                          |  | 136.02                     | 102.01                         |  |
| 12 <b>TOTAL CASH INFLOWS</b>                                                   | 268.75                     | 201.56                         |  | 609.02                     | 456.77                         |  | 449.99                     | 337.49                         |  | 348.37                     | 261.28                         |  |
|                                                                                |                            | Total Adjusted Value           |  |                            | Total Adjusted Value           |  |                            | Total Adjusted Value           |  |                            | Total Adjusted Value           |  |
| 13 <b>TOTAL HQLA</b>                                                           | -                          | <b>320.82</b>                  |  | -                          | <b>183.02</b>                  |  | -                          | <b>374.57</b>                  |  | -                          | <b>324.30</b>                  |  |
| 14 <b>TOTAL NET CASH OUTFLOWS</b>                                              | -                          | <b>64.72</b>                   |  | -                          | <b>68.03</b>                   |  | -                          | <b>63.05</b>                   |  | -                          | <b>76.57</b>                   |  |
| 15 <b>LIQUIDITY COVERAGE RATIO (%)</b>                                         | -                          | <b>495.73%</b>                 |  | -                          | <b>269.04%</b>                 |  | -                          | <b>594.07%</b>                 |  | -                          | <b>423.52%</b>                 |  |

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

**49.54 Disclosure on related Party Transactions** as per Master Direction-RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 dated November 28, 2025 as amended

| Related Party/Items                                              | Parent(as per ownership/Control) |               | Subsidiaries |               | Associates/Joint venture |               | 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 |
| <b>Maximum Outstanding during the Year</b>                       | -                                | -             | -            | -             | -                        | -             | -                        | -             | -                                     | -             | -            | -             | -            | -             |
| Deposits                                                         | -                                | -             | -            | -             | -                        | -             | -                        | -             | -                                     | -             | -            | -             | -            | -             |
| Investments                                                      | -                                | -             | 41,251.77    | 15,219.23     | -                        | -             | -                        | -             | -                                     | -             | -            | -             | 41,251.77    | 15,219.23     |
| Share Capital                                                    | -                                | -             | -            | -             | -                        | -             | 2,385.15                 | 2,250.09      | 761.17                                | 755.24        | 2,319.74     | 2,085.56      | 5,466.06     | 5,090.88      |
| <b>Transactions and Balance Outstanding at the Year End</b>      | -                                | -             | -            | -             | -                        | -             | -                        | -             | -                                     | -             | -            | -             | -            | -             |
| Borrowings                                                       | -                                | -             | -            | -             | -                        | -             | -                        | -             | -                                     | -             | -            | -             | -            | -             |
| Rent Deposits                                                    | -                                | -             | -            | -             | -                        | -             | 50.00                    | 50.00         | 38.50                                 | 38.50         | -            | -             | 88.50        | 88.50         |
| Placement of Deposits                                            | -                                | -             | -            | -             | -                        | -             | -                        | -             | -                                     | -             | -            | -             | -            | -             |
| Advances                                                         | -                                | -             | -            | -             | -                        | -             | -                        | -             | -                                     | -             | -            | -             | -            | -             |
| Investments                                                      | -                                | -             | 41,251.77    | 15,219.23     | -                        | -             | -                        | -             | -                                     | -             | -            | -             | 41,251.77    | 15,219.23     |
| Esop to employees of subsidiary                                  | -                                | -             | 84.90        | 1.77          | -                        | -             | -                        | -             | -                                     | -             | -            | -             | 84.90        | 1.77          |
| Purchase of Fixed / Other Assets                                 | -                                | -             | -            | -             | -                        | -             | -                        | -             | -                                     | -             | -            | -             | -            | -             |
| Purchase of shares of ikf Home finance ltd (Subsidiary)          | -                                | -             | -            | -             | -                        | -             | 5,000.38                 | -             | 1,439.62                              | -             | -            | -             | -            | -             |
| Sale of Fixed / Other Assets                                     | -                                | -             | -            | -             | -                        | -             | -                        | -             | -                                     | -             | -            | -             | -            | -             |
| Interest Paid                                                    | -                                | -             | -            | -             | -                        | -             | -                        | -             | -                                     | -             | -            | -             | -            | -             |
| Interest Received                                                | -                                | -             | -            | -             | -                        | -             | -                        | -             | -                                     | -             | -            | -             | -            | -             |
| Inter corporate deposits                                         | -                                | -             | -            | -             | -                        | -             | -                        | -             | -                                     | -             | -            | -             | -            | -             |
| Interest paid on Inter corporate deposits                        | -                                | -             | -            | -             | -                        | -             | -                        | -             | -                                     | -             | -            | -             | -            | -             |
| Others                                                           | -                                | -             | -            | -             | -                        | -             | -                        | -             | -                                     | -             | -            | -             | -            | -             |
| Rent paid                                                        | -                                | -             | -            | -             | -                        | -             | 26.14                    | 24.95         | 58.08                                 | 55.44         | -            | -             | 84.22        | 80.39         |
| Director's Remuneration                                          | -                                | -             | -            | -             | -                        | -             | 234.00                   | 216.00        | -                                     | -             | -            | -             | 234.00       | 216.00        |
| Director's Commission Payable                                    | -                                | -             | -            | -             | -                        | -             | 441.15                   | 289.52        | -                                     | -             | -            | -             | 441.15       | 289.52        |
| Share Capital                                                    | -                                | -             | -            | -             | -                        | -             | 2,385.15                 | 2,250.09      | 761.17                                | 755.24        | 2,319.74     | 2,085.56      | 5,466.06     | 5,090.88      |
| Salary Paid                                                      | -                                | -             | -            | -             | -                        | -             | 152.50                   | 87.11         | 14.80                                 | 12.00         | -            | -             | 167.30       | 99.11         |
| Number of ESOP granted during the year(Net of Lapse) (in Lakhs ) | -                                | -             | 0.95         | 0.43          | -                        | -             | -                        | 0.51          | -                                     | -             | -            | -             | 0.95         | 0.94          |
| Service Fee Collected                                            | -                                | -             | 35.72        | 91.03         | -                        | -             | -                        | -             | -                                     | -             | -            | -             | 35.72        | 91.03         |
| Service Fee Paid                                                 | -                                | -             | -            | 5.08          | -                        | -             | -                        | -             | -                                     | -             | -            | -             | -            | 5.08          |
| Direct Assignment                                                | -                                | -             | 729.16       | 974.02        | -                        | -             | -                        | -             | -                                     | -             | -            | -             | 729.16       | 974.02        |
| Interest Receivable on Direct Assignment                         | -                                | -             | 13.24        | 15.96         | -                        | -             | -                        | -             | -                                     | -             | -            | -             | 13.24        | 15.96         |

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 49.55 Loans to Directors, Senior officers and Relatives of Directors

|                                                        | Current year | Previous Year |
|--------------------------------------------------------|--------------|---------------|
| Directors and their relatives                          | -            | -             |
| Entities associated with directors and their relatives | -            | -             |
| Senior officers and their relatives                    | -            | 5.00          |

#### 49.56 Details of exposures to related parties as defined in Reserve Bank of India (Non-Banking Financial Companies – Credit Risk Management) Directions, 2025

| Particulars                                                                                                                             | Current year | Previous Year |
|-----------------------------------------------------------------------------------------------------------------------------------------|--------------|---------------|
| <b>A. Loans to Related Parties</b>                                                                                                      |              |               |
| (1) Aggregate value of loans sanctioned to related parties during the year                                                              | -            | -             |
| (2) Aggregate value of outstanding loans to related parties as on 31 <sup>st</sup> March                                                |              |               |
| (3) Aggregate value of outstanding loans to related parties as a proportion of total credit exposure as on 31 <sup>st</sup> March(in %) | -            | -             |
| (4) Aggregate value of outstanding loans to related parties which are categorized as:                                                   | -            | -             |
| (i) Special Mention Accounts as on 31 <sup>st</sup> March                                                                               | -            | -             |
| (ii) Non-Performing Assets as on 31 <sup>st</sup> March                                                                                 | -            | -             |
| (5) Amount of provisions held in respect of loans to related parties as on 31 <sup>st</sup> March                                       | -            | -             |
| <b>B. Contracts and Arrangements involving Related Parties</b>                                                                          |              |               |
| (6) Aggregate value of contracts and arrangements awarded to related parties during the year                                            | -            | -             |
| (7) Aggregate value of outstanding contracts and arrangements involving related parties as on 31 <sup>st</sup> March                    | -            | -             |

#### 50 REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES (ROC)

All charges or satisfaction are registered with ROC within the statutory period for the financial years ended March 31, 2026 . No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

#### 51 COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31, 2026 and March 31, 2025.

#### 52 COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENTS

The Board of Directors of the Company did not approve any scheme of Arrangements during the financial year ended March 31, 2026 and March 31, 2025.

#### 53 UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM

The Company, as part of its normal business, grants loans and advances, makes investment. These transactions are part of Company's normal non-banking finance business, which is conducted ensuring adherence to all regulatory requirements. Other than the transactions described above, 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 persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has also not received any fund from any parties (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 54 UNDISCLOSED INCOME

There are no transactions not recorded in the books of accounts.

#### 55 TITLE DEEDS OF IMMOVABLE PROPERTIES NOT HELD IN NAME OF THE COMPANY

The Company does not possess any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company during the financial year ended March 31, 2026 and March 31, 2025.

#### 56 DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Company has not traded or invested in Crypto currency or Virtual currency during the financial years ended March 31, 2025 and March 31, 2024.

#### 57 DETAILS OF BENAMI PROPERTY HELD

No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder in the financial years ended March 31, 2026 and March 31, 2025.

#### 58 WILFUL DEFAULTER

The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in the financial years ended March 31, 2026 and March 31, 2025.

#### 59 RELATIONSHIP WITH STRUCK OFF COMPANIES

The company does not have any transactions with companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the financial years ended March 31, 2026 and March 31, 2025.

#### 60 INVESTMENT IN ASSOCIATES AND STRUCTURED ENTITIES

The Company does not have any Associates and Structured Entities

61 Previous year's information have been regrouped/reclassified wherever necessary to correspond with current year's classification/disclosure.

Signature to Notes to Standalone Financial Statements

**For Mukund M Chitale & Co**  
**Chartered Accountants**  
**ICAI Firm registration number : 106655W**

**For and on behalf of the Board of Directors of**  
**IKF Finance Limited**  
**CIN: U65992AP1991PLC012736**

**V.G.K Prasad**  
Chairman  
DIN: 01817992

**Vasumathi Devi Koganti**  
Managing Director  
DIN: 03161150

**Nilesh Joshi**  
Partner  
Membership No.114749  
Place: Hyderabad  
Date: May 11, 2026

**Prakash Bhawnani**  
Chief Financial Officer  
Place: Hyderabad  
Date: May 11, 2026

**Ch.Sreenivasa Rao**  
Company Secretary  
M.No. ACS14723



## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

**Schedule to Balance Sheet in terms of Master Direction – RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 dated November 28, 2025 as amended**

| Particulars                                                                                                                      |                                                                                                              | As at March 31, 2026      |                |
|----------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|---------------------------|----------------|
| Liabilities side                                                                                                                 |                                                                                                              | Amount outstanding        | Amount overdue |
| <b>(1) Loans and advances availed by the non- banking financial company inclusive of interest accrued thereon but not paid :</b> |                                                                                                              |                           |                |
| (a)                                                                                                                              | Debentures : Secured                                                                                         | 89,687.77                 | -              |
|                                                                                                                                  | : Unsecured                                                                                                  | -                         | -              |
|                                                                                                                                  | (other than falling within the meaning of public deposits*)                                                  |                           |                |
| (b)                                                                                                                              | Deferred Credits                                                                                             | -                         | -              |
| (c)                                                                                                                              | Term Loans                                                                                                   | 3,40,244.40               | -              |
| (d)                                                                                                                              | Inter-corporate loans and borrowing                                                                          | -                         | -              |
| (e)                                                                                                                              | Commercial Paper                                                                                             | 4,891.27                  | -              |
| (f)                                                                                                                              | Public Deposits*                                                                                             | -                         | -              |
| (g)                                                                                                                              | Other Loans - Subordinate Debts                                                                              | 16,436.11                 | -              |
|                                                                                                                                  | - Cash Credit                                                                                                | 4,677.04                  | -              |
|                                                                                                                                  | - Securitization Transaction                                                                                 | 18,321.69                 | -              |
| *Please see Note 1 below                                                                                                         |                                                                                                              |                           |                |
| <b>(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :</b>           |                                                                                                              |                           |                |
| (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                                                                                        | -                         | -              |
| *Please see Note 1 below                                                                                                         |                                                                                                              |                           |                |
| <b>Assets side</b>                                                                                                               |                                                                                                              | <b>Amount outstanding</b> |                |
| <b>(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :</b>                 |                                                                                                              |                           |                |
| (a)                                                                                                                              | Secured                                                                                                      | 5,80,297.34               |                |
| (b)                                                                                                                              | Unsecured                                                                                                    | 7,143.87                  |                |
| <b>(4) Break up of Leased Assets and stock on hire and other assets counting towards</b>                                         |                                                                                                              |                           |                |
| (i)                                                                                                                              | Lease assets including lease rentals                                                                         |                           |                |
|                                                                                                                                  | (a) Financial lease                                                                                          |                           | -              |
|                                                                                                                                  | (b) Operating lease                                                                                          |                           | -              |
| (ii)                                                                                                                             | Stock on hire including hire charges                                                                         |                           |                |
|                                                                                                                                  | (a) Assets on hire                                                                                           |                           | -              |
|                                                                                                                                  | (b) Repossessed Assets                                                                                       |                           | -              |
| (iii)                                                                                                                            | Other loans counting towards asset financing activities                                                      |                           |                |
|                                                                                                                                  | (a) Loans where assets have been repossessed                                                                 |                           | -              |
|                                                                                                                                  | (b) Loans other than (a) above                                                                               |                           | -              |

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Assets side                        |          |                         | Amount outstanding |
|------------------------------------|----------|-------------------------|--------------------|
| <b>(5) Break-up of Investments</b> |          |                         |                    |
| <b>Current Investments</b>         |          |                         |                    |
| 1.                                 | Quoted   |                         |                    |
|                                    | (i)      | Shares                  |                    |
|                                    |          | (a) Equity              | -                  |
|                                    |          | (b) Preference          | -                  |
|                                    | (ii)     | Debentures and Bonds    | -                  |
|                                    | (iii)    | Units of mutual funds   | -                  |
|                                    | (iv)     | Government Securities   | -                  |
|                                    | (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) | -                  |
| <b>Long Term investments</b>       |          |                         |                    |
| 1.                                 | Quoted   |                         |                    |
|                                    | (i)      | Share                   |                    |
|                                    |          | (a) Equity              | -                  |
|                                    |          | (b) Preference          | -                  |
|                                    | (ii)     | Debentures and Bonds    | -                  |
|                                    | (iii)    | Units of mutual funds   | -                  |
|                                    | (iv)     | Government Securities   | -                  |
|                                    | (v)      | Others (please specify) | -                  |
| 2.                                 | Unquoted |                         |                    |
|                                    | (i)      | Shares                  |                    |
|                                    |          | (a) Equity              | 41,251.77          |
|                                    |          | (b) Preference          | -                  |
|                                    | (ii)     | Debentures and Bonds    | -                  |
|                                    | (iii)    | Units of mutual funds   | -                  |
|                                    | (iv)     | Government Securities   | -                  |
|                                    | (v)      | Others (please specify) | 5,670.59           |

### (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 |
| 1.           | <b>Related Parties **</b>       |                          |           |
|              | (a) Subsidiaries                | -                        | -         |
|              | (b) Companies in the same group | -                        | -         |
|              | (c) Other related parties       | -                        | -         |
| 2.           | Other than related parties      | 5,71,924.37              | 7,143.87  |
| <b>Total</b> |                                 | 5,71,924.37              | 7,143.87  |

## NOTES

### TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

**(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 /<br>Break up or<br>fair value or NAV |
|--------------|---------------------------------|----------------------------------------------------|
| 1.           | Related Parties **              |                                                    |
|              | (a) Subsidiaries                | 41,336.67                                          |
|              | (b) Companies in the same group | -                                                  |
|              | (c) Other related parties       | -                                                  |
| 2.           | Other than related parties      | 5,585.69                                           |
| <b>Total</b> |                                 | <b>46,922.36</b>                                   |

\*\*As per Indian Accounting Standards of ICAI (Please see Note 3)

**(8) Other information**

| Particulars |                                         | Amount    |
|-------------|-----------------------------------------|-----------|
| (i)         | Gross Non-Performing Assets             |           |
|             | (a) Related parties                     | -         |
|             | (b) Other than related parties          | 14,784.18 |
| (ii)        | Net Non-Performing Assets               |           |
|             | (a) Related parties                     | -         |
|             | (b) Other than related parties          | 9,819.51  |
| (iii)       | Assets acquired in satisfaction of debt | 66.01     |

**Notes :**

- As defined in the Reserve Bank of India (Non-Banking Financial Companies-Acceptance of Public Deposits) Directions, 2025.
- Provisioning norms shall be applicable as prescribed in Indian Accounting Standards by MCA.
- All Indian Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term (Amortised cost in the case of Ind As ) or current (fair value in the case of Ind As )in (5) above.

# INDEPENDENT AUDITOR'S REPORT

To the Members of IKF Finance Limited.

## Report on the Audit of Consolidated Financial Statements

### OPINION

We have audited the accompanying Consolidated Financial Statements of IKF Finance Limited (hereinafter referred to as "the Holding Company"), and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2026, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow statement for the year then ended, and notes to the Consolidated Financial Statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on separate Financial Statements and the other information of the subsidiary Company, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and gives a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of their Consolidated state of affairs of the Holding Company and its subsidiary Company as at March 31, 2026, of their Consolidated profit (including other comprehensive income), Consolidated changes in equity and their Consolidated cash flows for the year then ended.

### KEY AUDIT MATTERS FOR THE GROUP

#### Impairment of loans and advances and expected credit losses

| Key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | How the matter was addressed in our audit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Refer to the accounting policies in Note 2.6(f) to the Financial Statements: <i>Impairment of Financial Assets</i>", Note 6 to the Consolidated Financial Statements: <i>"Loans"</i> and Note 47.2 to the Consolidated Financial Statements: <i>"Credit Risk"</i></p> <p>As on March 31, 2026, the company has reported gross loan assets of Rs.7,41,506.84 lakhs against which an impairment loss of Rs 10,854.81 Lakhs has been recorded. The Company recognized impairment provision for Loan assets based on the Expected Credit Loss ("ECL") approach laid down under 'IND AS 109- Financial Instruments'</p> <p>Recognition and measurement of ECL involves significant management judgement and estimates and the use of different modelling techniques and assumptions which could have a material impact on reported profits.</p> | <p>We have performed the following key audit procedures:</p> <ul style="list-style-type: none"> <li>Performed process walkthroughs to identify the key systems, applications and controls used in the impairment loss allowance processes.</li> <li>Assessed the design and implementation of controls in respect of the Company's impairment allowance process such as the timely recognition of impairment loss, the completeness and accuracy of reports used in the impairment allowance process and management review processes over the calculation of impairment allowance and the related disclosures on credit risk management.</li> </ul> |

### BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the 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 Consolidated Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethic.

We believe that the audit evidence obtained by us, along with consideration of audit reports of the Other Auditor referred to of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement and based on the consideration of reports of other auditors on separate Financial Statements of the subsidiary audited by them, were of most significance in our audit of the Consolidated Financial Statements for the year ended March 31, 2026. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report.

## Impairment of loans and advances and expected credit losses

| Key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | How the matter was addressed in our audit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>The Company's impairment allowance is computed based on estimates including the historical default and loss ratios. Management exercises judgement in determining the quantum of loss based on a range of factors. The most significant areas are:</p> <ol style="list-style-type: none"> <li>Asset staging criteria</li> <li>Calculation of probability of default/ Loss given default/ Credit conversion factor.</li> <li>Allocation of weights i.e., expected variability in losses basis different risk factors.</li> <li>Consideration of probability of forward looking macro-economic factors.</li> </ol> <p>The Company has a Board approved policy on ECL to ensure the compliance with Ind AS 109 requirements and the basis of all assumptions for underlying inputs to the ECL model.</p> <p>The Company has applied a three-stage approach to measure expected credit losses / impairment loss allowance (ECL) on financial instruments accounted for at amortized cost and fair value through other comprehensive income.</p> <p>We have identified measurement of ECL as a key audit matter in view of the significant judgement and assumptions involved.</p> <p>Disclosures:</p> <p>The disclosures regarding the Company's application of Ind AS 109 are key to explaining the key judgements and material inputs to the Ind AS 109 ECL results.</p> | <ul style="list-style-type: none"> <li>Testing management's controls over authorization and calculation of post model adjustments and management overlays, if any.</li> <li>Evaluated whether the methodology applied by the Company is compliant with the requirements of the relevant accounting standards and confirmed that the calculations are performed in accordance with the approved methodology.</li> <li>Testing the governance framework for validation, implementation and model monitoring in line with the RBI guidance including the Board approved ECL policy.</li> <li>Assessed whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment loss allowance in the Standalone Financial Statements are appropriate and sufficient.</li> <li>We have also obtained management representations wherever considered necessary.</li> </ul> |

### INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Holding Company's Annual Report but does not include the Consolidated Financial Statements and our auditor's report thereon. Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon. Such Report is not made available to us till the date of this report.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. 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 and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

### MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's management and Board of Directors are responsible for the matters stated in sub-section (5) of Section 134 of the Act with respect to the preparation and presentation of these Consolidated Financial Statements that give a true and fair view of the Consolidated financial position, Consolidated total comprehensive income, Consolidated changes in equity and Consolidated cash flows of the Holding Company and its subsidiary in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, RBI Guidelines and other Accounting Principles generally accepted in India. The respective Board of Directors of the companies included in the group are responsible for maintenance of adequate accounting records in

accordance with the provisions of the Act for safeguarding of the assets 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective management and Board of Directors of the group are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the group are responsible for overseeing the financial reporting process of the Group.

#### AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls based on our audit.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Financial Statements of the Holding Company included in the Consolidated Financial Statements of which we are the independent auditors. For the Subsidiary Company included in the Consolidated Financial Statements, which have been audited by other auditor, such other auditor remains responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



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 Consolidated Financial Statements of the financial year ended March 31, 2026 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

1. We did not audit the financial statements and other financial information in respect of its subsidiary, whose financial statements, before consolidation adjustments, reflect total assets of Rs. 1,70,344.27 lakhs as at March 31, 2026, total revenues of Rs. 28,114.19 lakhs and net cash flows amounting to Rs. -6,075.91 lakhs for the year then ended, respectively as considered in the Consolidated Financial Statements. The Consolidated Financial Statements also include the Group's share of total net profit after tax of Rs. 4,919.89 lakhs for year ended March 31, 2026, as considered in the Consolidated Financial Statements.
2. Our opinion on the Consolidated Financial Statements, and our report on "Other Legal and Regulatory Requirements" below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/ financial information certified by the Management.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we report the following in respect of clause 3(xxi) of the Order –

In our opinion and according to the information and explanations given to us, the Holding Company and its subsidiary incorporated in India and included in the Consolidated Financial Statements, has no unfavourable remarks, qualifications or adverse remarks given by the respective auditors in their

reports under the Companies (Auditor's Report) Order, 2020 (CARO).

2. As required by Section 143(3) of the Act and on the consideration of the report of other auditors on the separate Financial Statements of the Subsidiary Company referred to in the 'Other Matters section' above we report, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;
  - b) In our opinion proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matters stated in paragraph 2 (i) (vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules 2014;
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
  - d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - e) On the basis of written representations received from the directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary Company, 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;
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the group and the operating effectiveness of such controls, refer to our separate report in Annexure A which is based on the auditors reports of the Holding company and its subsidiary company;
  - g) As required by Section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to

us, the remuneration paid by the Holding to its directors during the year is in accordance with the provisions of Section 197 of the Act. Based on Auditor's Report of Subsidiary Company, the Company has paid remuneration to its directors during the year is in accordance with the provision of Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

- h) The modification relating to the maintenance of account and other matters connected therewith is as stated in Paragraph (b) above
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Consolidated Financial Statements disclose the impact of pending litigations on the Consolidated financial position of the Holding Company and its Subsidiary – Refer Note 43.1 to the Consolidated Financial Statements
  - ii. The Holding Company and its Subsidiary did not have any long-term contracts. With regard to the derivative contracts, the group has provided for material foreseeable losses as at March 31, 2026.
  - iii. There were no amounts required to be transferred to the Investor, Education and Protection Fund by the Holding Company and its Subsidiary Company.
  - iv. In respect of Rule 11(e) of the Companies (Audit and Auditors) Rules, 2014
    - a) The management of the Holding company and its subsidiary whose financial statements have been audited under the Act has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or the subsidiary to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly

or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or the subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The management of the Holding company and its subsidiary has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or the subsidiary from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or the subsidiary 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;
- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The group has not declared or paid any dividend during the year and has not proposed final dividend for the year.
- vi. In respect of Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, based on our examination on test check basis, and as communicated by the auditor of the subsidiary in respect of software for maintenance of general ledgers, the Holding Company and the subsidiary has used such accounting software 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 at application level. However, in subsidiary, for the database level, the statutory auditor is unable to comment as the necessary information required for reporting under this section was not available.

Further, based on representations from the management, we report that there has not been any instance of audit trail feature being tampered with during the period under audit.

Based on our procedure performed, we did not notice any instance of the Audit Trail feature being tampered with.

Audit Trail has been preserved by the group as per Rule 3(1) of the Companies (Accounts) Rules, 2014 and reporting under

Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention.

**Mukund M. Chitale & Co**

Chartered Accountants

FRN: 106655W

**Nilesh Joshi**

Partner

Place: Hyderabad

Date: May 11, 2026

Membership No. 114749

UDIN: 26114749QKAWRF5635

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT (REFERRED TO IN PARAGRAPH 2(F) UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION OF OUR REPORT TO THE MEMBERS OF IKF FINANCE LIMITED OF EVEN DATE)

### Report on the internal financial controls with reference to the Consolidated Financial Statements under Section 143(3)(i) of the Companies Act, 2013 (the 'Act')

In conjunction with our audit of the Consolidated Financial Statements of IKF Finance Limited (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and its subsidiary (Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of March 31, 2026.

### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India. 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, 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 Holding and its subsidiary Company's internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under sub-section (10) of Section 143 of the Act, to the extent applicable to the audit of internal financial controls with reference to Consolidated Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial 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 with reference

to these Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system with reference to these Consolidated Financial Statements.

### MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

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

### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS.

Because of the inherent limitations of internal financial controls with reference to these Consolidated Financial Statements, including the possibility of collusion or

improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to these Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with reference to these Consolidated Financial Statements 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, and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors as referred in Other Matters below, the group has in all material respects, an adequate internal financial controls with reference to these Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2026, based on the internal control with reference to Consolidated Financial Statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

#### OTHER MATTER

Our report under clause (i) of sub-section 3 of Section 143 of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial reporting, these Consolidated Financial Statements, in so far as it relates to separate financial statements of the subsidiary company, which is a company incorporated in India, is based on the corresponding reports of the auditor of such subsidiary Company.

Our opinion is not modified in respect of this matter.

**Mukund M. Chitale & Co**  
Chartered Accountants  
FRN: 106655W

**Nilesh Joshi**  
Partner

Place: Hyderabad  
Date: May 11, 2026

Membership No. 114749  
UDIN: 26114749QKAWRF5635

# CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Particulars                                                                                 | Note No | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|---------------------------------------------------------------------------------------------|---------|-------------------------|-------------------------|
| <b>ASSETS</b>                                                                               |         |                         |                         |
| <b>(1) Financial assets</b>                                                                 |         |                         |                         |
| (a) Cash and cash equivalents                                                               | 3       | 34,315.91               | 24,834.82               |
| (b) Bank Balance other than included in (a) above                                           | 4       | 4,404.34                | 7,738.40                |
| (c) Receivables                                                                             |         | -                       | -                       |
| (i) Trade receivables                                                                       | 5       | 541.13                  | 238.12                  |
| (ii) Other receivables                                                                      |         | -                       | -                       |
| (d) Loans                                                                                   | 6       | 7,30,652.03             | 5,69,450.54             |
| (e) Investments                                                                             | 8       | 8,803.13                | 1,350.15                |
| (f) Derivative financial instruments                                                        | 10      | -                       | -                       |
| (g) Other financial assets                                                                  | 7       | 16,027.42               | 11,844.85               |
|                                                                                             |         | <b>7,94,743.96</b>      | <b>6,15,456.88</b>      |
| <b>(2) Non-financial assets</b>                                                             |         |                         |                         |
| (a) Current Tax Assets (Net)                                                                |         | -                       | 346.66                  |
| (b) Deferred Tax Assets (Net)                                                               | 35      | -                       | -                       |
| (c) Investment Property                                                                     | 13      | 103.29                  | 162.06                  |
| (d) Property, Plant and Equipment                                                           | 12      | 7,374.30                | 477.86                  |
| (e) Right of use asset                                                                      | 12      | 577.94                  | 542.07                  |
| (f) Capital work in progress                                                                | 14      | -                       | 5,540.39                |
| (g) Intangibles assets under development                                                    | 14A     | 41.00                   | -                       |
| (h) Other Intangible assets                                                                 | 14B     | 139.04                  | 159.13                  |
| (i) Goodwill                                                                                |         | 774.47                  | 774.47                  |
| (j) Other non-financial assets                                                              | 9       | 1,600.79                | 2,091.71                |
|                                                                                             |         | <b>10,610.83</b>        | <b>10,094.35</b>        |
| <b>Total assets</b>                                                                         |         | <b>8,05,354.79</b>      | <b>6,25,551.23</b>      |
| <b>LIABILITIES AND EQUITY</b>                                                               |         |                         |                         |
| <b>LIABILITIES</b>                                                                          |         |                         |                         |
| <b>(1) Financial liabilities</b>                                                            |         |                         |                         |
| (a) Derivative financial instruments                                                        | 11      | -                       | 43.06                   |
| (b) Payables                                                                                |         |                         |                         |
| (i) 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 | 15      | -                       | -                       |
| (ii) Other payables                                                                         |         |                         |                         |
| (i) total outstanding dues of micro enterprises and small enterprises                       |         | -                       | -                       |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises |         | -                       | -                       |
| (c) Debt securities                                                                         | 16      | 99,549.45               | 77,924.10               |
| (d) Borrowings (other than debt securities)                                                 | 17      | 4,74,559.77             | 4,08,243.84             |
| (e) Subordinated Liabilities                                                                | 18      | 16,436.11               | 16,402.09               |
| (f) Other financial liabilities                                                             | 19      | 12,747.86               | 11,807.81               |
|                                                                                             |         | <b>6,03,293.19</b>      | <b>5,14,420.90</b>      |
| <b>(2) Non-financial liabilities</b>                                                        |         |                         |                         |
| (a) Current tax liabilities (Net)                                                           |         | 1,109.54                | -                       |
| (b) Provisions                                                                              | 20      | 376.93                  | 204.82                  |
| (c) Deferred tax liabilities (Net)                                                          | 35      | 1,781.58                | 1,302.94                |
| (d) Other non-financial liabilities                                                         | 21      | 592.02                  | 735.18                  |
|                                                                                             |         | <b>3,860.07</b>         | <b>2,242.94</b>         |
| <b>EQUITY</b>                                                                               |         |                         |                         |
| (a) Equity share capital                                                                    | 22      | 9,093.58                | 7,015.65                |
| (b) Other equity                                                                            | 23      | 1,89,107.95             | 1,00,285.87             |
| (c) Non- Controlling Interest                                                               |         | -                       | 1,585.87                |
|                                                                                             |         | <b>1,98,201.53</b>      | <b>1,08,887.39</b>      |
| <b>Total liabilities and equity</b>                                                         |         | <b>8,05,354.79</b>      | <b>6,25,551.23</b>      |

Material Accounting policies and key accounting estimates and judgments

2

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date

**For and on behalf of the Board of Directors of**  
**IKF Finance Limited**  
**CIN: U65992AP1991PLC012736**

**For Mukund M Chitale & Co**  
**Chartered Accountants**  
**ICAI Firm registration number : 106655W**

**V.G.K Prasad**  
 Chairman  
 DIN: 01817992

**Vasumathi Devi Koganti**  
 Managing Director  
 DIN: 03161150

**Nilesh Joshi**  
 Partner  
 Membership No.114749  
 Place: Hyderabad  
 Date: May 11, 2026

**Prakash Bhawnani**  
 Chief Financial Officer  
 Place: Hyderabad  
 Date: May 11, 2026

**Ch.Sreenivasa Rao**  
 Company Secretary  
 M.No. ACS14723



# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Particulars                                                                                  | Note No | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|----------------------------------------------------------------------------------------------|---------|------------------------------|------------------------------|
| <b>REVENUE FROM OPERATIONS</b>                                                               |         |                              |                              |
| (i) Interest income                                                                          | 24      | 1,08,886.09                  | 77,435.17                    |
| (ii) Fees and commission income                                                              | 25      | 2,774.64                     | 2,393.76                     |
| (iii) Net gain(Loss) on de recognition of financial instruments under amortised cost         | 26      | 4,528.51                     | 5,372.53                     |
| (iv) Net gain on fair value changes                                                          | 27      | 603.94                       | 196.76                       |
| (v) Other Operating Income                                                                   | 28      | 3.04                         | 0.05                         |
| <b>(I) Total revenue from operations</b>                                                     |         | <b>1,16,796.22</b>           | <b>85,398.27</b>             |
| (II) Other income                                                                            | 29      | 2,130.12                     | 1,896.52                     |
| <b>(III) Total income (I + II)</b>                                                           |         | <b>1,18,926.34</b>           | <b>87,294.79</b>             |
| <b>EXPENSES</b>                                                                              |         |                              |                              |
| (i) Finance costs                                                                            | 30.1    | 52,935.96                    | 42,028.03                    |
| (ii) Net loss on fair value changes                                                          | 30.2    | -                            | -                            |
| (iii) Impairment on financial instruments                                                    | 31      | 9,388.09                     | 4,917.25                     |
| (iv) Employee benefits expenses                                                              | 32      | 20,208.38                    | 15,737.91                    |
| (v) Depreciation, amortization and impairment                                                | 33      | 573.58                       | 516.00                       |
| (vi) Others expenses                                                                         | 34      | 7,273.01                     | 4,980.68                     |
| <b>(IV) Total expenses</b>                                                                   |         | <b>90,379.02</b>             | <b>68,179.87</b>             |
| <b>(V) Profit before tax (III - IV)</b>                                                      |         | <b>28,547.32</b>             | <b>19,114.92</b>             |
| <b>(VI) Tax Expense:</b>                                                                     |         |                              |                              |
| (1) Current Tax                                                                              | 35      | 6,654.83                     | 4,159.46                     |
| (2) Deferred Tax                                                                             | 35      | 469.43                       | 679.67                       |
| (3) Adjustment of tax relating to earlier periods                                            | 35      | (29.65)                      | (6.16)                       |
|                                                                                              |         | <b>7,094.61</b>              | <b>4,832.97</b>              |
| <b>(VII) Profit for the period (V-VI)</b>                                                    |         | <b>21,452.71</b>             | <b>14,281.95</b>             |
| <b>(VIII) Other comprehensive income</b>                                                     |         |                              |                              |
| <b>(A) Items that will not be reclassified to profit or loss (specify items and amounts)</b> |         |                              |                              |
| (a) Remeasurements of the defined benefit plans                                              | 36      | (4.87)                       | (8.04)                       |
| (b) Impact of changes in fair value of Financial Instruments                                 |         | -                            | -                            |
| (c) Income tax relating to items that will not be reclassified to profit or loss             |         | (0.21)                       | (0.42)                       |
| (d) Items that will not be reclassified to profit or loss                                    |         | 5.72                         | 9.72                         |
| <b>Subtotal (A)</b>                                                                          |         | <b>0.64</b>                  | <b>1.26</b>                  |
| <b>(B) Items that will be reclassified to profit or loss</b>                                 |         |                              |                              |
| (i) Items that will be reclassified to profit or loss                                        |         | 81.52                        | (64.97)                      |
| (ii) Income tax relating to items that will be reclassified to profit or loss                |         | (9.06)                       | 16.57                        |
| <b>Subtotal (B)</b>                                                                          |         | <b>72.46</b>                 | <b>(48.40)</b>               |
| <b>Other comprehensive income / (loss)</b>                                                   |         | <b>73.10</b>                 | <b>(47.14)</b>               |
| <b>(IX) Total comprehensive income for the period (VII + VIII)</b>                           |         | <b>21,525.81</b>             | <b>14,234.81</b>             |
| <b>Attributable to:</b>                                                                      |         |                              |                              |
| Owners of the Company                                                                        |         | <b>21,525.81</b>             | <b>13,897.65</b>             |
| Non-controlling interest                                                                     |         | <b>0.00</b>                  | <b>337.15</b>                |
| <b>(X) Earnings per share (equity share, par value of ₹ 5 each)</b>                          |         |                              |                              |
| Basic                                                                                        | 37      | 12.17                        | 10.18                        |
| Diluted                                                                                      | 37      | 12.13                        | 10.15                        |

Material Accounting policies and key accounting estimates and judgments

2

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date

**For and on behalf of the Board of Directors of  
IKF Finance Limited  
CIN: U65992AP1991PLC012736**

**For Mukund M Chitale & Co**  
**Chartered Accountants**  
**ICAI Firm registration number: 106655W**

**V.G.K Prasad**  
Chairman  
DIN: 01817992

**Vasumathi Devi Koganti**  
Managing Director  
DIN: 03161150

**Nilesh Joshi**  
Partner  
Membership No.114749  
Place: Hyderabad  
Date: May 11, 2026

**Prakash Bhawnani**  
Chief Financial Officer  
Place: Hyderabad  
Date: May 11, 2026

**Ch.Sreenivasa Rao**  
Company Secretary  
M.No. ACS14723

# CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Particulars                                                                                                                              | For the year ended<br>March 31, 2026 | For the year ended<br>March 31, 2025 |
|------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                                                                                               |                                      |                                      |
| <b>Profit before tax</b>                                                                                                                 | <b>28,547.32</b>                     | <b>19,114.92</b>                     |
| <b>Adjustments for:</b>                                                                                                                  |                                      |                                      |
| Depreciation, amortisation and impairment                                                                                                | 573.58                               | 516.00                               |
| Interest Income                                                                                                                          | (1,08,886.09)                        | (77,453.83)                          |
| Interest expenses                                                                                                                        | 52,935.96                            | 42,037.67                            |
| Impairment on financial instrument                                                                                                       | 9,393.63                             | 4,899.70                             |
| Share based payment expense                                                                                                              | 355.22                               | 14.21                                |
| Net gain/(loss) on financial instrument at amortised category                                                                            | (4,528.51)                           | (5,372.53)                           |
| Provision for expenses                                                                                                                   | 17.00                                | 14.00                                |
| Employee benefit expenses                                                                                                                | 245.02                               | 113.15                               |
| Rental income on Investment property                                                                                                     | (3.81)                               | (9.15)                               |
| (Profit)/ Loss on sale of property, plant and equipment                                                                                  | (7.95)                               | (0.12)                               |
| <b>Cash generated from / (used in) operations before working capital changes and adjustments for interest received and interest paid</b> | <b>(21,358.63)</b>                   | <b>(16,125.98)</b>                   |
| <b>Adjustments for changes in Working Capital :</b>                                                                                      |                                      |                                      |
| Decrease / (Increase) in trade receivable                                                                                                | (303.01)                             | (92.48)                              |
| Decrease / (Increase) in loans                                                                                                           | (1,69,074.22)                        | (1,55,409.51)                        |
| Decrease / (Increase) in bank balances other than cash and cash equivalents                                                              | 3,334.06                             | (4,189.26)                           |
| Decrease / (Increase) in other financial assets                                                                                          | 470.54                               | (729.67)                             |
| Decrease / (Increase) in other non-financial assets                                                                                      | 490.92                               | 2,238.21                             |
| (Decrease) / Increase in trade payables                                                                                                  | -                                    | (7.96)                               |
| (Decrease) / Increase in other financial liabilities                                                                                     | 826.36                               | 4,507.09                             |
| (Decrease) / Increase in provisions                                                                                                      | (72.91)                              | (251.31)                             |
| (Decrease) / Increase in other non-financial liabilities                                                                                 | (143.16)                             | 359.54                               |
| Interest received                                                                                                                        | 1,05,749.02                          | 72,521.58                            |
| Interest paid                                                                                                                            | (51,207.96)                          | (41,652.87)                          |
|                                                                                                                                          | <b>(1,31,288.99)</b>                 | <b>(1,38,832.62)</b>                 |
| Income tax paid (net of refunds)                                                                                                         | (5,473.70)                           | (3,719.40)                           |
| Changes in Accounting Policies / Prior Period Errors                                                                                     | -                                    | 0.44                                 |
| Derivative financial instruments                                                                                                         | (43.06)                              | 105.85                               |
| <b>NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES (I)</b>                                                                        | <b>(1,36,805.75)</b>                 | <b>(1,42,445.73)</b>                 |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                                                                                               |                                      |                                      |
| Purchase of property, plant and equipment and capital work in progress                                                                   | (1,477.55)                           | (5,863.46)                           |
| Purchase of Investment property                                                                                                          | -                                    | (32.20)                              |
| Rental income on Investment property                                                                                                     | 3.81                                 | 9.15                                 |
| Proceeds from sale of property, plant and equipment                                                                                      | 8.48                                 | 52.32                                |
| Proceeds from sale of Investment property                                                                                                | 58.06                                | -                                    |
| Purchase of intangible assets                                                                                                            | (64.98)                              | (18.72)                              |
| Purchase of investments in market instruments                                                                                            | (7,452.98)                           | 11,056.48                            |
| <b>NET CASH GENERATED FROM/(USED IN) INVESTING ACTIVITIES (II)</b>                                                                       | <b>(8,925.16)</b>                    | <b>5,203.57</b>                      |

# CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Particulars                                                                  | For the year ended<br>March 31, 2026 | For the year ended<br>March 31, 2025 |
|------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>CASH FROM FINANCING ACTIVITIES</b>                                        |                                      |                                      |
| Proceeds from issue of equity shares (including securities premium)          | 74,981.48                            | (0.00)                               |
| Share issue expenses                                                         | (1,108.65)                           | (18.00)                              |
| Purchase of non-controlling interest                                         | (6,440.00)                           | -                                    |
| Amount received from debt securities                                         | 40,000.00                            | 70,300.00                            |
| Repayment of debt securities                                                 | (18,417.96)                          | (13,478.86)                          |
| Amount received from borrowings other than debt securities                   | 2,72,677.00                          | 2,37,361.92                          |
| Repayment of borrowings other than debt securities                           | (2,06,191.51)                        | (1,36,521.88)                        |
| Payment of principal portion of lease liabilities                            | (224.72)                             | (214.74)                             |
| Payment of interest on lease liabilities                                     | (63.64)                              | (72.50)                              |
| <b>NET CASH GENERATED FROM / (USED IN) FROM FINANCING ACTIVITIES (III)</b>   | <b>1,55,212.00</b>                   | <b>1,57,355.94</b>                   |
| <b>Net Increase / (Decrease) in Cash and Cash Equivalents (I + II + III)</b> | <b>9,481.09</b>                      | <b>20,113.78</b>                     |
| Cash and Cash Equivalents at the beginning of Year                           | 24,834.82                            | 4,721.04                             |
| Cash and Cash Equivalents at the end of the Year                             | 34,315.91                            | 24,834.82                            |

The above Cash Flow Statement has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.

As per our report of even date

**For and on behalf of the Board of Directors of  
IKF Finance Limited**

**CIN: U65992AP1991PLC012736**

**For Mukund M Chitale & Co**

**Chartered Accountants**

**ICAI Firm registration number: 106655W**

**V.G.K Prasad**

Chairman

DIN: 01817992

**Vasumathi Devi Koganti**

Managing Director

DIN: 03161150

**Nilesh Joshi**

Partner

Membership No.114749

Place: Hyderabad

Date: May 11, 2026

**Prakash Bhawnani**

Chief Financial Officer

Place: Hyderabad

Date: May 11, 2026

**Ch.Sreenivasa Rao**

Company Secretary

M.No. ACS14723

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

## A. EQUITY SHARE CAPITAL

### Current Reporting Period

| Particulars                                                                                | Balance at the beginning of the current reporting period As at March 31, 2025 | 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 As at March 31, 2026 |
|--------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|------------------------------------------------------------|-------------------------------------------------------------------|---------------------------------------------------------|-------------------------------------------------------------------------|
| Issued, Subscribed and paid up - fully paid (Equity shares of ₹ 5 each*, Fully paid-up)    | 7,015.65                                                                      | -                                                          | 7,015.65                                                          | 2,045.44                                                | 9,061.09                                                                |
| Issued, Subscribed and paid up - partly paid (Equity shares of ₹ 5 each*, Rs 0.50 paid up) | -                                                                             | -                                                          | -                                                                 | 32.49                                                   | 32.49                                                                   |
| <b>Total</b>                                                                               | <b>7,015.65</b>                                                               | <b>-</b>                                                   | <b>7,015.65</b>                                                   | <b>2,077.93</b>                                         | <b>9,093.58</b>                                                         |

### Previous Reporting Period

| Particulars                                                                             | Balance at the beginning of the current reporting period As at March 31, 2024 | 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 As at March 31, 2025 |
|-----------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|------------------------------------------------------------|-------------------------------------------------------------------|---------------------------------------------------------|-------------------------------------------------------------------------|
| Issued, Subscribed and paid up - fully paid (Equity shares of ₹ 10 each, Fully paid-up) | 7,015.65                                                                      | -                                                          | 7,015.65                                                          | -                                                       | 7,015.65                                                                |
| Issued, Subscribed and paid up - partly paid                                            | -                                                                             | -                                                          | -                                                                 | -                                                       | -                                                                       |
| <b>Total</b>                                                                            | <b>7,015.65</b>                                                               | <b>-</b>                                                   | <b>7,015.65</b>                                                   | <b>-</b>                                                | <b>7,015.65</b>                                                         |

## B. OTHER EQUITY

| Particulars                                                 | Reserves and Surplus                                                         |                                      |                 |                    |                                            |                 |                             |                         |                   | Total            |
|-------------------------------------------------------------|------------------------------------------------------------------------------|--------------------------------------|-----------------|--------------------|--------------------------------------------|-----------------|-----------------------------|-------------------------|-------------------|------------------|
|                                                             | Statutory Reserve under section 45-IC of the Reserve Bank of India Act, 1934 | Statutory Reserve U/s 29C of NHB Act | Capital Reserve | Securities Premium | Provision U/s 36(via) Income tax Act, 1961 | General Reserve | Share based payment Reserve | Cash flow hedge reserve | Retained Earnings |                  |
| <b>Balance at March 31, 2024</b>                            | <b>7,533.09</b>                                                              | <b>1,570.53</b>                      | <b>32.50</b>    | <b>45,454.28</b>   | <b>(2.90)</b>                              | <b>1,856.36</b> | <b>21.71</b>                | <b>-</b>                | <b>29,925.98</b>  | <b>86,391.54</b> |
| Prior Period items                                          | -                                                                            | -                                    | -               | -                  | -                                          | -               | -                           | -                       | 0.44              | <b>0.44</b>      |
| Restated Balance at the beginning of the reporting period   | 7,533.09                                                                     | 1,570.53                             | 32.50           | 45,454.28          | (2.90)                                     | 1,856.36        | 21.71                       | -                       | 29,926.42         | <b>86,391.98</b> |
| Profit for the year                                         | -                                                                            | -                                    | -               | -                  | -                                          | -               | -                           | -                       | 13,944.81         | <b>13,944.81</b> |
| Other comprehensive income for the year                     | -                                                                            | -                                    | -               | -                  | -                                          | -               | -                           | (48.40)                 | 1.26              | <b>(47.14)</b>   |
| <b>Total comprehensive income for the year (net of tax)</b> | <b>-</b>                                                                     | <b>-</b>                             | <b>-</b>        | <b>-</b>           | <b>-</b>                                   | <b>-</b>        | <b>-</b>                    | <b>(48.40)</b>          | <b>13,946.07</b>  | <b>13,897.67</b> |
| Transfer to Statutory Reserve                               | 2,158.94                                                                     | 844.10                               | -               | -                  | -                                          | -               | -                           | -                       | (3,003.04)        | <b>-</b>         |
| Transfer to General Reserve                                 | -                                                                            | -                                    | -               | -                  | -                                          | 539.74          | -                           | -                       | (539.74)          | <b>-</b>         |

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Particulars                                                 | Reserves and Surplus                                                         |                                      |                 |                    |                                            |                 |                             |                         |                   | Total              |
|-------------------------------------------------------------|------------------------------------------------------------------------------|--------------------------------------|-----------------|--------------------|--------------------------------------------|-----------------|-----------------------------|-------------------------|-------------------|--------------------|
|                                                             | Statutory Reserve under section 45-IC of the Reserve Bank of India Act, 1934 | Statutory Reserve U/s 29C of NHB Act | Capital Reserve | Securities Premium | Provision U/s 36(via) Income tax Act, 1961 | General Reserve | Share based payment Reserve | Cash flow hedge reserve | Retained Earnings |                    |
| Transfer to Retained Earnings                               | -                                                                            | -                                    | -               | -                  | 2.90                                       | -               | -                           | -                       | (2.90)            | -                  |
| Transfer to Cash flow Hedge Reserve                         |                                                                              |                                      |                 |                    |                                            |                 |                             | (24.06)                 | 24.06             |                    |
| Issue of equity shares                                      | -                                                                            | -                                    | -               | -                  | -                                          | -               | -                           | -                       | -                 | -                  |
| Share issue expenses                                        | -                                                                            | -                                    | -               | (18.00)            | -                                          | -               | -                           | -                       | -                 | (18.00)            |
| Share based payment expense                                 | -                                                                            | -                                    | -               | -                  | -                                          | -               | 14.21                       | -                       | -                 | 14.21              |
| <b>Balance at March 31, 2025</b>                            | 9,692.03                                                                     | 2,414.63                             | 32.50           | 45,436.28          | 0.00                                       | 2,396.10        | 35.92                       | (72.46)                 | 40,350.87         | <b>1,00,285.87</b> |
| Prior Period items                                          | -                                                                            | -                                    | -               | -                  | -                                          | -               | -                           | -                       | -                 | -                  |
| Restated Balance at the beginning of the reporting period   | 9,692.03                                                                     | 2,414.63                             | 32.50           | 45,436.28          | 0.00                                       | 2,396.10        | 35.92                       | (72.46)                 | 40,350.87         | <b>1,00,285.87</b> |
| Profit for the year                                         | -                                                                            | -                                    | -               | -                  | -                                          | -               | -                           | -                       | 21,452.71         | <b>21,452.71</b>   |
| Other comprehensive income for the year                     | -                                                                            | -                                    | -               | -                  | -                                          | -               | -                           | 72.46                   | 0.64              | <b>73.10</b>       |
| <b>Total comprehensive income for the year (net of tax)</b> | -                                                                            | -                                    | -               | -                  | -                                          | -               | -                           | <b>72.46</b>            | <b>21,453.35</b>  | <b>21,525.81</b>   |
| Transfer to Statutory Reserve                               | 3,296.61                                                                     | 983.98                               | -               | -                  | -                                          | -               | -                           | -                       | (4,280.58)        | -                  |
| Transfer to General Reserve                                 | -                                                                            | -                                    | -               | -                  | -                                          | 824.15          | -                           | -                       | (824.15)          | -                  |
| Transfer to Retained Earnings                               | -                                                                            | -                                    | -               | -                  | -                                          | -               | -                           | -                       | -                 | -                  |
| Transfer to Cash flow Hedge Reserve                         | -                                                                            | -                                    | -               | -                  | -                                          | -               | -                           | -                       | -                 | -                  |
| Non- Controlling Interest adjustment                        | -                                                                            | -                                    | -               | -                  | -                                          | -               | -                           | -                       | (4,853.86)        | <b>(4,853.86)</b>  |
| Issue of equity shares                                      | -                                                                            | -                                    | -               | 72,903.55          | -                                          | -               | -                           | -                       | -                 | <b>72,903.55</b>   |
| Share issue expenses                                        | -                                                                            | -                                    | -               | (1,108.65)         | -                                          | -               | -                           | -                       | -                 | <b>(1,108.65)</b>  |
| Share based payment expense                                 | -                                                                            | -                                    | -               | -                  | -                                          | -               | 355.22                      | -                       | -                 | <b>355.22</b>      |
| <b>Balance at March 31, 2026</b>                            | <b>12,988.64</b>                                                             | <b>3,398.61</b>                      | <b>32.50</b>    | <b>1,17,231.18</b> | <b>-</b>                                   | <b>3,220.25</b> | <b>391.14</b>               | <b>(0.00)</b>           | <b>51,845.64</b>  | <b>1,89,107.95</b> |

As per our report of even date

**For and on behalf of the Board of Directors of**  
**IKF Finance Limited**  
**CIN: U65992AP1991PLC012736**

**For Mukund M Chitale & Co**  
**Chartered Accountants**  
**ICAI Firm registration number: 106655W**

**V.G.K Prasad**  
Chairman  
DIN: 01817992

**Vasumathi Devi Koganti**  
Managing Director  
DIN: 03161150

**Nilesh Joshi**  
Partner  
Membership No.114749  
Place: Hyderabad  
Date: May 11, 2026

**Prakash Bhawnani**  
Chief Financial Officer  
Place: Hyderabad  
Date: May 11, 2026

**Ch.Sreenivasa Rao**  
Company Secretary  
M.No. ACS14723

# NOTES

## TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

### 1 GROUP INFORMATION

IKF Finance Limited (CIN: U65992AP1991PLC012736) ('the Company' or 'the Holding Company') is a public limited company incorporated under the provisions of the Companies Act, 1956. The Company is registered as Non -Banking Financial Company ('NBFC') as defined under Section 45-IA of the Reserve Bank of India('RBI') Act,1934. The company is a NBFC classified under 'Middle layer' pursuant to the framework of Master direction- Reserve Bank of India (Non-Banking Financial company -Scale Based Regulation) Directions, 2023. The Company is engaged in the business of asset financing, lending to small and medium enterprises and allied activities.

The financial statements were subject to review and recommendation of Audit Committee and approval of Board of Directors. On May 11, 2026, Board of Directors of the Company approved and recommended the financial statements for consideration and adoption by the share holders in its Annual General Meeting

The consolidated financial statements relates to the Company and its subsidiary company IKF Home Finance Limited (IIFHF) ("together hereinafter referred to as "Group").

#### 1.1 Basis of Consolidation

- The financial statements of the subsidiary company used in the consolidation are drawn up to the same reporting date as of the Company i.e. year ended March 31, 2026 and are prepared based on the accounting policies consistent with those used by the Company.
- Notes to these consolidated financial statements are intended to serve as a means of informative disclosure and a guide to better understanding of the consolidated position of the companies. Recognising this purpose, the Company has disclosed only such notes from the individual financial statements, which fairly present the needed disclosures. The accounting policies, notes and disclosures made by the parent are best viewed in its standalone financial statements.

The consolidated financial statements have been prepared on the following basis:

- The financial statements of the Company and its subsidiary company has been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. The intra-group balances and intra-group transactions have been fully eliminated except where losses are realized.

- The excess of cost to the Company of its investments in the subsidiary company over its share of equity of the subsidiary company, at the dates on which the investments in the subsidiary company is made, is recognized as 'Goodwill' being an asset in the consolidated financial statements. Alternatively, where the share of equity in the subsidiary company as on the date of investment is in excess of cost of investment of the Company, it is recognized as 'Capital Reserve' and shown under the head 'Reserves and Surplus', in the consolidated financial statements.
- Minority interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year of the subsidiaries attributable to minority interest is identified and adjusted against the profit after tax of the Group to arrive at the income attributable to shareholders of the Company.
- Goodwill arising on consolidation is not amortized but tested for impairment.

Subsidiary Considered in preparation of these consolidated financial statements are as under:

| Name of the subsidiary   | Country of in corporation | Proportion of ownership |
|--------------------------|---------------------------|-------------------------|
| IKF Home Finance Limited | India                     | 100%*                   |

\*During the financial year, the Company has purchased shares of its subsidiary IKF Home Finance Limited from its minority shareholders making the subsidiary as wholly owned subsidiary.

### 2 MATERIAL ACCOUNTING POLICIES

#### 2.1 Basis of preparation

The financial statements for the year ended March 31, 2026 have been prepared by the Group in accordance with Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016, as amended from time to time, in this regard.



# NOTES

## TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Any application guidance/ clarifications/ directions issued by RBI or other regulators are implemented as and when they are issued/ applicable.

### 2.2 Presentation of Financial Statements

The financial statements are presented as per Division III of the Schedule III to the Companies Act 2013 as amended from time to time, for Non-Banking Financial Companies ('NBFCs') that are required to comply with Ind-AS. The Statement of Cash Flows has been presented as per the requirements of Ind-AS 7 Statement of Cash Flows. 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 40 – Maturity analysis of assets and liabilities.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net 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 Group and/or its counterparties

### 2.3 Basis of Measurement

The financial statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments, plan assets of defined benefit plans and share based payment plans, which are measured at fair values at the end of each reporting period as explained in the material accounting policies below. All amounts disclosed in the financial statements and notes have been rounded off to the nearest ₹ Lakhs in compliance with Schedule III of the Act, unless otherwise stated.

### 2.4 Accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) at the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial

statements. Actual results could differ from these estimates. Any revisions to accounting estimates are recognized prospectively in the current and future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Key sources of estimation of uncertainty at the date of financial statements, which may cause a material adjustment to the carrying amount of assets and liabilities within the next financial year are included in the following notes:

#### a. Business model assessment

Classification and measurement of financial assets depends on the results of the solely payments of principal and interest (SPPI) and the business model test. The Group 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 measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. Monitoring is part of the Group'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.

#### b. Effective Interest Rate (EIR) method

The Group recognizes interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loans given / taken.

This estimation, by nature, requires an element of judgement regarding the expected behaviour and lifecycle of the instruments, as well as expected changes to other fee income/expense that are integral parts of the instrument.

#### c. Impairment of loans portfolio

The measurement of impairment losses on loan assets requires judgement, in estimating the amount and timing of future cash flows and recoverability of collateral values while determining the impairment losses and assessing a significant increase in credit risk.

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

The Group's Expected Credit Loss (ECL) calculation is the output of a complex model with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL model that are considered accounting judgements and estimates include:

- The Probability of Default is an estimate of the likelihood of default over a given time horizon. PD is computed separately for each stage, incorporating historical trends (roll rate model), and forward-looking macroeconomic factors (MEF). For Stage-1 12m PD, Roll Rate Model (Dynamic Pool Approach) was adopted for all the portfolios, as delinquency trends serve as strong indicators of credit risk. For Stage-2 LT PD, is computed by projecting contractual cash flows and adjusting them for default risk. Cumulative PDs are applied year-wise to determine the probability-weighted defaulted discounted cash flows. This ensures credit risk is incorporated systematically across the loan's remaining tenure.
- Loss Given Default (LGD) refers to the proportion of a loan outstanding amount that is not recovered in the event of default. A model has been developed based on historical data from defaulted loans that have been fully resolved or written off.
- The analysis encompasses the entire recovery cycle, from the initial default event to the final closure, ensuring a comprehensive assessment of loss dynamics. For each defaulted loan, actual recovery cash flows recorded throughout the resolution period have been systematically captured and analysed. These cash flows are discounted using the respective Effective Interest Rate (EIR) applicable to the loan, maintaining alignment with Expected Credit Loss (ECL) principles.
- The segmentation of financial assets when their ECL is assessed on a collective basis.
- Development of ECL models, including the various formulas and the choice of inputs.

It is the Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

The impairment loss on loans and advances is disclosed in more detail in Note 6 - Loans and Note 47 - Risk Management.

#### d. Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

#### e. Fair value measurement:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

#### f. Operating Leases

##### Group as a lessee:

The Group has applied Ind AS 116 using the partial retrospective approach.

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

##### Right to use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the

# NOTES

## TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

### Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

### Short term lease

The Group has elected not to recognise right of use asset and lease liabilities for short term leases of property that has lease term of 12 months or less. The Group recognises lease payment associated with these leases as an expense on a straight line basis over lease term.

### g. Share based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination

of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

## 2.5 Revenue recognition

### a. Interest Income on loans

Interest income is recorded using effective interest rate (EIR) method for all financial assets measured at amortised cost and at fair value through other comprehensive (FVOCI) income.

EIR is the rate that exactly discounts the estimated future cash flows through the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset except for credit impaired asset.

The calculation of the effective interest rate includes transaction costs and fees (loan processing fees, commission paid to direct selling agents and other premiums or discounts) that are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.

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

### b. Rental Income

Rental income arising from operating leases is recognised on a straight-line basis over the lease term. In cases where the increase is in line with expected general inflation rental income is recognised as per the contractual terms.

Operating leases are leases where the Group does not transfer substantially all of the risk and benefits of ownership of the asset.

### c. Interest income on fixed deposits

Interest on fixed deposits is recognised on a time proportion basis taking into account the amount outstanding and the applicable rate.

### d. Other income

Other charges including application fees (penal interest, cheque bouncing charges, etc.) are recognised on realization basis.

# NOTES

## TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

### 2.6 Financial instruments

Financial assets and financial liabilities are recognised in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Recognised financial assets and financial liabilities are initially measured at transaction price, which equates fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

A financial asset and a financial liability are offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

#### a. Classification and measurement of Financial assets

Based on the business model, the contractual characteristics of the financial assets and specific elections where appropriate, the Group classifies and measures financial assets in the following categories:

- Amortised cost
- Fair value through other comprehensive income ('FVOCI')
- Fair value through profit and loss ('FVTPL')

##### Financial assets at amortised cost

Financial assets are measured at amortised cost using the effective interest rate (EIR) if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement and based on the assessment of the business model as asset held to collect contractual cash flows and SPPI, such financial assets are subsequently measured at amortised cost using effective interest rate ('EIR') method. Interest income and impairment

expenses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.

The EIR method is a method of calculating the amortised cost of a financial instrument and of allocating interest over the relevant period. The EIR is the rate that exactly discounts estimated future cash flows (including all fees paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) through the expected life of the instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

The Group records loans at amortised cost.

##### Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to sole payments of principal and interest on the principal amount outstanding and by selling financial assets.

Movements in the carrying amount of such financial assets are recognised in Other Comprehensive Income ('OCI'), except dividend income and interest income which is recognised in statement of profit and loss.

Equity instruments at FVOCI are not subject to an impairment assessment.

##### Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

#### b. Financial Liabilities

Financial liabilities are measured at amortised cost. The carrying amounts are determined based on the EIR method. Interest expense is recognised in statement of profit and loss. Any gain or loss on de-recognition of financial liabilities is also recognised in statement of profit and loss.

# NOTES

## TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

### c. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group is recognised at the proceeds received, net of directly attributable transaction costs.

### d. Reclassification

Financial assets are not reclassified subsequent to their initial recognition, apart from the exceptional circumstances in which the Group acquires, disposes of, or terminates a business line or in the period the Group changes its business model for managing financial assets. Financial liabilities are not reclassified.

### e. De-recognition of financial assets and financial liabilities

#### i. Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Group also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Group has transferred the financial asset if, and only if, either:

- i. The Group has transferred its contractual rights to receive cash flows from the financial asset, or
- ii. It retains the rights to the cash flows but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

Pass-through arrangements are transactions whereby the Group retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

- i. The Group has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset,

excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.

- ii. The Group cannot sell or pledge the original asset other than as security to the eventual recipients.
- iii. The Group has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Group is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

- i. The Group has transferred substantially all the risks and rewards of the asset, or
- ii. The Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Group has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Group's continuing involvement, in which case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

#### ii. Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from



## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying value of the original financial liability and the new financial liability with modified terms is recognised in statement of profit and loss.

#### f. Impairment of Financial Assets

The Group recognises impairment allowances for Expected Credit Loss (ECL) on all the financial assets that are not measured at FVTPL:

The ECL provision is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss.

The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on financial assets that are possible within the 12 months after the reporting date.

The Group performs an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Group categorises its loans into three stages as described below:

#### For non-impaired financial instruments

- Stage 1 is comprised of all non-impaired financial instruments which have not experienced a significant increase in credit risk (SICR) since initial recognition. A 12-month ECL provision is made for stage 1 financial instruments. In assessing whether credit risk has increased significantly, the Group compares the risk of a default occurring on the financial instrument as at the reporting date, with the risk of a default occurring on the financial instrument as at the date of initial recognition.

- Stage 2 is comprised of all non-impaired financial instruments which have experienced a SICR since initial recognition. The Group recognises lifetime ECL for stage 2 financial instruments. In subsequent reporting periods, if the credit risk of the financial instrument improves such that there is no longer a SICR since initial recognition, then entities shall revert to recognizing 12 months of ECL.

#### For impaired financial instruments:

Financial instruments are classified as stage 3 when there is objective evidence of impairment as a result of one or more loss events that have occurred after initial recognition with a negative impact on the estimated future cash flows of a loan or a portfolio of loans. The Group recognises lifetime ECL for impaired financial instruments.

#### **The calculation of ECLs**

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

#### **Probability of Default (PD) -**

The Probability of Default is an estimate of the likelihood of default over a given time horizon. PD is computed separately for each stage, incorporating historical trends (roll rate model), and forward-looking macroeconomic factors (MEF). For Stage-1 12m PD, Roll Rate Model (Dynamic Pool Approach) was adopted for all the portfolios, as delinquency trends serve as strong indicators of credit risk. For Stage-2 LT PD, is computed by projecting contractual cash flows and adjusting them for default risk. Cumulative PDs are applied year-wise to determine the probability-weighted defaulted discounted cash flows. This ensures credit risk is incorporated systematically across the loan's remaining tenure. The concept of PD is further explained in Note 47 - Risk Management.

**Exposure at Default -** The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the ability to increase its exposure while approaching default and potential early repayments too.

**Loss Given Default -** Loss Given Default (LGD) refers to the proportion of a loan outstanding amount that is not recovered in the event of



# NOTES

## TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

default. A model has been developed based on historical data from defaulted loans that have been fully resolved or written off.

The analysis encompasses the entire recovery cycle, from the initial default event to the final closure, ensuring a comprehensive assessment of loss dynamics. For each defaulted loan, actual recovery cash flows recorded throughout the resolution period have been systematically captured and analysed. These cash flows are discounted using the respective Effective Interest Rate (EIR) applicable to the loan, maintaining alignment with Expected Credit Loss (ECL) principles.

### Collateral Valuation

To mitigate its credit risks on financial assets, the Group seeks to use collateral, where possible. The collateral comes in various forms, such as movable and immovable assets, guarantees, etc. However, the fair value of collateral affects the calculation of ECLs. To the extent possible, the Group uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using other methodologies. Non-financial collateral, such as vehicles, is valued based on data provided by third parties or management judgements.

### Collateral repossessed

In its normal course of business whenever default occurs, the Group may take possession of properties or other assets in its retail portfolio and generally disposes such assets through auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors. As a result of this practice, assets under legal repossession processes are not recorded on the balance sheet.

### Write-offs

Loans are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when it is determined that the customer does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

### g. Derivative Financial Instruments

A derivative is a financial instrument or other contract with all of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or, other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract (i.e. underlying)
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts expected to have a similar response to changes in market factors.
- It is settled at future date.
- The Group enters into derivative transactions with various counterparties to hedge its foreign currency risks and interest rate risks. Derivative transaction consists of hedging of foreign exchange transactions, which includes interest rate and currency swaps, interest rate options and forwards. The Company undertakes derivative transactions for hedging on-balance sheet liabilities.

### Hedge Accounting:

Initial Recognition and subsequent remeasurement:

The group uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency 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. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains and losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

### h. Determination of fair value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Group measures certain categories of financial instruments (as explained in Note 46- Fair Value Measurement) at fair value on each balance sheet date.

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

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:

- In the principal market for the asset or liability, or
- 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 Group.

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 Group 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 Group has access to at the measurement date. The Group 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 quoted 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 Group 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 Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. No such instances of transfers between levels of the fair value hierarchy were recorded during the reporting period.

#### 2.7 Property, plant and equipment

Property, plant and equipment are carried at cost of acquisition less accumulated depreciation and accumulated impairment loss (if any). The total cost of the asset comprises the purchase price, taxes, duties, freight (net of rebates and discounts) and any other directly attributable costs of bringing the assets to their working condition for their intended use. Borrowing costs directly attributable to acquisition of those assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Advances paid towards the acquisition of assets outstanding at each balance sheet date are disclosed as other non-financial assets. The cost of assets not ready for their intended use at each balance sheet date is disclosed as capital work-in-progress.

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### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Depreciation is provided on a straight-line method, over the estimated useful life of each asset as prescribed in Schedule II of the Companies Act, 2013 as follows:

| Asset                         | Useful Life |
|-------------------------------|-------------|
| Building                      | 60 years    |
| Office Equipment              | 5 years     |
| Furniture and Fixture*        | 10 years    |
| Computers                     | 3 years     |
| Vehicles (Car, Lorry, Bus)    | 8 years     |
| Vehicles (Bike, Moped, Cycle) | 10 years    |
| Servers                       | 6 years     |

\*Useful life for Furniture and Fixture for IKF Home Finance Limited is 5 Years. For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

An item of property, plant and equipment, is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment, is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

#### 2.8 Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated 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

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

The estimated useful life of intangible assets are as follows:

| Asset    | Useful Life |
|----------|-------------|
| Software | 6 years     |

#### 2.9 Impairment of non-financial assets

Assessment is done at each balance sheet date as to whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating

unit is made. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, 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 groups of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting years may no longer exist or may have decreased.

#### 2.10 Employee benefits

##### Defined Contribution Plan:

The Group has a defined contribution plan for post-employment benefits in the form of Provident Fund. Under the Provident Fund Plan, the Group contributes to a Government administered provident fund / recognized provident fund on behalf of the employees. The Group has no further obligation beyond making the contributions.

The Group's contributions to the above Plan are charged to the Statement of Profit and Loss.

##### Defined Benefit Plan:

The Group provides for gratuity to all employees. The benefit is in the form of lump sum payments to vested employees on resignation, retirement, or death while in employment or on termination of employment of an amount equivalent to 15 days basic salary payable for each completed year of service as required under 'The Payment of Gratuity Act, 1972'. Vesting occurs upon completion of five years of service.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, 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

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

#### Other Employee Benefits:

The employees of the Group are entitled to compensated absence and deferred compensation as per the policy of the Group, the liability in respect of which is provided, based on an actuarial valuation carried out by an independent actuary as at the year end. The actuarial valuation method used by the independent actuary for measuring the liability is the Projected Unit Credit Method.

Actuarial gains and losses comprise experience adjustments and the effects of changes in the actuarial assumptions are recognized immediately in the Statement of Profit and Loss in the year in which they arise.

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. Unutilised leave balance that accrues to employees as at the year end is charged to the Statement of Profit and Loss on an undiscounted basis.

#### 2.11 Income Taxes

Income-tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or

credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income-tax expense is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in equity or in OCI.

#### (a) Current tax

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961, enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax assets and liabilities are offset only if, the Group:

- has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### (b) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are reviewed at each reporting date and based on management's judgement, are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

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

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## TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Deferred tax assets and liabilities are offset only if the Group:

- has a legally enforceable right to set off current tax assets against current tax liabilities; and
- the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

### 2.12 Provision and contingencies

A provision is recognised when the Group has a present obligation as a result of 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. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

A contract is considered as onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract.

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 Group or a present obligation that is not recognised 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 recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the financial statements.

### 2.13 Earnings per share

The Group reports basic and diluted earnings per share in accordance with Indian Accounting Standard 33 – "Earnings Per Share". Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share reflects the potential dilution that could occur

if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

### 2.14 Cash and cash equivalent

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

### 2.15 Statement of cash flows

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash future, any deferrals or accruals of past or future operating cash receipts or payments and item of expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

### 2.16 Share based payments

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting year, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

### 2.17 Statutory Reserve

In accordance with section 45-IC of the RBI Act, 1934, the Group creates a reserve fund and transfers therein a sum not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and loss before any dividend is declared.

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 3 CASH AND CASH EQUIVALENTS

| Particulars                                                   | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|---------------------------------------------------------------|-------------------------|-------------------------|
| Cash on hand                                                  | 113.04                  | 110.10                  |
| Balances with banks in current accounts                       | 30,490.79               | 9,230.98                |
| Bank deposit with original Maturity upto three months or less | 3,712.08                | 15,493.75               |
| <b>Total</b>                                                  | <b>34,315.91</b>        | <b>24,834.82</b>        |

#### 4 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

| Particulars                                                | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|------------------------------------------------------------|-------------------------|-------------------------|
| Balances with banks to the extent held as margin money*    | 4,403.52                | 7,737.69                |
| In deposit accounts - Original maturity more than 3 months | 0.82                    | 0.71                    |
| <b>Total</b>                                               | <b>4,404.34</b>         | <b>7,738.40</b>         |

\*Represent margin money deposits placed to avail term loans from banks, financial institutions and as cash collateral in connection with securitisation transactions.

#### 5 RECEIVABLES

| Particulars                                                     | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-----------------------------------------------------------------|-------------------------|-------------------------|
| <b>(I) Trade receivables</b>                                    |                         |                         |
| Receivables considered good - Secured                           | -                       | -                       |
| Receivables considered good - Unsecured                         | 541.13                  | 238.12                  |
| Receivables which have significant increase in credit risk; and | -                       | -                       |
| Receivables – credit impaired                                   | -                       | -                       |
|                                                                 | <b>541.13</b>           | <b>238.12</b>           |
| Less: Provision for impairment                                  | -                       | -                       |
| <b>Total</b>                                                    | <b>541.13</b>           | <b>238.12</b>           |

No trade or other receivables are due from directors or other officers of the Group either severally or jointly with any other person, or from firms or private companies respectively in which any director is a partner, a director or a member.

#### Trade Receivables aging schedule

##### As at March 31, 2026

| Particulars                                                                        | Outstanding for following periods from due date of payment |                    |                   |                    |                    | Total         |
|------------------------------------------------------------------------------------|------------------------------------------------------------|--------------------|-------------------|--------------------|--------------------|---------------|
|                                                                                    | Less than 6 months                                         | 6 months to 1 year | 1 year to 2 years | 2 years to 3 years | 2 years to 3 years |               |
| (i) Undisputed Trade receivables – considered good                                 | 541.13                                                     | -                  | -                 | -                  | -                  | 541.13        |
| (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                                  | -                                                          | -                  | -                 | -                  | -                  | -             |
| <b>Total</b>                                                                       | <b>541.13</b>                                              | <b>-</b>           | <b>-</b>          | <b>-</b>           | <b>-</b>           | <b>541.13</b> |



## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

As at March 31, 2025

| Particulars                                                                        | Outstanding for following periods from due date of payment |                    |                   |                    |                    | Total         |
|------------------------------------------------------------------------------------|------------------------------------------------------------|--------------------|-------------------|--------------------|--------------------|---------------|
|                                                                                    | Less than 6 months                                         | 6 months to 1 year | 1 year to 2 years | 2 years to 3 years | 2 years to 3 years |               |
| (i) Undisputed Trade receivables – considered good                                 | 238.12                                                     | -                  | -                 | -                  | -                  | 238.12        |
| (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                                  | -                                                          | -                  | -                 | -                  | -                  | -             |
| <b>Total</b>                                                                       | <b>238.12</b>                                              | <b>-</b>           | <b>-</b>          | <b>-</b>           | <b>-</b>           | <b>238.12</b> |

## 6 LOANS

| Particulars                                     | As at March 31, 2026 | As at March 31, 2025 |
|-------------------------------------------------|----------------------|----------------------|
| (i) Term loans                                  | 7,34,361.85          | 5,71,392.05          |
| (ii) Others (ICD)                               | -                    | -                    |
| (iii) Staff loans                               | 141.43               | 108.83               |
| (iv) others                                     |                      |                      |
| (a) Trade advances                              | 7,003.57             | 5,686.78             |
| <b>Total</b>                                    | <b>7,41,506.84</b>   | <b>5,77,187.66</b>   |
| Less: Impairment loss allowance                 | 10,854.81            | 7,737.12             |
| <b>Total - Net of impairment loss allowance</b> | <b>7,30,652.03</b>   | <b>5,69,450.54</b>   |
| (i) Secured by tangible assets*                 | 7,34,361.85          | 5,71,392.05          |
| (ii) Secured by intangible assets               | -                    | -                    |
| (iii) Covered by Bank/ Government Guarantees    | -                    | -                    |
| (iv) Unsecured                                  | 7,145.00             | 5,795.61             |
| <b>Total</b>                                    | <b>7,41,506.84</b>   | <b>5,77,187.66</b>   |
| Less: Impairment loss allowance                 | 10,854.81            | 7,737.12             |
| <b>Total - Net of impairment loss allowance</b> | <b>7,30,652.03</b>   | <b>5,69,450.54</b>   |
| (i) Public sectors                              | -                    | -                    |
| (ii) Others                                     | 7,41,506.84          | 5,77,187.66          |
| <b>Total</b>                                    | <b>7,41,506.84</b>   | <b>5,77,187.66</b>   |
| Less: Impairment loss allowance                 | 10,854.81            | 7,737.12             |
| <b>Total - Net of impairment loss allowance</b> | <b>7,30,652.03</b>   | <b>5,69,450.54</b>   |
| (i) Loans in India                              | 7,41,506.84          | 5,77,187.66          |
| (ii) Loans outside India                        | -                    | -                    |
| <b>Total</b>                                    | <b>7,41,506.84</b>   | <b>5,77,187.66</b>   |
| Less: Impairment loss allowance                 | 10,854.81            | 7,737.12             |
| <b>Total - Net of impairment loss allowance</b> | <b>7,30,652.03</b>   | <b>5,69,450.54</b>   |

\*Secured against hypothecation of automobiles, book debts, equitable mortgage of immovable property etc.

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

**6.1** The table below discloses credit quality and the maximum exposure to credit risk based on the Company's year end stage classification. The numbers presented are gross of impairment loss allowance:

| Particulars       | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-------------------|-------------------------|-------------------------|
| <b>Term loans</b> |                         |                         |
| Stage I           | 6,79,524.23             | 5,28,552.95             |
| Stage II          | 44,662.96               | 36,909.26               |
| Stage III         | 17,319.64               | 11,725.45               |
| <b>Total</b>      | <b>7,41,506.84</b>      | <b>5,77,187.66</b>      |

### 7 OTHER FINANCIAL ASSETS

| Particulars                              | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|------------------------------------------|-------------------------|-------------------------|
| Rent and utility deposit                 | 537.82                  | 482.72                  |
| Excess Interest Spread (EIS) Receivables | 14,480.47               | 9,817.46                |
| Other -secured, considered good          | 288.66                  | 664.99                  |
| Other -unsecured, considered good        | 720.47                  | 879.68                  |
| <b>Total</b>                             | <b>16,027.42</b>        | <b>11,844.85</b>        |

### 8 INVESTMENTS

| Particulars                                                       | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Investment in Debt instruments</b>                             |                         |                         |
| - Market Linked Debentures (at Fair Value through Profit or loss) | -                       | -                       |
| - Mutual Funds                                                    | -                       | -                       |
| - Debentures (at Amortised Cost)                                  | 5,966.06                | -                       |
| - PTC                                                             | 2,837.07                | 1,350.15                |
| <b>Total (A)</b>                                                  | <b>8,803.13</b>         | <b>1,350.15</b>         |
| (i) Investments in India                                          | 8,803.13                | 1,350.15                |
| (ii) Investments outside India                                    | -                       | -                       |
| <b>Total (B)</b>                                                  | <b>8,803.13</b>         | <b>1,350.15</b>         |

### 9 OTHER NON-FINANCIAL ASSETS

| Particulars           | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-----------------------|-------------------------|-------------------------|
| Prepaid expenses      | 902.19                  | 897.82                  |
| Advances to employees | 1.35                    | 0.42                    |
| GST input credit      | 575.69                  | 712.39                  |
| Advance for expenses  | 121.56                  | 331.08                  |
| Other advances        | -                       | 150.00                  |
| <b>Total</b>          | <b>1,600.79</b>         | <b>2,091.71</b>         |

### 10 DERIVATIVE FINANCIAL INSTRUMENTS (ASSET)

| Particulars                                           | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-------------------------------------------------------|-------------------------|-------------------------|
| Forward rate agreements and interest rate swaps (net) | -                       | -                       |
| <b>Total</b>                                          | <b>-</b>                | <b>-</b>                |

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 11 DERIVATIVE FINANCIAL INSTRUMENTS (LIABILITIES)

| Particulars                                           | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-------------------------------------------------------|-------------------------|-------------------------|
| Forward rate agreements and interest rate swaps (net) | -                       | 43.06                   |
| <b>Total</b>                                          | <b>-</b>                | <b>43.06</b>            |

#### 12 PROPERTY, PLANT AND EQUIPMENT

| Particulars                                     | Buildings       | Leasehold<br>Improvements | Furniture<br>and<br>Fixtures | Computer<br>& Printer | Office<br>equipment | Vehicles      | Total           | Right<br>to Use<br>Assets<br>(Leases) |
|-------------------------------------------------|-----------------|---------------------------|------------------------------|-----------------------|---------------------|---------------|-----------------|---------------------------------------|
| <b>Gross carrying amount</b>                    |                 |                           |                              |                       |                     |               |                 |                                       |
| <b>As at March 31, 2024</b>                     | -               | 29.13                     | 347.32                       | 327.98                | 40.01               | 164.94        | 909.38          | 927.76                                |
| Additions                                       | -               | 32.57                     | 112.91                       | 104.66                | 20.51               | -             | 270.65          | 506.43                                |
| Disposals                                       | -               | -                         | (13.54)                      | (4.30)                | (3.16)              | (35.83)       | (56.83)         | (5.13)                                |
| <b>As at March 31, 2025</b>                     | -               | 61.70                     | 446.69                       | 428.34                | 57.36               | 129.11        | 1,123.20        | 1,429.06                              |
| Additions                                       | 5,587.08        | -                         | 970.89                       | 189.17                | 421.59              | -             | 7,168.73        | 300.58                                |
| Disposals                                       | -               | -                         | -                            | (0.57)                | -                   | -             | (0.57)          | (7.67)                                |
| <b>As at March 31, 2026</b>                     | <b>5,587.08</b> | <b>61.70</b>              | <b>1,417.58</b>              | <b>616.94</b>         | <b>478.95</b>       | <b>129.11</b> | <b>8,291.36</b> | <b>1,721.97</b>                       |
| <b>Accumulated depreciation and impairment:</b> |                 |                           |                              |                       |                     |               |                 |                                       |
| <b>As at March 31, 2024</b>                     | -               | 19.40                     | 218.26                       | 206.16                | 27.58               | 87.51         | 558.91          | 565.91                                |
| Depreciation for the year                       | -               | 3.43                      | 27.22                        | 74.51                 | 6.64                | 12.07         | 123.87          | 321.08                                |
| Disposals                                       | -               | -                         | (9.65)                       | (4.56)                | (2.00)              | (21.23)       | (37.44)         | -                                     |
| <b>As at March 31, 2025</b>                     | -               | 22.83                     | 235.83                       | 276.11                | 32.22               | 78.35         | 645.34          | 886.99                                |
| Depreciation for the year                       | 44.99           | 5.98                      | 71.92                        | 99.00                 | 41.20               | 8.67          | 271.76          | 257.04                                |
| Disposals                                       | -               | -                         | -                            | (0.04)                | -                   | -             | (0.04)          | -                                     |
| <b>As at March 31, 2026</b>                     | <b>44.99</b>    | <b>28.81</b>              | <b>307.75</b>                | <b>375.07</b>         | <b>73.42</b>        | <b>87.02</b>  | <b>917.06</b>   | <b>1,144.03</b>                       |
| <b>Net book value</b>                           |                 |                           |                              |                       |                     |               |                 |                                       |
| As at March 31, 2024                            | -               | 9.73                      | 129.06                       | 121.82                | 12.43               | 77.43         | 350.47          | 361.85                                |
| As at March 31, 2025                            | -               | 38.87                     | 210.86                       | 152.23                | 25.14               | 50.75         | 477.86          | 542.07                                |
| <b>As at March 31, 2026</b>                     | <b>5,542.09</b> | <b>32.89</b>              | <b>1,109.83</b>              | <b>241.87</b>         | <b>405.53</b>       | <b>42.09</b>  | <b>7,374.30</b> | <b>577.94</b>                         |

Note: The Group has not revalued any of its property, plant and equipment during the years ended March 31, 2026 and March 31, 2025. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is Nil.

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 13 INVESTMENT PROPERTY

| Particulars                  | Buildings   | Land          | Total         |
|------------------------------|-------------|---------------|---------------|
| <b>Gross carrying amount</b> |             |               |               |
| <b>As at March 31, 2024</b>  | <b>6.98</b> | <b>124.07</b> | <b>131.05</b> |
| Additions                    | -           | 32.20         | 32.20         |
| Disposals                    | -           | -             | -             |
| <b>As at March 31, 2025</b>  | <b>6.98</b> | <b>156.27</b> | <b>163.25</b> |
| Additions                    | -           | -             | -             |
| Disposals                    | -           | (58.06)       | (58.06)       |
| <b>As at March 31, 2026</b>  | <b>6.98</b> | <b>98.21</b>  | <b>105.19</b> |
| <b>As at March 31, 2024</b>  | <b>1.02</b> | <b>-</b>      | <b>1.02</b>   |
| Depreciation for the year    | 0.17        | -             | 0.17          |
| Disposals                    | -           | -             | -             |
| <b>As at March 31, 2025</b>  | <b>1.19</b> | <b>-</b>      | <b>1.19</b>   |
| Depreciation for the year    | 0.17        | 0.54          | 0.71          |
| Disposals                    | -           | -             | -             |
| <b>As at March 31, 2026</b>  | <b>1.36</b> | <b>0.54</b>   | <b>1.90</b>   |
| <b>Net book value</b>        |             |               |               |
| As at March 31, 2024         | 5.96        | 124.07        | 130.03        |
| As at March 31, 2025         | 5.79        | 156.27        | 162.06        |
| <b>As at March 31, 2026</b>  | <b>5.62</b> | <b>97.67</b>  | <b>103.29</b> |

#### (i) Amounts recognised in Statement of Profit and Loss for Investment Property

| Particulars                                                         | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|---------------------------------------------------------------------|------------------------------|------------------------------|
| Rental Income (Note 29)                                             | 3.81                         | 9.15                         |
| Direct operating expense from property that generated rental income |                              | -                            |
| <b>Profit from investment properties before depreciation</b>        | <b>3.81</b>                  | <b>9.15</b>                  |
| Depreciation                                                        | 0.17                         | 0.17                         |
| <b>Profit from investment properties</b>                            | <b>3.64</b>                  | <b>8.98</b>                  |

#### (ii) Contractual obligations

The Group has no contractual obligations to purchase, construct or develop investment property. However, the responsibility for its repairs, maintenance or enhancements is with the Group.

#### (iii) Fair value

The fair valuation of investment property as at March 31, 2026 is ₹ 454.65 Lakhs (PY: ₹ 498.05 Lakhs).

#### (iv) Pledged details

Investment property pledged in favor of consortium leader central bank for cash credit facility.

#### (v) Estimation of fair value

The fair values of investment property is determined by guidance value given by the local government of the area where the investment properties are located.

#### (vi) Revaluation

The Group has not revalued any of its investment property during the years ended March 31, 2026 and March 31, 2025. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is Nil.

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 14 CAPITAL WORK IN PROGRESS

| Particulars            | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|------------------------|------------------------------|------------------------------|
| <b>Opening Balance</b> | <b>5,540.39</b>              | <b>47.59</b>                 |
| Additions              | -                            | 5,540.39                     |
| Deductions             | 5,540.39                     | 47.59                        |
| <b>Closing Balance</b> | <b>-</b>                     | <b>5,540.39</b>              |

#### Ageing for Capital work in Progress

| Particulars                 | As at          | Amount for a Period of |           |           |                      | Total    |
|-----------------------------|----------------|------------------------|-----------|-----------|----------------------|----------|
|                             |                | less than<br>1 Year    | 1-2 Years | 2-3 Years | More than<br>3 Years |          |
| <b>Projects in Progress</b> | March 31, 2026 | -                      | -         | -         | -                    | -        |
| <b>Projects in Progress</b> | March 31, 2025 | 5,540.39               | -         | -         | -                    | 5,540.39 |

#### 14A Intangible assets under development

| Particulars            | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|------------------------|------------------------------|------------------------------|
| <b>Opening Balance</b> | <b>-</b>                     | <b>13.20</b>                 |
| Additions              | 41.00                        | -                            |
| Deductions             | -                            | 13.20                        |
| <b>Closing Balance</b> | <b>41.00</b>                 | <b>-</b>                     |

#### Ageing for Intangibles assets under development

| Particulars                 | As at                 | Amount for a Period of |           |           |                      | Total |
|-----------------------------|-----------------------|------------------------|-----------|-----------|----------------------|-------|
|                             |                       | less than<br>1 Year    | 1-2 Years | 2-3 Years | More than<br>3 Years |       |
| <b>Projects in Progress</b> | <b>March 31, 2026</b> | 41.00                  | -         | -         | -                    | 41.00 |
| <b>Projects in Progress</b> | <b>March 31, 2025</b> | -                      | -         | -         | -                    | -     |

#### 14B Other Intangible assets (Software)

| Particulars                                    | Computer software |
|------------------------------------------------|-------------------|
| <b>Gross carrying amount</b>                   |                   |
| <b>As at March 31, 2024</b>                    | <b>584.70</b>     |
| Additions                                      | 31.92             |
| Disposal                                       | (0.04)            |
| <b>As at March 31, 2025</b>                    | <b>616.58</b>     |
| Additions                                      | 23.98             |
| Disposal                                       | -                 |
| <b>As at March 31, 2026</b>                    | <b>640.56</b>     |
| <b>Accumulated amortisation and impairment</b> |                   |
| <b>As at March 31, 2024</b>                    | <b>386.61</b>     |
| Amortisation for the year                      | 70.84             |
| Disposal                                       | -                 |
| <b>As at March 31, 2025</b>                    | <b>457.45</b>     |
| Amortisation for the year                      | 44.07             |
| Disposal                                       | -                 |
| <b>As at March 31, 2026</b>                    | <b>501.52</b>     |

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Particulars                 | Computer software |
|-----------------------------|-------------------|
| <b>Net book value</b>       |                   |
| As at March 31, 2024        | 198.09            |
| As at March 31, 2025        | 159.13            |
| <b>As at March 31, 2026</b> | <b>139.04</b>     |

Note: The Group has not revalued any of its intangible assets during the years ended March 31, 2026 and March 31, 2025. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is Nil.

#### 15 TRADE PAYABLES

| Particulars                                                                                    | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| Total outstanding dues of:                                                                     |                         |                         |
| (i) total outstanding dues of micro enterprises and small enterprises; (refer note 14.1 below) | -                       | -                       |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises    | -                       | -                       |
| <b>Total</b>                                                                                   | <b>-</b>                | <b>-</b>                |

##### 15.1 Disclosure relating to Micro, Small and Medium Enterprises Development Act, 2006 is as follows:

| Particulars                                                                                                                                        | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|----------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| (i) Principal amount remaining unpaid to any supplier                                                                                              | -                       | -                       |
| (ii) Interest due thereon remaining unpaid to any supplier                                                                                         | -                       | -                       |
| (iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day                              | -                       | -                       |
| (iv) The amount of interest due and payable for the year                                                                                           | -                       | -                       |
| (v) The amount of interest accrued and remaining unpaid                                                                                            | -                       | -                       |
| (vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid | -                       | -                       |
| <b>Total</b>                                                                                                                                       | <b>-</b>                | <b>-</b>                |

15.2 Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors

##### 15.3 Trade Payable aging schedule

As at March 31, 2026

| Particulars                 | Outstanding for following periods from due date of payment |                     |           |           |                      | Total    |
|-----------------------------|------------------------------------------------------------|---------------------|-----------|-----------|----------------------|----------|
|                             | Unbilled                                                   | Less than<br>1 year | 1-2 years | 2-3 years | More Than<br>3 years |          |
| (i) MSME                    | -                                                          | -                   | -         | -         | -                    | -        |
| (ii) Others                 | -                                                          | -                   | -         | -         | -                    | -        |
| (iii) Disputed dues – MSME  | -                                                          | -                   | -         | -         | -                    | -        |
| (iv) Disputed dues - Others | -                                                          | -                   | -         | -         | -                    | -        |
| <b>Total</b>                | <b>-</b>                                                   | <b>-</b>            | <b>-</b>  | <b>-</b>  | <b>-</b>             | <b>-</b> |



## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

As at March 31, 2025

| Particulars                 | Outstanding for following periods from due date of payment |                  |           |           |                   | Total |
|-----------------------------|------------------------------------------------------------|------------------|-----------|-----------|-------------------|-------|
|                             | Unbilled                                                   | Less than 1 year | 1-2 years | 2-3 years | More Than 3 years |       |
| (i) MSME                    | -                                                          | -                | -         | -         | -                 | -     |
| (ii) Others                 | -                                                          | -                | -         | -         | -                 | -     |
| (iii) Disputed dues – MSME  | -                                                          | -                | -         | -         | -                 | -     |
| (iv) Disputed dues - Others | -                                                          | -                | -         | -         | -                 | -     |
| <b>Total</b>                | -                                                          | -                | -         | -         | -                 | -     |

## 16 DEBT SECURITIES

| Particulars                      | As at March 31, 2026 | As at March 31, 2025 |
|----------------------------------|----------------------|----------------------|
| <b>At amortised cost</b>         |                      |                      |
| <b>Secured</b>                   |                      |                      |
| Non convertible debentures       | 93,650.75            | 74,910.41            |
| <b>Unsecured</b>                 |                      |                      |
| Other non convertible debentures | 1,007.43             | 3,013.69             |
| Commercial Paper                 | 4,891.27             |                      |
| <b>Total</b>                     | <b>99,549.45</b>     | <b>77,924.10</b>     |
| <b>Debt Securities:</b>          |                      |                      |
| Within India                     | 99,549.45            | 77,924.10            |
| Outside India                    | -                    | -                    |
| <b>Total</b>                     | <b>99,549.45</b>     | <b>77,924.10</b>     |

### Nature of security

#### Non convertible debentures (secured)

Non convertible debentures are secured by an exclusive charge by way of hypothecation of specific loan receivable created out of the loan proceeds and mortgage of personal properties of directors in addition to their personal guarantees.

The Group has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.

The Group has borrowed funds from banks and financial institutions on the basis of security of current assets. It has filed quarterly returns or statements of current assets with banks and financial institutions and the said returns/statements are in agreement with books of accounts.

### Terms of repayment of Debt securities as on March 31, 2026

| Original maturity loan       | Interest rate | Due within 1 Year   |                   | Due between 1 to 5 Years |                   | Due more than 5 Years |                   | Total     |
|------------------------------|---------------|---------------------|-------------------|--------------------------|-------------------|-----------------------|-------------------|-----------|
|                              |               | No. of Installments | Amount (In Lakhs) | No. of Installments      | Amount (In Lakhs) | No. of Installments   | Amount (In Lakhs) |           |
| Monthly repayment schedule   |               |                     |                   |                          |                   |                       |                   |           |
| 1-7 Years                    |               | -                   | -                 | -                        | -                 | -                     | -                 | -         |
|                              |               | -                   | -                 | -                        | -                 | -                     | -                 | -         |
| Quarterly repayment schedule |               |                     |                   |                          |                   |                       |                   |           |
| 1-5 Years                    | 8.01% - 9.00% | 4                   | 2,000.00          | 6                        | 14,000.00         | -                     | -                 | 16,000.00 |
|                              | 9.01%-10.00%  | 16                  | 39,649.91         | 11                       | 18,774.98         | -                     | -                 | 58,424.89 |
|                              | 10.01%-11.00% | 2                   | 1,000.00          | -                        | -                 | -                     | -                 | 1,000     |
|                              | 11.01%-12.00% | -                   | -                 | -                        | -                 | -                     | -                 | -         |

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Original maturity loan            | Interest rate | Due within 1 Year   |                   | Due between 1 to 5 Years |                   | Due more than 5 Years |                   | Total     |
|-----------------------------------|---------------|---------------------|-------------------|--------------------------|-------------------|-----------------------|-------------------|-----------|
|                                   |               | No. of Installments | Amount (In Lakhs) | No. of Installments      | Amount (In Lakhs) | No. of Installments   | Amount (In Lakhs) |           |
| Yearly repayment schedule         |               |                     |                   |                          |                   |                       |                   |           |
| 1-5 Years                         | 8.01% - 9.00% | -                   | -                 | -                        | -                 | -                     | -                 | -         |
|                                   | 9.01%-10.00%  | -                   | -                 | -                        | -                 | -                     | -                 | -         |
|                                   | 10.01%-11.00% | -                   | -                 | -                        | -                 | -                     | -                 | -         |
|                                   | 11.01%-12.00% | -                   | -                 | -                        | -                 | -                     | -                 | -         |
| Bullet repayment schedule         |               |                     |                   |                          |                   |                       |                   |           |
| 1-7 Years                         | 8.01% - 9.00% | -                   | -                 | -                        | -                 | -                     | -                 | -         |
|                                   | 9.01%-10.00%  | 5                   | 18,000.00         | -                        | -                 | -                     | -                 | 18,000.00 |
|                                   | 10.01%-11.00% | -                   | -                 | 1                        | 6,000.00          | -                     | -                 | 6,000.00  |
|                                   | 11.01%-12.00% | -                   | -                 | -                        | -                 | -                     | -                 | -         |
| Total                             |               |                     | 60,649.91         | -                        | 38,774.98         | -                     | -                 | 99,424.89 |
| Add: Interest accrued but not due |               |                     |                   |                          |                   |                       |                   | 883.79    |
| Less: Unamortized Finance Cost    |               |                     |                   |                          |                   |                       |                   | (759.23)  |
| Total Amortized Cost              |               |                     | 60,649.91         |                          | 38,774.98         |                       | -                 | 99,549.45 |

#### Terms of repayment of Debt securities as on March 31, 2025

| Original maturity loan             | Interest rate | Due within 1 Year   |                   | Due between 1 to 5 Years |                   | Due more than 5 Years |                   | Total     |
|------------------------------------|---------------|---------------------|-------------------|--------------------------|-------------------|-----------------------|-------------------|-----------|
|                                    |               | No. of Installments | Amount (In Lakhs) | No. of Installments      | Amount (In Lakhs) | No. of Installments   | Amount (In Lakhs) |           |
| Monthly repayment schedule         |               |                     |                   |                          |                   |                       |                   |           |
| 1-7 Years                          |               | -                   | -                 | -                        | -                 | -                     | -                 | -         |
|                                    |               | -                   | -                 | -                        | -                 | -                     | -                 | -         |
| Quarterly repayment schedule       |               |                     |                   |                          |                   |                       |                   |           |
| 1-5 Years                          | 9.01%-10.00%  | 15                  | 9,007.50          | 28                       | 46,849.29         | -                     | -                 | 55,856.79 |
|                                    | 10.01%-11.00% | 4                   | 2,018.35          | 2                        | 995.35            | -                     | -                 | 3,013.70  |
|                                    | 11.01%-12.00% | -                   | -                 | -                        | -                 | -                     | -                 | -         |
|                                    | 12.01%-12.50% | -                   | -                 | -                        | -                 | -                     | -                 | -         |
| Yearly repayment schedule          |               |                     |                   |                          |                   |                       |                   |           |
| 1-5 Years                          | 8.51%-9.50%   | -                   | -                 | -                        | -                 | -                     | -                 | -         |
|                                    | 9.51%-10.50%  | -                   | -                 | -                        | -                 | -                     | -                 | -         |
|                                    | 10.51%-11.50% | -                   | -                 | -                        | -                 | -                     | -                 | -         |
|                                    | 11.51%-12.50% | -                   | -                 | -                        | -                 | -                     | -                 | -         |
| Bullet repayment schedule          |               |                     |                   |                          |                   |                       |                   |           |
| 1-7 Years                          | 9.01%-10.00%  | -                   | -                 | 3                        | 13,000.00         | -                     | -                 | 13,000.00 |
|                                    | 10.01%-11.00% | -                   | -                 | 1                        | 5,997.45          | -                     | -                 | 5,997.45  |
|                                    | 11.01%-12.00% | -                   | -                 | -                        | -                 | -                     | -                 | -         |
|                                    | 12.01%-12.50% | -                   | -                 | -                        | -                 | -                     | -                 | -         |
| Total                              |               |                     | 11,025.86         | -                        | 66,842.09         | -                     | -                 | 77,867.94 |
| Add : Interest accrued but not due |               |                     |                   |                          |                   |                       |                   | 837.66    |
| Less : Unamortized Finance Cost    |               |                     |                   |                          |                   |                       |                   | (781.50)  |
| Total Amortized Cost               |               |                     | 11,025.86         |                          | 66,842.09         |                       | -                 | 77,924.10 |

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 17 BORROWINGS (OTHER THAN DEBT SECURITIES)

| Particulars                                                      | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|------------------------------------------------------------------|-------------------------|-------------------------|
| <b>At amortised cost</b>                                         |                         |                         |
| <b>Term loans (Secured)</b>                                      |                         |                         |
| from banks                                                       | 3,42,636.85             | 2,57,482.22             |
| from non banking financial companies                             | 72,734.85               | 69,018.67               |
| from financial institutions                                      | 17,153.33               | 27,225.26               |
| From National Housing Bank (NHB)                                 | 12,171.66               | 8,121.47                |
| <b>Loans repayable on demand (Secured):</b>                      |                         |                         |
| Cash credit from Bank                                            | 4,677.03                | 24,728.18               |
| Associated liabilities in respect of securitisation transactions | 25,186.05               | 21,668.04               |
| <b>Total</b>                                                     | <b>4,74,559.77</b>      | <b>4,08,243.84</b>      |
| <b>Borrowings:</b>                                               |                         |                         |
| Within India                                                     | 4,74,559.77             | 4,08,243.84             |
| Outside India                                                    | -                       | -                       |
| <b>Total</b>                                                     | <b>4,74,559.77</b>      | <b>4,08,243.84</b>      |

#### Nature of security

##### Term loans (secured)

Term Loans from bank, financial institutions and NBFCs are secured by an exclusive charge by way of hypothecation of specific loan receivable created out of the loan proceeds and cash collateral by way of fixed deposits and mortgage of personal properties of directors in addition to their personal guarantees.

##### Loans repayable on demand (Secured)

These loans are secured against the first pari passu charge on current assets, book debts and receivables including loans & advances of the Group as per the agreement. Further, the loan has been guaranteed by personal guarantee of director/promoter to the extent of ₹ 378.20 Cr\* (March 31, 2025: ₹ 378.20 Cr).

The Group has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.

The Group has borrowed funds from banks and financial institutions on the basis of security of current assets. It has filed quarterly returns or statements of current assets with banks and financial institutions and the said returns/statements are in agreement with books of accounts.

\* Agreement executed dated 29<sup>th</sup> June 2024

# NOTES

## TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

### Terms of repayment of borrowings (other than debt) as on March 31, 2026

| Original maturity loan            | Interest rate | Due within 1 Year   |                   | Due between 1 to 5 Years |                   | Due more than 5 Years |                   | Total       |
|-----------------------------------|---------------|---------------------|-------------------|--------------------------|-------------------|-----------------------|-------------------|-------------|
|                                   |               | No. of Installments | Amount (In Lakhs) | No. of Installments      | Amount (In Lakhs) | No. of Installments   | Amount (In Lakhs) |             |
| Monthly repayment schedule        |               |                     |                   |                          |                   |                       |                   |             |
| 1-7 Years                         | 5.01%-6.00%   | -                   | -                 | -                        | -                 | -                     | -                 | -           |
|                                   | 6.00%-7.00%   | -                   | -                 | -                        | -                 | -                     | -                 | -           |
|                                   | 7.01%-8.00%   | 214                 | 16,060.51         | 304                      | 20,830.33         | 31                    | 1,625.57          | 38,516.41   |
|                                   | 8.01%-9.00%   | 430                 | 54,816.91         | 735                      | 94,144.07         | -                     | -                 | 1,48,960.98 |
|                                   | 9.01%-10.50%  | 648                 | 44,645.61         | 1,015                    | 42,415.89         | 26                    | 882.71            | 87,944.21   |
|                                   | 10.51%-11.50% | 24                  | 728.85            | 9                        | 339.56            | -                     | -                 | 1,068.41    |
| Quarterly repayment schedule      |               |                     |                   |                          |                   |                       |                   |             |
| 1-5 Years                         | 5.01%-6.00%   | 3                   | 22.50             | 16                       | 120.00            | 5                     | 35.00             | 177.50      |
|                                   | 6.00%-7.00%   | -                   | -                 | -                        | -                 | -                     | -                 | -           |
|                                   | 7.01%-8.00%   | 7                   | 507.71            | 26                       | 1,291.10          | 18                    | 46.03             | 1,844.84    |
|                                   | 8.01%-9.00%   | 114                 | 26,915.15         | 352                      | 66,592.12         | 117                   | 15,384.87         | 1,08,892.13 |
|                                   | 9.01%-10.50%  | 125                 | 30,496.17         | 174                      | 37,898.03         | 2                     | 435.40            | 68,829.60   |
|                                   | 10.51%-11.50% | 4                   | 1,072.00          | 7                        | 1,829.80          | -                     | -                 | 2,901.80    |
| Bullet repayment schedule         |               |                     |                   |                          |                   |                       |                   |             |
| 1-14 Years                        | 7.01%-8.00%   | 1                   | 7,500.00          | 1                        | 5,000.00          | -                     | -                 | 12,500.00   |
|                                   | 8.01%-9.00%   | -                   | -                 | -                        | -                 | -                     | -                 | -           |
|                                   | 9.01%-10.50%  | -                   | -                 | -                        | -                 | -                     | -                 | -           |
|                                   | 10.51%-11.50% | -                   | -                 | -                        | -                 | -                     | -                 | -           |
|                                   | 11.51%-13.50% | -                   | -                 | -                        | -                 | -                     | -                 | -           |
| Total                             |               |                     | 1,82,765.40       |                          | 2,70,460.90       |                       | 18,409.57         | 4,71,635.88 |
| Add: Interest accrued but not due |               |                     |                   |                          |                   |                       |                   | 579.57      |
| Less: Unamortized Finance Cost    |               |                     |                   |                          |                   |                       |                   | (2,332.71)  |
| Total Amortized Cost              |               |                     | 1,82,765.40       |                          | 2,70,460.90       |                       | 18,409.57         | 4,69,882.74 |

### Terms of repayment of borrowings (other than debt) as on March 31, 2025

| Original maturity loan       | Interest rate | Due within 1 Year   |                   | Due between 1 to 5 Years |                   | Due more than 5 Years |                   | Total       |
|------------------------------|---------------|---------------------|-------------------|--------------------------|-------------------|-----------------------|-------------------|-------------|
|                              |               | No. of Installments | Amount (In Lakhs) | No. of Installments      | Amount (In Lakhs) | No. of Installments   | Amount (In Lakhs) |             |
| Monthly repayment schedule   |               |                     |                   |                          |                   |                       |                   |             |
| 1-7 Years                    | 6.00%-7.00%   | -                   | -                 | -                        | -                 | -                     | -                 | -           |
|                              | 7.01%-8.00%   | -                   | -                 | -                        | -                 | -                     | -                 | -           |
|                              | 8.01%-9.00%   | 88                  | 4,603.40          | 190                      | 11,890.34         | 119                   | 6,515.46          | 23,009.19   |
|                              | 9.01%-10.50%  | 1,035               | 78,266.62         | 1,870                    | 1,20,081.46       | 157                   | 4,484.00          | 2,02,832.07 |
|                              | 10.51%-11.50% | 73                  | 6,468.85          | 35                       | 1,565.02          | -                     | -                 | 8,033.87    |
|                              | 11.51%-13.50% | 4                   | 167.44            | -                        | 0                 | -                     | -                 | 167.44      |
| Quarterly repayment schedule |               |                     |                   |                          |                   |                       |                   |             |
| 1-5 Years                    | 6.00%-7.00%   | -                   | -                 | -                        | -                 | -                     | -                 | -           |
|                              | 7.01%-8.00%   | 3                   | 1,360.00          | -                        | -                 | -                     | -                 | 1,360.00    |
|                              | 8.01%-9.00%   | 21                  | 920.74            | 57                       | 2,096.30          | 18                    | 815.53            | 3,832.57    |
|                              | 9.01%-10.50%  | 172                 | 36,037.52         | 407                      | 73,199.18         | 47                    | 6,988.41          | 1,16,225.11 |
|                              | 10.51%-11.50% | 42                  | 6,676.30          | 72                       | 8,967.53          | 2                     | 1,000.00          | 16,643.84   |
|                              | 11.51%-13.50% | -                   | -                 | -                        | -                 | -                     | -                 | -           |

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Original maturity loan            | Interest rate | Due within 1 Year   |                   | Due between 1 to 5 Years |                   | Due more than 5 Years |                   | Total       |
|-----------------------------------|---------------|---------------------|-------------------|--------------------------|-------------------|-----------------------|-------------------|-------------|
|                                   |               | No. of Installments | Amount (In Lakhs) | No. of Installments      | Amount (In Lakhs) | No. of Installments   | Amount (In Lakhs) |             |
| Bullet repayment schedule         |               |                     |                   |                          |                   |                       |                   |             |
| 1-14 Years                        | 7.01%-8.00%   | -                   | -                 | 2                        | 12,500.00         | -                     | -                 | 12,500.00   |
|                                   | 8.01%-9.00%   | -                   | -                 | -                        | -                 | -                     | -                 | -           |
|                                   | 9.01%-10.50%  | -                   | -                 | -                        | -                 | -                     | -                 | -           |
|                                   | 10.51%-11.50% | -                   | -                 | -                        | -                 | -                     | -                 | -           |
|                                   | 11.51%-13.50% | -                   | -                 | -                        | -                 | -                     | -                 | -           |
| Total                             |               |                     | 1,34,500.87       |                          | 2,30,299.83       |                       | 19,803.40         | 3,84,604.10 |
| Add: Interest accrued but not due |               |                     |                   |                          |                   |                       |                   | 458.82      |
| Less: Unamortized Finance Cost    |               |                     |                   |                          |                   |                       |                   | (1,547.27)  |
| Total Amortized Cost              |               |                     | 1,34,500.87       |                          | 2,30,299.83       |                       | 19,803.40         | 3,83,515.65 |

### 18 SUBORDINATED LIABILITIES

| Particulars                            | As at March 31, 2026 | As at March 31, 2025 |
|----------------------------------------|----------------------|----------------------|
| <b>Unsecured - At amortised cost</b>   |                      |                      |
| Non convertible debentures (Tier-II)   | 16,436.11            | 16,402.09            |
| Indian rupee loan from banks (Tier-II) | -                    | -                    |
| <b>Total</b>                           | <b>16,436.11</b>     | <b>16,402.09</b>     |
| <b>Subordinated Liabilities:</b>       |                      |                      |
| Within India                           | 16,436.11            | 16,402.09            |
| Outside India                          | -                    | -                    |
| <b>Total</b>                           | <b>16,436.11</b>     | <b>16,402.09</b>     |

#### Terms of repayment of subordinated liabilities as on March 31, 2026

| Original maturity loan            | Interest rate    | Due within 1 Year   |                   | Due between 1 to 5 Years |                   | Due more than 5 Years |                   | Total       |
|-----------------------------------|------------------|---------------------|-------------------|--------------------------|-------------------|-----------------------|-------------------|-------------|
|                                   |                  | No. of Installments | Amount (In Lakhs) | No. of Installments      | Amount (In Lakhs) | No. of Installments   | Amount (In Lakhs) |             |
| Bullet repayment schedule         |                  |                     |                   |                          |                   |                       |                   |             |
| 1-7 Years                         | 11.51%-12.50%    | -                   | -                 | -                        | -                 | -                     | -                 | -           |
|                                   | More than 12.50% | 1                   | 2,500.00          | 1                        | 14,000.00         | -                     | -                 | 16,500.00   |
| Total                             |                  |                     | 2,500.00          |                          | 14,000.00         |                       | -                 | 16,500.00   |
| Add: Interest accrued but not due |                  |                     |                   |                          |                   |                       |                   | 10.62       |
| Less: Unamortized Finance Cost    |                  |                     |                   |                          |                   |                       |                   | (74.51)     |
| Total Amortized Cost              |                  |                     |                   |                          |                   | 14,000.00             |                   | - 16,436.11 |

#### Terms of repayment of subordinated liabilities as on March 31, 2025

| Original maturity loan            | Interest rate    | Due within 1 Year   |                   | Due between 1 to 5 Years |                   | Due more than 5 Years |                   | Total     |
|-----------------------------------|------------------|---------------------|-------------------|--------------------------|-------------------|-----------------------|-------------------|-----------|
|                                   |                  | No. of Installments | Amount (In Lakhs) | No. of Installments      | Amount (In Lakhs) | No. of Installments   | Amount (In Lakhs) |           |
| Bullet repayment schedule         |                  |                     |                   |                          |                   |                       |                   |           |
| 1-7 Years                         | 11.51%-12.50%    | -                   | -                 | -                        | -                 | -                     | -                 | -         |
|                                   | More than 12.50% | -                   | -                 | 2                        | 16,500.00         | -                     | -                 | 16,500.00 |
| Total                             |                  |                     |                   |                          | 16,500.00         |                       | -                 | 16,500.00 |
| Add: Interest accrued but not due |                  |                     |                   |                          |                   |                       |                   | 10.62     |
| Less: Unamortized Finance Cost    |                  |                     |                   |                          |                   |                       |                   | (108.53)  |
| Total Amortized Cost              |                  |                     |                   |                          | 16,500.00         |                       | -                 | 16,402.09 |

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 19 OTHER FINANCIAL LIABILITIES

| Particulars                                              | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|----------------------------------------------------------|-------------------------|-------------------------|
| Lease Liabilities                                        | 611.59                  | 551.19                  |
| Employee benefits payable                                | 1,701.35                | 1,025.75                |
| Expenses payable                                         | 3.70                    | 13.12                   |
| Other Payables                                           | 3,423.08                | 3,279.47                |
| Security deposit from franchisees and Customers          | 1,000.16                | 2,810.71                |
| Payable towards securitisation / assignment transactions | 6,007.98                | 4,127.56                |
| <b>Total</b>                                             | <b>12,747.86</b>        | <b>11,807.81</b>        |

#### 20 PROVISIONS

| Particulars                                           | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-------------------------------------------------------|-------------------------|-------------------------|
| Provision for gratuity (Note 36)                      | 253.65                  | 102.79                  |
| Provision for leave benefits                          | 111.27                  | 84.48                   |
| Provision for others                                  | -                       | 6.16                    |
| Expected credit loss towards undrawn loan commitments | 12.01                   | 11.39                   |
| <b>Total</b>                                          | <b>376.93</b>           | <b>204.82</b>           |

#### 21 OTHER NON-FINANCIAL LIABILITIES

| Particulars            | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|------------------------|-------------------------|-------------------------|
| Statutory dues payable | 592.02                  | 735.18                  |
| <b>Total</b>           | <b>592.02</b>           | <b>735.18</b>           |

#### 22 EQUITY SHARE CAPITAL

| Particulars                                                          | As at March 31, 2026 |                  | As at March 31, 2025 |                  |
|----------------------------------------------------------------------|----------------------|------------------|----------------------|------------------|
|                                                                      | Number               | Amount           | Number               | Amount           |
| <b>Authorised Capital</b>                                            |                      |                  |                      |                  |
| Equity shares of ₹ 5 each* (March 31, 2025: ₹ 10 each)               | 20,00,00,000         | 10,000.00        | 10,00,00,000         | 10,000.00        |
| Preference shares of ₹ 100 each                                      | 25,00,000            | 2,500.00         | 25,00,000            | 2,500.00         |
|                                                                      | <b>20,25,00,000</b>  | <b>12,500.00</b> | <b>10,25,00,000</b>  | <b>12,500.00</b> |
| <b>Issued, subscribed and fully paid-up shares</b>                   |                      |                  |                      |                  |
| Equity Shares of ₹ 5 each* fully paid up (March 31, 2025: ₹ 10 each) | 18,12,21,680         | 9,061.09         | 7,01,56,445          | 7,015.65         |
|                                                                      | <b>18,12,21,680</b>  | <b>9,061.09</b>  | <b>7,01,56,445</b>   | <b>7,015.65</b>  |
| <b>Issued, subscribed and fully paid-up shares</b>                   |                      |                  |                      |                  |
| Equity Shares of ₹ 5 each*, ₹ 0.50 per share paid up                 | 64,98,302            | 32.49            | -                    | -                |
|                                                                      | <b>64,98,302</b>     | <b>32.49</b>     | <b>-</b>             | <b>-</b>         |
| <b>Total</b>                                                         | <b>18,77,19,982</b>  | <b>9,093.58</b>  | <b>7,01,56,445</b>   | <b>7,015.65</b>  |



## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### A. Reconciliation of number of shares

| Particulars                                                                                               | As at March 31, 2026 |                 | As at March 31, 2025 |                 |
|-----------------------------------------------------------------------------------------------------------|----------------------|-----------------|----------------------|-----------------|
|                                                                                                           | Number               | Amount          | Number               | Amount          |
| <b>Fully paid equity share of ₹ 5 each*<br/>(March 31, 2025: ₹ 10 each)</b>                               |                      |                 |                      |                 |
| At the beginning of the year                                                                              | 7,01,56,445          | 7,015.65        | 7,01,56,445          | 7,015.65        |
| Shares issued during the year                                                                             | 2,04,54,395          | 2,045.44        | -                    | -               |
| Increase on account of stock split from face value of ₹ 10 each to ₹ 5 each effective from March 30, 2026 | 9,06,10,840          | -               | Not Applicable       |                 |
| <b>Outstanding at the end of the year (A)</b>                                                             | <b>18,12,21,680</b>  | <b>9,061.09</b> | <b>7,01,56,445</b>   | <b>7,015.65</b> |
| <b>Equity shares of ₹ 5 each* and ₹ 0.50 paid up</b>                                                      |                      |                 |                      |                 |
| At the beginning of the year                                                                              | -                    | -               | -                    | -               |
| Amount called/Issued during the year                                                                      | 32,49,151            | 32.49           | -                    | -               |
| Increase on account of stock split from face value of ₹ 10 each to ₹ 5 each effective from March 30, 2026 | 32,49,151            | -               | Not Applicable       |                 |
| <b>Outstanding at the end of the year (B)</b>                                                             | <b>64,98,302</b>     | <b>32.49</b>    | <b>-</b>             | <b>-</b>        |
| <b>Total Outstanding at the end of the year(A+B)</b>                                                      | <b>18,77,19,982</b>  | <b>9,093.58</b> | <b>7,01,56,445</b>   | <b>7,015.65</b> |

#### Notes:

#### B. Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 5 per share\*. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The partly paid equity shares rank pari passu with the existing equity shares of the Company in all respects, including dividend, voting rights, winding-up rights and all other rights and privileges as may be attached to the equity shares from time to time, in each case to the extent of the amount paid-up (with respect to the face value) on such partly paid equity shares by the respective shareholders. Accordingly, holders of partly paid equity shares are entitled to receive dividends and exercise other rights proportionate to the amount paid-up on such shares. The dividend if and when proposed by the Board of Directors will be subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, if any, in proportion to the number of equity shares held by the shareholder. The holders of partly paid equity shares shall rank pari passu with the holders of fully paid equity shares in respect of such distribution, to the extent of the amount paid-up (with respect to the face value) on the partly paid equity shares.

#### C. Details of shareholder(s) holding more than 5% of equity shares in the Company :

| Name of shareholder                                | As at March 31, 2026 |           | As at March 31, 2025 |           |
|----------------------------------------------------|----------------------|-----------|----------------------|-----------|
|                                                    | No. of shares held   | % Holding | No. of shares held   | % Holding |
| <b>a. Equity shares of ₹ 5 each* fully paid up</b> |                      |           |                      |           |
| Vupputuri Gopala Kishan Prasad                     | 4,24,08,430          | 22.59%    | 1,98,53,581          | 28.30%    |
| Norwest Capital LLC                                | 4,63,94,848          | 24.71%    | -                    | 0.00%     |
| Rajadhiraja Limited (Creador)                      | 2,23,25,580          | 11.89%    | -                    | 0.00%     |
| India Business Excellence Fund IV                  | 1,91,03,760          | 10.18%    | -                    | 0.00%     |
| India Business Excellence Fund-IIA                 | -                    | 0.00%     | 1,30,51,546          | 18.60%    |

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Name of shareholder                                                                                                                                           | As at March 31, 2026 |           | As at March 31, 2025 |           |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-----------|----------------------|-----------|
|                                                                                                                                                               | No. of shares held   | % Holding | No. of shares held   | % Holding |
| Vistra ITCL (India) Limited (formerly known as IL and FS Trust Company Limited) (Trustee of Business Excellence Trust-II - India Business Excellence Fund II) | -                    | 0.00%     | 78,04,018            | 11.12%    |
| Accion Digital Transformation Fund, LP                                                                                                                        | -                    | 0.00%     | 55,81,395            | 7.96%     |
| Teachers Insurance And Annuity Association Of America                                                                                                         | -                    | 0.00%     | 55,81,395            | 7.96%     |
| <b>b. Equity shares of ₹ 5 each* and ₹ 0.50 paid up</b>                                                                                                       |                      |           |                      |           |
| Vupputuri Gopala Kishan Prasad                                                                                                                                | 64,98,302            | 3.46%     | -                    | 0.00%     |

As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

#### D. Shareholding of Promoters

| Shares held by promoters at the end of the year                                | As at March 31, 2026 |                   |                          | As at March 31, 2025 |                   |
|--------------------------------------------------------------------------------|----------------------|-------------------|--------------------------|----------------------|-------------------|
|                                                                                | No. of Shares        | % of Total Shares | % Change during the year | No. of Shares        | % of Total Shares |
| <b>a. Equity shares of ₹ 5 each* fully paid up (March 31, 2025: ₹ 10 each)</b> |                      |                   |                          |                      |                   |
| Vupputuri Gopala Kishan Prasad                                                 | 4,24,08,430          | 22.59%            | 6.80%                    | 1,98,53,581          | 28.30%            |
| Vupputuri Indira Devi                                                          | 34,14,794            | 1.82%             | 3.60%                    | 16,48,142            | 2.35%             |
| Koganti Vasumathi Devi                                                         | 52,94,532            | 2.82%             | 0.00%                    | 26,47,266            | 3.77%             |
| Vupputuri Vasantha Lakshmi                                                     | 49,83,588            | 2.65%             | 0.00%                    | 24,91,794            | 3.55%             |
| Vupputuri Raghu Ram                                                            | 36,01,340            | 1.92%             | 0.00%                    | 18,00,670            | 2.57%             |
| Durga Rani Chunduri                                                            | 29,88,200            | 1.59%             | 0.00%                    | 14,94,100            | 2.13%             |
| Sinha Satyanand Chunduri                                                       | 2,35,400             | 0.13%             | 0.00%                    | 1,17,700             | 0.17%             |
| <b>b. Equity shares of ₹ 5 each* and ₹ 0.50 paid up</b>                        |                      |                   |                          |                      |                   |
| Vupputuri Gopala Kishan Prasad                                                 | 64,98,302            | 3.46%             | 100.00%                  | -                    | 0.00%             |

\*Further, pursuant to the approval of shareholders at the Extraordinary General Meeting held on March 06, 2026, the face value of equity shares has been split from ₹ 10 each to ₹ 5 each, with March 30, 2026 being the record date. Accordingly, the face value per share stands revised to ₹ 5 each with effect from that date.

#### 23. OTHER EQUITY

| Particulars                                                                  | As at March 31, 2026 | As at March 31, 2025 |
|------------------------------------------------------------------------------|----------------------|----------------------|
| Capital reserve                                                              | 32.50                | 32.50                |
| Securities premium reserve                                                   | 1,17,231.18          | 45,436.28            |
| Share Based Payment reserve                                                  | 391.14               | 35.92                |
| Statutory Reserve under section 45-IC of the Reserve Bank of India Act, 1934 | 12,988.64            | 9,692.03             |
| Statutory Reserve U/s 29C of NHB Act                                         | 3,398.61             | 2,414.63             |
| General reserve                                                              | 3,220.25             | 2,396.10             |
| Retained earnings                                                            | 51,845.63            | 40,350.87            |
| Cash flow hedge reserve                                                      | (0.00)               | (72.46)              |
| <b>Total</b>                                                                 | <b>1,89,107.95</b>   | <b>1,00,285.87</b>   |

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### Nature and purpose of reserve

##### a. Capital reserve

This reserve was created to record the excess carrying value of optionally convertible debentures provided through securities premium. The excess value is recorded by reversing the capital reserve with corresponding debit to debentures.

##### b. Securities premium reserve

The securities premium reserve is used to record the premium received on issue of shares. The reserve can be utilised only for limited purpose such as issuance of bonus shares in accordance with provision of the Companies Act, 2013.

##### c. Statutory reserve

Reserves created under Section 45IC of The Reserve Bank of India Act, 1934.

##### d. Share based payment reserve

The share based payment reserve is used to recognise the grant date fair value of options issued to employees of the Company and its subsidiaries under stock option schemes of the Company.

##### e. Retained earnings

Retained earnings represents surplus / accumulated earnings of the Company and are available for distribution to shareholders.

##### f. General Reserve

It is a free reserve which is created by appropriation from profits of the current year and/or undistributed profits of previous years, before declaration of dividend duly complying with any regulations in this regard.

##### g. Statutory Reserve U/s 29C of NHB Act

Section 29C (i) of the National Housing Act, 1987 defines that every housing finance institution which is a Company shall create a reserve fund and transfer therein a sum not less than twenty percent of its net profit every year as disclosed in the statement of profit and loss before any dividend is declared. For this purpose any special reserve created by the Company under Section 36(1)(viii) of the Income Tax Act 1961, is considered to be an eligible transfer.

During the year ended March 31, 2026, the Subsidiary Company has transferred an amount of ₹ 983.98 Lakh (March 31, 2025 is ₹ 844.10 Lakh) to Statutory Reserve u/s 29C of the National Housing Bank Act, 1987.

#### B. Movement in Other equity

| Particulars                                  | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|----------------------------------------------|-------------------------|-------------------------|
| <b>I. Capital Reserve</b>                    |                         |                         |
| Opening balance                              | 32.50                   | 32.50                   |
| Add: Share issued during the year            | -                       | -                       |
|                                              | <b>32.50</b>            | <b>32.50</b>            |
| <b>II. Securities premium reserve</b>        |                         |                         |
| Opening balance                              | 45,436.28               | 45,454.28               |
| Add: Premium received on issue of securities | 72,903.55               | -                       |
| Less: Share issue expenses                   | (1,108.65)              | (18.00)                 |
|                                              | <b>1,17,231.18</b>      | <b>45,436.28</b>        |
| <b>III. Share Based Payment reserve</b>      |                         |                         |
| Opening balance                              | 35.92                   | 21.71                   |
| Add: During the year                         | 355.22                  | 14.21                   |
|                                              | <b>391.14</b>           | <b>35.92</b>            |

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Particulars                                                                             | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-----------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>IV. Statutory Reserve under section 45-IC of the Reserve Bank of India Act, 1934</b> |                         |                         |
| Opening balance                                                                         | 9,692.03                | 7,533.09                |
| Add: Transfer from retained earnings                                                    | 3,296.61                | 2,158.94                |
|                                                                                         | <b>12,988.64</b>        | <b>9,692.03</b>         |
| <b>V. Statutory Reserve U/s 29C of NHB Act</b>                                          |                         |                         |
| Opening balance                                                                         | 2,414.63                | 1,570.53                |
| Add: Transfer from retained earnings                                                    | 983.98                  | 844.10                  |
|                                                                                         | <b>3,398.61</b>         | <b>2,414.63</b>         |
| <b>VI. Provision U/s 36(viia) Income tax Act, 1961</b>                                  |                         |                         |
| Opening balance                                                                         | -                       | (2.90)                  |
| Add: Transfer to retained earnings                                                      | -                       | 2.90                    |
|                                                                                         | <b>-</b>                | <b>-</b>                |
| <b>VII. General Reserve</b>                                                             |                         |                         |
| Opening balance                                                                         | 2,396.10                | 1,856.36                |
| Add: Transfer from retained earnings                                                    | 824.15                  | 539.74                  |
|                                                                                         | <b>3,220.25</b>         | <b>2,396.10</b>         |
| <b>VIII. Retained earnings</b>                                                          |                         |                         |
| Opening balance                                                                         | 40,350.87               | 29,925.98               |
| Add: Changes in accounting policy /Prior period errors                                  | -                       | 0.44                    |
| Restated Opening balance                                                                | 40,350.87               | 29,926.42               |
| Add: Profit for the year                                                                | 21,452.71               | 13,944.81               |
| Add: Other comprehensive income                                                         | 0.64                    | 1.26                    |
| Add: Non- Controlling Interest adjustment                                               | (4,853.86)              |                         |
| Less: Provision U/s 36(viia) Income tax Act, 1961                                       | -                       | (2.90)                  |
| <b>Appropriations:</b>                                                                  |                         |                         |
| Transfer to Statutory Reserve u/s 45-IC of the Reserve Bank of India Act, 1934          | (3,296.61)              | (2,158.94)              |
| Transfer to Statutory NHB Reserve                                                       | (983.98)                | (844.10)                |
| Transfer to Cash flow Hedge Reserve                                                     | -                       | 24.06                   |
| Transfer to General reserve                                                             | (824.15)                | (539.74)                |
|                                                                                         | <b>51,845.63</b>        | <b>40,350.87</b>        |
| <b>IX. Cash flow hedge reserve</b>                                                      |                         |                         |
| Opening balance                                                                         | (72.46)                 | -                       |
| Add: Transfer from Retained earnings                                                    | -                       | (24.06)                 |
| Add: Other comprehensive income for the year                                            | 72.46                   | (48.40)                 |
|                                                                                         | <b>(0.00)</b>           | <b>(72.46)</b>          |
| <b>Total</b>                                                                            | <b>1,89,107.95</b>      | <b>1,00,285.87</b>      |

## 24 INTEREST INCOME

| Particulars                                           | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|-------------------------------------------------------|------------------------------|------------------------------|
| <b>On financial assets measured at amortised cost</b> |                              |                              |
| Interest on loans                                     | 1,05,256.75                  | 75,859.57                    |
| Interest on deposits with banks                       | 464.50                       | 206.95                       |
| Interest on Intercompany Deposits                     | -                            | 12.11                        |
| Interest on investment in debentures                  | 2,713.89                     | 1,286.10                     |
| Interest on investment in PTC                         | 124.15                       | 56.88                        |
| Interest on Investment in commercial paper            | 319.24                       | -                            |
| Interest on others                                    | 7.56                         | 13.56                        |
| <b>Total</b>                                          | <b>1,08,886.09</b>           | <b>77,435.17</b>             |

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 25 FEES AND COMMISSION INCOME

| Particulars            | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|------------------------|------------------------------|------------------------------|
| Other fees and charges | 2,774.64                     | 2,393.76                     |
| <b>Total</b>           | <b>2,774.64</b>              | <b>2,393.76</b>              |

#### 26 NET GAIN (LOSS) ON DE RECOGNITION OF FINANCIAL INSTRUMENTS UNDER AMORTISED COST

| Particulars                                               | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|-----------------------------------------------------------|------------------------------|------------------------------|
| Net gain (Loss) on derecognition of financial instruments | 4,528.51                     | 5,372.53                     |
| <b>Total</b>                                              | <b>4,528.51</b>              | <b>5,372.53</b>              |

#### 27 NET GAIN ON FAIR VALUE CHANGES

| Particulars  | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|--------------|------------------------------|------------------------------|
| Realised     | 594.19                       | 196.76                       |
| Un Realised  | 9.75                         | -                            |
| <b>Total</b> | <b>603.94</b>                | <b>196.76</b>                |

#### 28 OTHER OPERATING INCOME

| Particulars         | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|---------------------|------------------------------|------------------------------|
| Bad debts recovered | 3.04                         | 0.05                         |
| <b>Total</b>        | <b>3.04</b>                  | <b>0.05</b>                  |

#### 29 OTHER INCOME

| Particulars                   | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|-------------------------------|------------------------------|------------------------------|
| Interest on income tax refund | 52.24                        | 53.30                        |
| Rental income                 | 3.81                         | 9.15                         |
| Income from Support Services  | 2,045.06                     | 1,808.15                     |
| Miscellaneous Income          | 29.01                        | 25.72                        |
| Interest on gratuity fund     | -                            | 0.20                         |
| <b>Total</b>                  | <b>2,130.12</b>              | <b>1,896.52</b>              |

#### 30.1 FINANCE COSTS

| Particulars                                                | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|------------------------------------------------------------|------------------------------|------------------------------|
| <b>On financial liabilities measured at amortised cost</b> |                              |                              |
| Interest on deposits                                       | 98.81                        | 82.06                        |
| Interest on borrowings                                     | 37,336.49                    | 33,589.60                    |
| Interest on debentures                                     | 7,971.98                     | 3,558.29                     |
| Interest on subordinated liabilities                       | 2,394.24                     | 2,393.57                     |
| Interest on ICD                                            | -                            | 1.21                         |
| Interest on lease liabilities                              | 63.64                        | 46.44                        |
| Interest on securitisation                                 | 2,433.04                     | 266.27                       |
| Bank Charges                                               | 63.22                        | 55.81                        |
| Discount on Commercial Paper                               | 51.69                        | -                            |
| Other finance cost                                         | 2,522.85                     | 2,034.78                     |
| <b>Total</b>                                               | <b>52,935.96</b>             | <b>42,028.03</b>             |

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 30.2 NET LOSS ON FAIR VALUE CHANGES

| Particulars                    | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|--------------------------------|------------------------------|------------------------------|
| Net loss on fair value changes | -                            | -                            |
| <b>Total</b>                   | <b>-</b>                     | <b>-</b>                     |

#### 31 IMPAIRMENT ON FINANCIAL INSTRUMENTS

| Particulars                                                | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|------------------------------------------------------------|------------------------------|------------------------------|
| <b>On financial instruments measured at amortised cost</b> |                              |                              |
| Loans                                                      | 4,063.50                     | 3,203.46                     |
| Undrawn Loan Commitments                                   | 0.62                         | 11.39                        |
| Bad debts and write offs                                   | 5,330.13                     | 1,696.24                     |
| Provisions                                                 | (6.16)                       | 6.16                         |
| <b>Total</b>                                               | <b>9,388.09</b>              | <b>4,917.25</b>              |

#### 32 EMPLOYEE BENEFITS EXPENSES

| Particulars                               | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|-------------------------------------------|------------------------------|------------------------------|
| Salaries and wages                        | 18,411.88                    | 14,694.64                    |
| Contribution to provident and other funds | 754.68                       | 599.03                       |
| Share based payment to employees          | 355.49                       | 12.44                        |
| Staff welfare expenses                    | 441.32                       | 318.65                       |
| Gratuity                                  | 216.67                       | 94.66                        |
| Leave encashment                          | 28.35                        | 18.49                        |
| <b>Total</b>                              | <b>20,208.38</b>             | <b>15,737.91</b>             |

#### 33 DEPRECIATION, AMORTIZATION AND IMPAIRMENT

| Particulars                                   | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|-----------------------------------------------|------------------------------|------------------------------|
| Depreciation on property, plant and equipment | 271.75                       | 123.87                       |
| Depreciation on right to use assets           | 257.01                       | 321.08                       |
| Depreciation on investment property           | 0.71                         | 0.17                         |
| Amortization of intangible assets             | 44.06                        | 70.84                        |
| <b>Total</b>                                  | <b>573.58</b>                | <b>516.00</b>                |

#### 34 OTHER EXPENSES

| Particulars                     | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|---------------------------------|------------------------------|------------------------------|
| Rent                            | 682.43                       | 589.45                       |
| Communication cost              | 141.59                       | 134.44                       |
| Travelling and conveyance       | 891.22                       | 496.01                       |
| Rates and taxes                 | 1,432.57                     | 909.66                       |
| Insurance                       | 101.36                       | 73.90                        |
| Commission and Brokerage        | 605.12                       | 356.11                       |
| Repairs and maintenance         | 461.33                       | 263.42                       |
| Printing and stationary         | 77.45                        | 70.55                        |
| Payment to auditors (Note 34.1) | 44.26                        | 50.20                        |



## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Particulars                                           | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|-------------------------------------------------------|------------------------------|------------------------------|
| Advertisement, publicity and sales promotion expenses | 3.37                         | 4.62                         |
| Operation Cost                                        | 613.20                       | 444.54                       |
| Legal and professional fees                           | 1,493.72                     | 1,033.20                     |
| Corporate social responsibility (Note 34.2)           | 272.43                       | 201.85                       |
| Director sitting fees                                 | 92.24                        | 77.45                        |
| Net gain/loss on foreign currency transactions        | (24.44)                      | 7.06                         |
| Miscellaneous expenses                                | 385.14                       | 268.22                       |
| <b>Total</b>                                          | <b>7,273.01</b>              | <b>4,980.68</b>              |

#### 34.1 Payment to the auditors:

| Particulars              | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|--------------------------|------------------------------|------------------------------|
| Auditor's remuneration   |                              |                              |
| - Audit fees             | 41.00                        | 46.50                        |
| In other capacity        |                              |                              |
| - Certification services | 3.26                         | 3.70                         |
| <b>Total</b>             | <b>44.26</b>                 | <b>50.20</b>                 |

#### 34.2 Corporate social responsibility:

| Particulars                                                                                                                                                                            | Year ended<br>March 31, 2026                                                                                                                            | Year ended<br>March 31, 2025                                                                                                                            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| a) Amount required to be spent by the Group during the year                                                                                                                            | 271.73                                                                                                                                                  | 190.07                                                                                                                                                  |
| b) Amount of expenditure incurred                                                                                                                                                      |                                                                                                                                                         |                                                                                                                                                         |
| i) Construction/acquisition of any asset                                                                                                                                               | -                                                                                                                                                       | -                                                                                                                                                       |
| ii) On purposes other than (i) above                                                                                                                                                   | 272.43                                                                                                                                                  | 201.85                                                                                                                                                  |
| c) Shortfall at the end of the year                                                                                                                                                    | -                                                                                                                                                       | -                                                                                                                                                       |
| d) Total of previous years shortfall                                                                                                                                                   | -                                                                                                                                                       | -                                                                                                                                                       |
| e) Net Shortfall                                                                                                                                                                       | -                                                                                                                                                       | -                                                                                                                                                       |
| f) Reason for shortfall                                                                                                                                                                | NA                                                                                                                                                      | NA                                                                                                                                                      |
| g) Nature of CSR activities                                                                                                                                                            | Ensuring environmental sustainability, promoting education & livelihood enhancement, promoting healthcare and poverty eradication, promoting education. | Ensuring environmental sustainability, promoting education & livelihood enhancement, promoting healthcare and poverty eradication, promoting education. |
| h) Details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standards                  | -                                                                                                                                                       | -                                                                                                                                                       |
| i) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately. | -                                                                                                                                                       | -                                                                                                                                                       |

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### Excess Amount spent as per Section 135(5) of the companies act

| Particulars                                 | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|---------------------------------------------|------------------------------|------------------------------|
| Opening Balance                             | 20.37                        | 8.60                         |
| Amount spent during the year                | 272.43                       | 201.85                       |
|                                             | <b>292.80</b>                | <b>210.45</b>                |
| Amount required to be spent during the year | 271.73                       | 190.08                       |
| <b>Closing Balance</b>                      | <b>21.07</b>                 | <b>20.37</b>                 |

### 35 INCOME TAX

#### (a) Income tax expense

| Particulars                                                                                       | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|---------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| <b>Current tax</b>                                                                                |                              |                              |
| Current tax on profits for the year                                                               | 6,654.83                     | 4,159.46                     |
| Adjustment for current tax of the prior periods                                                   | (29.65)                      | (6.16)                       |
| <b>Subtotal (A)</b>                                                                               | <b>6,625.18</b>              | <b>4,153.30</b>              |
| <b>Deferred tax</b>                                                                               |                              |                              |
| Decrease/(Increase) in deferred tax assets                                                        | (848.61)                     | (786.31)                     |
| (Decrease)/Increase in deferred tax liabilities                                                   | 1,318.04                     | 1,465.98                     |
| <b>Subtotal (B)</b>                                                                               | <b>469.43</b>                | <b>679.67</b>                |
| <b>Income tax expense for the year (A+B)</b>                                                      | <b>7,094.61</b>              | <b>4,832.97</b>              |
| <b>Deferred tax asset/ (liability) relating to items recognised in other Comprehensive Income</b> | <b>(9.23)</b>                | <b>16.16</b>                 |

#### (b) Deferred tax

The major components of deferred tax (liabilities) arising on account of timing differences for the year ended March 31, 2026:

| Particulars                                                                                                                         | Net balance<br>March 31, 2025 | Recognised in<br>profit or loss | Recognised<br>in OCI | Net balance<br>March 31, 2026 |
|-------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|---------------------------------|----------------------|-------------------------------|
| <b>Deferred tax assets</b>                                                                                                          |                               |                                 |                      |                               |
| Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis | 34.17                         | 50.72                           | (0.19)               | 84.70                         |
| Impact of provision for expected credit loss on loans                                                                               | 1,807.40                      | 784.82                          | -                    | 2,592.21                      |
| Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting                     | 23.54                         | (151.30)                        | -                    | (127.76)                      |
| Impact of leases under Ind AS 116                                                                                                   | 19.58                         | 24.34                           | -                    | 43.92                         |
| EIR impact of financial assets and liabilities                                                                                      | 349.09                        | 140.32                          | -                    | 489.41                        |
| Share based payment                                                                                                                 | -                             | -                               | -                    | -                             |
| Others                                                                                                                              | 3.49                          | (0.29)                          | -                    | 3.22                          |
| <b>(A)</b>                                                                                                                          | <b>2,237.27</b>               | <b>848.61</b>                   | <b>(0.19)</b>        | <b>3,085.70</b>               |
| <b>Deferred tax liabilities</b>                                                                                                     |                               |                                 |                      |                               |
| Impact of amortisation of ancillary borrowing cost                                                                                  | 613.42                        | (17.99)                         | -                    | 595.43                        |
| EIR impact of financial assets and liabilities                                                                                      | 1,409.33                      | 361.78                          | 9.06                 | 1,780.15                      |
| Impact of direct assignment and securitisation transactions                                                                         | 1,183.74                      | 709.01                          | -                    | 1,892.74                      |
| Interest income recognised on stage 3 loans                                                                                         | 245.42                        | 197.06                          | -                    | 442.48                        |

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Particulars                            | Net balance<br>March 31, 2025 | Recognised in<br>profit or loss | Recognised<br>in OCI | Net balance<br>March 31, 2026 |
|----------------------------------------|-------------------------------|---------------------------------|----------------------|-------------------------------|
| Others                                 | 88.30                         | 68.18                           | -                    | 156.48                        |
| <b>(B)</b>                             | <b>3,540.21</b>               | <b>1,318.04</b>                 | <b>9.06</b>          | <b>4,867.28</b>               |
| <b>Deferred tax assets (net) (A-B)</b> | <b>(1,302.94)</b>             | <b>(469.43)</b>                 | <b>(9.23)</b>        | <b>(1,781.58)</b>             |

The major components of deferred tax (liabilities) arising on account of timing differences for the year ended March 31, 2025:

| Particulars                                                                                                                         | Net balance<br>March 31, 2024 | Recognised in<br>profit or loss | Recognised<br>in OCI | Net balance<br>March 31, 2025 |
|-------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|---------------------------------|----------------------|-------------------------------|
| <b>Deferred tax assets</b>                                                                                                          |                               |                                 |                      |                               |
| Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis | 73.39                         | (38.80)                         | (0.42)               | 34.17                         |
| Impact of provision for expected credit loss on loans                                                                               | 998.15                        | 809.25                          | -                    | 1,807.40                      |
| Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting                     | 23.46                         | 0.08                            | -                    | 23.54                         |
| Impact of leases under Ind AS 116                                                                                                   | 69.74                         | (50.16)                         | -                    | 19.58                         |
| EIR impact of financial assets and liabilities                                                                                      | 280.33                        | 68.76                           | -                    | 349.09                        |
| Share based payment                                                                                                                 | 5.47                          | (5.47)                          | -                    | -                             |
| Others                                                                                                                              | 0.84                          | 2.65                            | -                    | 3.49                          |
| <b>(A)</b>                                                                                                                          | <b>1,451.38</b>               | <b>786.31</b>                   | <b>(0.42)</b>        | <b>2,237.27</b>               |
| <b>Deferred tax liabilities</b>                                                                                                     |                               |                                 |                      |                               |
| Impact of amortisation of ancillary borrowing cost                                                                                  | 394.48                        | 218.94                          | -                    | 613.42                        |
| EIR impact of financial assets and liabilities                                                                                      | 826.35                        | 599.56                          | (16.57)              | 1,409.33                      |
| Impact of direct assignment and securitisation transactions                                                                         | 601.08                        | 582.66                          | -                    | 1,183.74                      |
| Interest income recognised on stage 3 loans                                                                                         | 148.94                        | 96.48                           | -                    | 245.42                        |
| Others                                                                                                                              | 119.96                        | (31.66)                         | -                    | 88.30                         |
| <b>(B)</b>                                                                                                                          | <b>2,090.81</b>               | <b>1,465.98</b>                 | <b>(16.57)</b>       | <b>3,540.21</b>               |
| <b>Deferred tax assets (net) (A-B)</b>                                                                                              | <b>(639.43)</b>               | <b>(679.67)</b>                 | <b>16.16</b>         | <b>(1,302.94)</b>             |

#### (c) Reconciliation of effective tax rate

| Particulars                                                                | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|----------------------------------------------------------------------------|------------------------------|------------------------------|
|                                                                            | ₹                            | ₹                            |
| Profit before tax as per Statement of profit and loss (A)                  | 28,547.32                    | 19,114.92                    |
| Applicable income tax rate                                                 | 25.17%                       | 25.17%                       |
| Expected Income Tax Expense (B)                                            | 7,184.79                     | 4,810.84                     |
| <b>Tax effect of:</b>                                                      |                              |                              |
| Effect of income exempt from tax                                           | (0.25)                       | (0.66)                       |
| Effect of expenses/provisions not deductible in determining taxable profit | 131.99                       | 89.19                        |
| Effect of differential tax rate                                            | -                            | -                            |
| Adjustment related to tax of prior years                                   | (29.65)                      | (6.16)                       |
| Others                                                                     | (192.28)                     | (60.25)                      |
| <b>Income tax expense</b>                                                  | <b>7,094.61</b>              | <b>4,832.97</b>              |

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 36 EMPLOYEE BENEFITS

##### a. Defined contribution plan - provident funds

In accordance with Employees' Provident Fund and Miscellaneous Provisions Act, 1952, employees of the Group are entitled to receive benefits under the provident fund, a defined contribution plan, in which, both the employee and the Group contribute monthly at a determined rate. These contributions are made to a recognized provident fund administered by Regional Provident Fund Commissioner. The employees contribute 12% of their basic salary and the Group contributes an equal amount with maximum of 15000 Basic wage.

The Group recognised ₹ 754.67 Lakhs (PY: ₹ 599.02 Lakhs) for year ended March 31, 2026, for provident fund and other contributions in the Statement of profit and loss.

##### b. Defined Benefit Plan - Gratuity

The Group has a defined benefit gratuity plan (unfunded). Every employee who has completed five years or more of service is eligible for gratuity on cessation of employment and it is computed at 15 days salary (last drawn salary) for each completed year of service subject to limit of ₹ 20 Lakhs as per The Payment of Gratuity Act, 1972.

The following tables summarizes the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the Balance Sheet for the gratuity plan.

| Particulars                               | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-------------------------------------------|-------------------------|-------------------------|
| Present value of obligation (A)           | 575.94                  | 352.97                  |
| Fair Value of plan assets (B)             | 322.28                  | 250.18                  |
| <b>Present value of obligation (A- B)</b> | <b>253.66</b>           | <b>102.79</b>           |

| Particulars                                             | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|---------------------------------------------------------|-------------------------|-------------------------|
| Obligation expected to be settled in the next 12 months | 145.48                  | 100.00                  |
| Obligation expected to be settled beyond next 12 months | 430.45                  | 252.97                  |

##### Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

| Particulars                                         | Defined Benefit<br>Obligation |                   | Fair Value of plan<br>assets |                   | Net defined benefit<br>(asset) liability |                   |
|-----------------------------------------------------|-------------------------------|-------------------|------------------------------|-------------------|------------------------------------------|-------------------|
|                                                     | March 31,<br>2026             | March 31,<br>2025 | March 31,<br>2026            | March 31,<br>2025 | March 31,<br>2026                        | March 31,<br>2025 |
| <b>Opening balance</b>                              | 352.97                        | 280.83            | 250.18                       | -                 | 102.79                                   | 280.83            |
| Current service cost                                | 134.33                        | 83.81             | -                            | -                 | 134.33                                   | 83.81             |
| Past service cost                                   | 76.98                         | -                 | -                            | -                 | 76.98                                    | -                 |
| Interest cost                                       | 24.27                         | 19.70             | -                            | -                 | 24.27                                    | 19.70             |
| Interest Income                                     | -                             | -                 | 18.91                        | 9.04              | (18.91)                                  | (9.04)            |
| <b>Defined benefit cost included in P&amp;L</b>     | <b>235.58</b>                 | <b>103.51</b>     | <b>18.91</b>                 | <b>9.04</b>       | <b>216.67</b>                            | <b>94.47</b>      |
| <b>Other comprehensive income</b>                   |                               |                   |                              |                   |                                          |                   |
| Remeasurement loss (gain) due to:                   |                               |                   |                              |                   |                                          |                   |
| Demographic assumptions                             | -                             | (81.21)           | -                            | -                 | -                                        | (81.21)           |
| Financial assumption                                | (12.59)                       | 23.67             | -                            | -                 | (12.59)                                  | 23.67             |
| Experience adjustments                              | 12.50                         | 42.96             | -                            | -                 | 12.50                                    | 42.96             |
| (Return) on Plan Assets (Excluding Interest Income) | -                             | -                 | (0.81)                       | (8.86)            | 0.81                                     | 8.86              |
| <b>Total remeasurements in OCI</b>                  | <b>(0.09)</b>                 | <b>(14.58)</b>    | <b>(0.81)</b>                | <b>(8.86)</b>     | <b>0.72</b>                              | <b>(5.72)</b>     |

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Particulars            | Defined Benefit Obligation |                | Fair Value of plan assets |                | Net defined benefit (asset) liability |                |
|------------------------|----------------------------|----------------|---------------------------|----------------|---------------------------------------|----------------|
|                        | March 31, 2026             | March 31, 2025 | March 31, 2026            | March 31, 2025 | March 31, 2026                        | March 31, 2025 |
| <b>Others</b>          |                            |                |                           |                |                                       |                |
| Employer contributions | -                          | -              | 53.99                     | 250.00         | (53.99)                               | (250.00)       |
| Benefits paid          | (12.52)                    | (16.79)        | -                         | -              | (12.52)                               | (16.79)        |
| <b>Closing balance</b> | <b>575.94</b>              | <b>352.97</b>  | <b>322.28</b>             | <b>250.18</b>  | <b>253.66</b>                         | <b>102.79</b>  |

#### Actuarial assumptions:

The following were the principal actuarial assumptions at the reporting date:

| Particulars                                                           | As at March 31, 2026 | As at March 31, 2025 |
|-----------------------------------------------------------------------|----------------------|----------------------|
| <b>IKF FINANCE LIMITED</b>                                            |                      |                      |
| Discount rate                                                         | 7.79%                | 7.00%                |
| Salary escalation rate                                                | 6.00%                | 6.00%                |
| Withdrawal/attrition rate (based on categories)                       | 35.00%               | 35.00%               |
| Mortality rate (as % of IALM (2012-14) Ult. Mortality Table)          | 100.00%              | 100.00%              |
| Disability rate                                                       | 0.00%                | 0.00%                |
| <b>Expected weighted average remaining working lives of employees</b> | <b>25.74 years</b>   | <b>25.59 years</b>   |
| <b>IKF HOME FINANCE LIMITED</b>                                       |                      |                      |
| Discount rate                                                         | 7.00%                | 7.00%                |
| Salary escalation rate                                                | 8.00%                | 8.00%                |
| Withdrawal/attrition rate (based on categories)                       | 35.00%               | 35.00%               |
| Mortality rate (as % of IALM (2012-14) Ult. Mortality Table)          | 100.00%              | 100.00%              |
| Disability rate                                                       | 0.00%                | 0.00%                |
| <b>Expected weighted average remaining working lives of employees</b> | <b>25.55 years</b>   | <b>25.48 years</b>   |

#### Notes:

- The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.
- The salary growth rate indicated above is the Group's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.
- Attrition rate indicated above represents the Group's best estimate of employee turnover in future (other than on account of retirement, death or disablement) determined considering various factors such as nature of business, retention policy, industry factors, past experience, etc.
- Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### Sensitivity analysis:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

| Particulars                     | As at March 31, 2026 |          | As at March 31, 2025 |          |
|---------------------------------|----------------------|----------|----------------------|----------|
|                                 | Increase             | Decrease | Increase             | Decrease |
| Salary escalation Rate (+/- 1%) | 594.42               | 558.21   | 364.16               | 342.20   |
| IKF Finance                     | 3.08%                | -2.96%   | 2.99%                | -2.88%   |
| IKF Home Finance                | 3.76%                | -3.58%   | 3.93%                | -3.77%   |
| Discount Rate (+/- 1%)          | 560.36               | 584.94   | 343.47               | 363.09   |
| IKF Finance                     | -2.56%               | 2.72%    | -2.53%               | 2.69%    |
| IKF Home Finance                | -3.31%               | 3.55%    | -3.38%               | 3.62%    |
| Withdrawal Rate (+/- 1%)        | 572.82               | 579.11   | 350.80               | 355.19   |
| IKF Finance                     | -0.42%               | 0.43%    | -0.49%               | 0.50%    |
| IKF Home Finance                | -1.03%               | 1.06%    | -1.15%               | 1.19%    |

The Sensitivity is performed on the defined benefit obligation at the respective valuation date by modifying one parameter whilst retaining other parameters constant. There are no changes from the previous year to the methods and assumptions underlying the sensitivity analysis.

#### Expected future contributions

The Best Estimate Contribution for the Group during the next year would be ₹ 63.86 Lakhs.

Expected cash flow for following years:

| Maturity Profile of Defined Benefit Obligations |        |
|-------------------------------------------------|--------|
| Year 1                                          | 146.22 |
| Year 2                                          | 125.98 |
| Year 3                                          | 101.63 |
| Year 4                                          | 90.82  |
| Year 5                                          | 75.68  |
| Year 6                                          | 56.59  |
| Year 7                                          | 41.75  |
| Year 8                                          | 30.79  |
| Year 9                                          | 22.99  |
| Year 10                                         | 15.05  |
| Year 11+                                        | 37.98  |

The weighted average duration of the defined benefit obligation for IKF Finance is 3.00 (for IKF Home Finance is 4.00)

#### c. Compensated absences:

The Company provides for accumulated compensated absences as at the balance sheet date using projected unit credit method based on actuarial valuation.

| Particulars                                             | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|---------------------------------------------------------|-------------------------|-------------------------|
| Present value of unfunded obligation                    | 111.27                  | 84.48                   |
| Expenses recognised in the Statement of Profit and Loss | 28.35                   | 18.49                   |



## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 37 EARNINGS PER SHARE

| Particulars                                                                                                         | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|---------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Profit for the year</b>                                                                                          | <b>21,452.71</b>        | <b>14,281.95</b>        |
| Weighted average number of equity shares used in calculating basic earnings per share                               | 1,762.27                | 1,403.13                |
| Effect of potential dilutive Equity Shares on account of unexercised employee stock options                         | 6.36                    | 4.57                    |
| Weighted average number of equity shares and potential equity shares used in calculating diluted earnings per share | 1,768.63                | 1,407.70                |
| <b>Basic earnings per share*</b>                                                                                    | <b>12.17</b>            | <b>10.18</b>            |
| <b>Diluted earnings per share*</b>                                                                                  | <b>12.13</b>            | <b>10.15</b>            |

\*The Company has split its equity shares from the face value of Rs 10 each to Rs 5 each, effective from March 30, 2026. Consequently, the EPS for all periods presented has been restated to reflect the new number of equity shares.

#### 38 SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Promoters of the Company. The Group operates only in one Business Segment i.e. lending, since the nature of the loans are exposed to similar risks and return profiles, hence they are collectively operating under a single segment. Accordingly the Group does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

#### 39 TRANSFER OF FINANCIAL ASSETS

##### Transfer of financial assets that are not derecognised in their entirety

##### (i) Securitisations:

"The Group has transferred certain pools of fixed rate loan receivables backed by underlying assets in the form of PTCs by entering in to securitisation transactions with the Special Purpose Vehicle Trusts ("SPV Trust") sponsored by Catalyst Trusteeship Limited for consideration received in cash at the inception of the transaction. The Group, being Originator of these loan receivables, also acts as Servicer with a responsibility of collection of receivables from its borrowers and depositing the same in Collection and Payout Account maintained by the SPV Trust for making scheduled payouts to the investors in Pass Through Certificates (PTCs) issued by the SPV Trust. These securitisation transactions also requires the Group to provide for first loss credit enhancement in various forms, such as cash collateral, subordinated series A2 PTCs, subordinated over collateral and subordinated excess interest spread as credit support in the event of shortfall in collections from underlying loan contracts. By virtue of existence of credit enhancement, the Group is exposed to credit risk, being the expected losses that will be incurred on the transferred loan receivables to the extent of the credit enhancement provided. In view of the above, the Group has retained substantially all the risks and rewards of ownership of the financial asset and thereby does not meet the derecognition criteria as set out in Ind AS 109. Consideration received in this transaction is presented as "Associated liabilities in respect of securitisation transactions" under Note no 17. The following table provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities"

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

The table below outlines the carrying amounts and fair values of all financial assets transferred that are not derecognised in their entirety and associated liabilities.

| Particulars                                                                                          | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| Carrying amount of transferred assets measured at amortised cost<br>(This is part of Loan portfolio) | 27,258.34               | 22,170.22               |
| Carrying amount of associated liabilities (Term Loan)                                                | 25,331.19               | 21,759.92               |
| Fair value of assets (A)                                                                             | 26,764.84               | 22,047.56               |
| Fair value of associated liabilities (B)                                                             | 25,186.05               | 21,668.04               |
| Net position at Fair Value (A-B)                                                                     | 1,578.78                | 379.52                  |

The carrying amount of above assets and liabilities is a reasonable approximation of their fair values.

#### Transfer of financial assets which qualify for derecognition in their entirety

##### (i) Assignment transaction

The Group has sold loans and advances measured at amortised cost under assignment deals, as a source of finance. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been derecognised from the Group's balance sheet.

The gain arising on said transactions are recorded upfront by discounting the future cash flows accruing in the form of differential interest on such assigned loan to their present values.

| Particulars                                                          | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|----------------------------------------------------------------------|-------------------------|-------------------------|
| Carrying amount of transferred assets measured at amortised cost     | 68,848.61               | 51,593.55               |
| Carrying amount of exposures retained by the Group at amortised cost | 8,494.17                | 5,579.96                |
| Gain on sale of the derecognised financial assets                    | 14,480.47               | 9,817.46                |

#### 40 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

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

| Particulars                                       | As at March 31, 2026 |                    |                    | As at March 31, 2025 |                    |                    |
|---------------------------------------------------|----------------------|--------------------|--------------------|----------------------|--------------------|--------------------|
|                                                   | Within 12 months     | After 12 months    | Total              | Within 12 months     | After 12 months    | Total              |
| <b>ASSETS</b>                                     |                      |                    |                    |                      |                    |                    |
| <b>Financial assets</b>                           |                      |                    |                    |                      |                    |                    |
| Cash and cash equivalents                         | 34,315.91            | -                  | 34,315.91          | 24,834.82            | -                  | 24,834.82          |
| Bank Balance other than cash and cash equivalents | 3,180.42             | 1,223.92           | 4,404.34           | 3,426.16             | 4,312.24           | 7,738.40           |
| Receivables                                       | -                    | -                  | -                  | -                    | -                  | -                  |
| (I) Trade receivables                             | 541.13               | -                  | 541.13             | 238.12               | -                  | 238.12             |
| (II) Other receivables                            | -                    | -                  | -                  | -                    | -                  | -                  |
| Loans                                             | 2,45,517.70          | 4,85,134.33        | 7,30,652.03        | 1,77,228.82          | 3,92,221.72        | 5,69,450.54        |
| Investments                                       | 5,966.07             | 2,837.06           | 8,803.13           | -                    | 1,350.15           | 1,350.15           |
| Derivative financial instruments                  | -                    | -                  | -                  | -                    | -                  | -                  |
| Other Financial assets                            | 2,218.91             | 13,808.51          | 16,027.42          | 4,533.90             | 7,310.95           | 11,844.85          |
| <b>Sub total</b>                                  | <b>2,91,740.14</b>   | <b>5,03,003.82</b> | <b>7,94,743.96</b> | <b>2,10,261.83</b>   | <b>4,05,195.07</b> | <b>6,15,456.88</b> |

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Particulars                                                                                 | As at March 31, 2026 |                    |                    | As at March 31, 2025 |                    |                    |
|---------------------------------------------------------------------------------------------|----------------------|--------------------|--------------------|----------------------|--------------------|--------------------|
|                                                                                             | Within 12 months     | After 12 months    | Total              | Within 12 months     | After 12 months    | Total              |
| <b>Non-financial assets</b>                                                                 |                      |                    |                    |                      |                    |                    |
| Current Tax assets (Net)                                                                    | -                    | -                  | -                  | 346.66               | -                  | 346.66             |
| Deferred Tax assets (Net)                                                                   | -                    | -                  | -                  | -                    | -                  | -                  |
| Investment Property                                                                         | -                    | 103.29             | 103.29             | -                    | 162.06             | 162.06             |
| Property, plant and equipment                                                               | -                    | 7,374.30           | 7,374.30           | -                    | 477.86             | 477.86             |
| Right to Use Assets                                                                         | -                    | 577.94             | 577.94             | -                    | 542.07             | 542.07             |
| Capital work in progress                                                                    | -                    | -                  | -                  | -                    | 5,540.39           | 5,540.39           |
| Intangibles assets under development                                                        | 41.00                | -                  | 41.00              | -                    | -                  | -                  |
| Other intangible assets                                                                     | -                    | 139.04             | 139.04             | -                    | 159.13             | 159.13             |
| Other non-financial assets                                                                  | 1,004.16             | 596.63             | 1,600.79           | 1,407.46             | 684.25             | 2,091.71           |
| <b>Sub total</b>                                                                            | <b>1,045.16</b>      | <b>8,791.20</b>    | <b>9,836.36</b>    | <b>1,754.12</b>      | <b>7,565.74</b>    | <b>9,319.88</b>    |
| <b>Total assets</b>                                                                         | <b>2,92,785.30</b>   | <b>5,11,795.02</b> | <b>8,04,580.32</b> | <b>2,12,015.95</b>   | <b>4,12,760.81</b> | <b>6,24,776.76</b> |
| <b>LIABILITIES AND EQUITY</b>                                                               |                      |                    |                    |                      |                    |                    |
| <b>LIABILITIES</b>                                                                          |                      |                    |                    |                      |                    |                    |
| <b>Financial liabilities</b>                                                                |                      |                    |                    |                      |                    |                    |
| Derivative Financial Instruments                                                            | -                    | -                  | -                  | 43.06                | -                  | 43.06              |
| Payables                                                                                    |                      |                    |                    |                      |                    |                    |
| (I) Trade payables and Other payables                                                       |                      |                    |                    |                      |                    |                    |
| (i) total outstanding dues of creditors of micro enterprises and small enterprises          | -                    | -                  | -                  | -                    | -                  | -                  |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | -                    | -                  | -                  | -                    | -                  | -                  |
| Debt Securities                                                                             | 61,509.96            | 38,039.49          | 99,549.45          | 11,860.95            | 66,063.15          | 77,924.10          |
| Borrowings (Other than Debt Securities)                                                     | 1,87,764.69          | 2,86,795.08        | 4,74,559.77        | 1,60,583.83          | 2,47,660.02        | 4,08,243.85        |
| Subordinated Liabilities                                                                    | 2,510.62             | 13,925.49          | 16,436.11          | 10.62                | 16,391.47          | 16,402.09          |
| Other Financial liabilities                                                                 | 11,469.65            | 1,278.21           | 12,747.86          | 9,087.33             | 2,720.48           | 11,807.81          |
| <b>Sub total</b>                                                                            | <b>2,63,254.92</b>   | <b>3,40,038.27</b> | <b>6,03,293.19</b> | <b>1,81,585.78</b>   | <b>3,32,835.12</b> | <b>5,14,420.90</b> |
| <b>Non-Financial liabilities</b>                                                            |                      |                    |                    |                      |                    |                    |
| Current tax liabilities (Net)                                                               | 1,109.54             | -                  | 1,109.54           | -                    | -                  | -                  |
| Provisions                                                                                  | 19.92                | 357.01             | 376.93             | 67.43                | 137.39             | 204.82             |
| Deferred tax liabilities (Net)                                                              | -                    | 1,781.58           | 1,781.58           | -                    | 1,302.94           | 1,302.94           |
| Other non-financial liabilities                                                             | 592.02               | -                  | 592.02             | 735.18               | -                  | 735.18             |
| <b>Sub total</b>                                                                            | <b>1,721.48</b>      | <b>2,138.59</b>    | <b>3,860.07</b>    | <b>802.61</b>        | <b>1,440.33</b>    | <b>2,242.94</b>    |
| <b>Total liabilities</b>                                                                    | <b>2,64,976.40</b>   | <b>3,42,176.85</b> | <b>6,07,153.25</b> | <b>1,82,388.39</b>   | <b>3,34,275.44</b> | <b>5,16,663.84</b> |

Goodwill of ₹ 774.47 Lakhs is not included since the same will not be settled.

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 41 CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

| Particulars                          | As at<br>March 31, 2025 | Cash Flows<br>(net) | Others<br>(net)* | As at<br>March 31, 2026 |
|--------------------------------------|-------------------------|---------------------|------------------|-------------------------|
| Subordinated liabilities             | 16,402.09               | 0.00                | 34.02            | 16,436.11               |
| Debt securities                      | 77,924.10               | 21,551.98           | 73.37            | 99,549.45               |
| Borrowing other than debt securities | 4,08,243.84             | 66,980.61           | (664.68)         | 4,74,559.77             |
|                                      | <b>5,02,570.03</b>      | <b>88,532.59</b>    | <b>(557.29)</b>  | <b>5,90,545.33</b>      |

| Particulars                          | As at<br>March 31, 2024 | Cash Flows<br>(net) | Others<br>(net)* | As at<br>March 31, 2025 |
|--------------------------------------|-------------------------|---------------------|------------------|-------------------------|
| Subordinated liabilities             | 16,372.47               | 0.00                | 29.62            | 16,402.09               |
| Debt securities                      | 20,999.05               | 56,918.01           | 7.04             | 77,924.10               |
| Borrowing other than debt securities | 3,07,465.24             | 1,01,649.57         | (870.97)         | 4,08,243.84             |
|                                      | <b>3,44,836.76</b>      | <b>1,58,567.58</b>  | <b>(834.31)</b>  | <b>5,02,570.03</b>      |

\* Others column includes the effect of accrued but not paid interest on borrowing, amortisation of processing fees and cash flows from securitisation etc.

#### 42 EMPLOYEE STOCK OPTION PLAN (ESOP)

The Company had granted 5,62,860 share options (face value of ₹ 10/- each) under Employee Stock Option Plan 2019 on June 11, 2019 to the employees of IKF Finance Limited and 4,16,060 share options been lapsed over the period. Further, the Company had granted 3,66,094 equity share options (face value of ₹ 10 each) under the Employee Stock Option Plan, 2025 on March 12, 2025. During the current financial year, the Company granted 2,33,848 equity share options (face value of ₹ 10 each) under the Employee Stock Option Plan, 2025 on June 1, 2025 to the employees of IKF Finance Limited and IKF Home Finance Limited. The shares will vest gradually and vesting of these share options is dependent on continued employment with the Company.

Further, pursuant to the approval of shareholders at the Extraordinary General Meeting held on March 06, 2026, the face value of equity share options has been split from ₹ 10 each to ₹ 5 each, with March 30, 2026 being the record date. Accordingly, the face value per share option stands revised to ₹ 5 each with effect from that date.

##### A. Expenses arising from share-based payment transactions

Total expenses arising from equity - settled share-based payment transaction recognised in profit or loss as part of employee benefit expense for the year ended March 31, 2026 is ₹ 212.07 Lakhs (March 31, 2025 - ₹ 12.44 Lakhs).

##### B. Movement of share options

The following table illustrates the number and exercise prices and movements in share options for the year ended March 31, 2026

| Scheme Reference | Grant date | Exercise Price | Balance as At April 01, 2025 | Granted during the year | Forfeited during the year | Exercised during the year | Expired during the year | Balance as at March 30, 2026 | Exercise Price after share option split | Balance as at March 31, 2026 after share option split |
|------------------|------------|----------------|------------------------------|-------------------------|---------------------------|---------------------------|-------------------------|------------------------------|-----------------------------------------|-------------------------------------------------------|
| ESOP - 2019      | 11-Jun-19  | 120            | 1,46,800                     | -                       | -                         | -                         | -                       | 1,46,800                     | 60.00                                   | 2,93,600                                              |
|                  | 12-Mar-25  | 120            | 30,220                       | -                       | -                         | -                         | -                       | 30,220                       | 60.00                                   | 60,440                                                |
|                  | 12-Mar-25  | 215            | 1,20,876                     | -                       | -                         | -                         | -                       | 1,20,876                     | 107.50                                  | 2,41,752                                              |
| ESOP - 2025      | 12-Mar-25  | 305            | 2,14,998                     | -                       | 47,749                    | -                         | -                       | 1,67,249                     | 152.50                                  | 3,34,498                                              |
|                  | 01-Jun-25  | 305            | -                            | 2,33,848                | 23,996                    | -                         | -                       | 2,09,852                     | 152.50                                  | 4,19,704                                              |
|                  |            |                | <b>5,12,894</b>              | <b>2,33,848</b>         | <b>71,745</b>             | <b>-</b>                  | <b>-</b>                | <b>6,74,997</b>              |                                         | <b>13,49,994</b>                                      |

Pursuant to the sub-division of equity shares from face value of ₹ 10 each to ₹ 5 each effective March 30, 2026, the number of outstanding stock options has been proportionately adjusted and the exercise price has been revised in accordance with the terms of the ESOP schemes. Accordingly, the number of options outstanding as at March

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

31, 2026 stands revised from 6,74,997 options to 13,49,994 options and the exercise prices have been adjusted proportionately.

The total options exercisable as at March 31, 2026 after share option split is 4,16,122

The weighted average remaining contractual life for the share options outstanding as at March 31, 2026 is 0 to 1.95 years (March 31, 2025: 0 to 2.95 years).

The following table illustrates the number and exercise prices and movements in share options for the year ended March 31, 2025

| Scheme Reference | Grant date | Exercise Price | Balance as At April 01, 2024 | Granted during the year | Forfeited during the year | Exercised during the year | Expired during the year | Balance as at March 31, 2025 |
|------------------|------------|----------------|------------------------------|-------------------------|---------------------------|---------------------------|-------------------------|------------------------------|
| ESOP - 2019      | 11-Jun-19  | 120            | 1,46,800                     | -                       | -                         | -                         | -                       | 1,46,800                     |
|                  | 12-Mar-25  | 120            | -                            | 30,220                  | -                         | -                         | -                       | 30,220                       |
| ESOP - 2025      | 12-Mar-25  | 215            | -                            | 1,20,876                | -                         | -                         | -                       | 1,20,876                     |
|                  | 12-Mar-25  | 305            | -                            | 2,14,998                | -                         | -                         | -                       | 2,14,998                     |
|                  |            |                | <b>1,46,800</b>              | <b>3,66,094</b>         | <b>-</b>                  | <b>-</b>                  | <b>-</b>                | <b>5,12,894</b>              |

The total options exercisable as at March 31, 2025 is 1,46,800

The weighted average remaining contractual life for the share options outstanding as at March 31, 2025 is 0 to 2.95 years (March 31, 2024: 0 years).

#### C. Fair value of options granted

The fair value of options was determined using the Black Scholes Model using the following inputs as follows:

| Particulars                                 | ESOP-2019                | ESOP-2025          |
|---------------------------------------------|--------------------------|--------------------|
| Fair values at the measurement date         | 14.79                    | 110.25 to 271.14   |
| Expected volatility                         | 0.36                     | 0.30               |
| Risk-free interest rate (%)                 | 4.50%                    | 5.67% to 6.60%     |
| Expected life of share options/SARs (years) | 1.30 years to 4.30 years | 1 years to 4 years |
| Exercise price (₹)                          | 120.00                   | 120 to 305         |
| Revised Exercise price (₹)*                 | 60.00                    | 60 -152.50         |

\*Pursuant to the approval of shareholders at the Extraordinary General Meeting held on March 06, 2026, the equity shares of the Company were sub-divided from a face value of ₹ 10 each to ₹ 5 each, effective March 30, 2026. Accordingly, the exercise price of stock options has been adjusted proportionately.

There is no impact on the fair value of options at the grant date or on other valuation assumptions as a result of the share split.

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

#### 43 CONTINGENT LIABILITIES AND COMMITMENTS

In the ordinary course of business, the Group faces claims and assertions by various parties. The Group assesses such claims and assertions and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The Group records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Group provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

The Group believes that the outcome of these proceedings will not have a materially adverse effect on the Group's financial position and results of operations.

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 43.1 Contingent Liability

There are no Contingent Liabilities as on March 31, 2026 (March 31, 2025: Nil.)

#### 43.2 Commitment

There is a capital commitment of ₹ 2,740.50 Lakhs as on March 31, 2026 (March 31, 2025: ₹ 6,835.29 Lakhs)

### 44 LEASES

#### Group as a Lessee

The Group's lease asset classes primarily consist of leases for office spaces. The Group 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 Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group 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). For these short-term leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes 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 interest rate implicit 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 Group changes its assessment if whether it will exercise an extension or a termination option.

#### Following are the changes in the carrying value of right of use assets

| Particulars            | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|------------------------|-------------------------|-------------------------|
| <b>Opening</b>         | 542.06                  | 361.85                  |
| Additions              | 300.58                  | 506.43                  |
| Deletion               | (7.67)                  | (5.13)                  |
| Depreciation           | (257.04)                | (321.08)                |
| <b>Closing Balance</b> | <b>577.93</b>           | <b>542.06</b>           |



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### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

The following is the movement in lease liabilities:

| Particulars                            | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|----------------------------------------|-------------------------|-------------------------|
| <b>Balance at the beginning</b>        | 551.19                  | 378.25                  |
| Additions                              | 291.31                  | 492.31                  |
| Finance cost accrued during the period | 63.64                   | 46.44                   |
| Payment of lease liabilities           | (294.56)                | (365.81)                |
| <b>Balance at the end</b>              | <b>611.59</b>           | <b>551.19</b>           |

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

| Particulars                   | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-------------------------------|-------------------------|-------------------------|
| Less than 3 months            | 65.12                   | 18.39                   |
| Over 3 months & upto 6 months | 59.49                   | 10.00                   |
| Over 6 months & upto 1 year   | 121.72                  | 16.06                   |
| Over 1 year & upto 3 years    | 353.45                  | 145.28                  |
| Over 3 years                  | 32.17                   | 372.06                  |

The following are the amounts recognised in statement of profit or loss:

| Particulars                                           | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-------------------------------------------------------|-------------------------|-------------------------|
| Depreciation expense of right-of-use assets (Note 12) | 257.04                  | 321.08                  |
| Interest expense on lease liabilities (Note 30.1)     | 63.64                   | 46.44                   |
| Expense relating to short-term leases (Note 34)       | 682.43                  | 589.45                  |
| <b>Total amount recognised in profit or loss</b>      | <b>1,003.11</b>         | <b>956.97</b>           |

Future Commitments:

| Particulars                                                                    | As at<br>March 31, 2026 |
|--------------------------------------------------------------------------------|-------------------------|
| Future undiscounted lease payments for which the leases have not yet commenced | -                       |

Extension / Termination Options:

Some of the leases contain extension and termination options. Such options are taken into account in the determination of the lease term only if extension or non-termination can be assumed with reasonable certainty. On this basis, there were no such amounts included in the measurement of lease liabilities as at March 31, 2026.

#### 45 CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Group.

The primary objective of the Group's capital management policy are to ensure that the Group complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise the shareholder value. The Group monitors capital in accordance with the capital adequacy ratio prescribed by the Reserve Bank of India ("RBI") and National Housing Bank ("NHB") as applicable.

The Group manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities.

No changes have been made to the objectives, policies and processes from the previous years except those incorporated on account of regulatory amendments. However, they are under constant review by the Board.

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 46 FAIR VALUE MEASUREMENT:

##### A. 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 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:

**Level 1** - Valuation technique using quoted market price: financial instruments with quoted prices for identical instruments in active markets that Group can access at the measurement date.

**Level 2** - Valuation technique using observable inputs: 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.

**Level 3** - Valuation technique with significant unobservable inputs: Those that include one or more unobservable input that is significant to the measurement as whole.

##### B. Fair value of financial instrument not measured at fair value:

The table below is a comparison, by class, of the carrying amounts and fair values of the Group'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                                       | Level | Carrying value             |                            | Fair value                 |                            |
|---------------------------------------------------|-------|----------------------------|----------------------------|----------------------------|----------------------------|
|                                                   |       | As at<br>March 31,<br>2026 | As at<br>March 31,<br>2025 | As at<br>March 31,<br>2026 | As at<br>March 31,<br>2025 |
| <b>Financial Assets</b>                           |       |                            |                            |                            |                            |
| Cash and cash equivalents                         | 1     | 34,315.91                  | 24,834.82                  | 34,315.91                  | 24,834.82                  |
| Bank Balance other than cash and cash equivalents | 1     | 4,404.34                   | 7,738.40                   | 4,404.34                   | 7,738.40                   |
| Trade receivables                                 | 2     | 541.13                     | 238.12                     | 541.13                     | 238.12                     |
| Loans                                             | 2     | 7,30,652.03                | 5,69,450.54                | 7,33,015.07                | 5,68,035.28                |
| Derivative financial instruments                  | 2     | -                          | -                          | -                          | -                          |
| Rent and utility deposits                         | 2     | 537.82                     | 482.72                     | 537.82                     | 482.72                     |
| EIS receivable                                    | 2     | 14,480.47                  | 9,817.46                   | 14,480.47                  | 9,817.46                   |
| Other financial assets                            | 2     | 1,009.13                   | 1,544.68                   | 1,009.13                   | 1,544.68                   |
| Investments                                       | 2     | 2,837.07                   | 1,350.15                   | 2,837.07                   | 1,350.15                   |
| Investment in debentures                          | 2     | 5,966.06                   | -                          | 5,966.06                   | -                          |
|                                                   |       | <b>7,94,743.96</b>         | <b>6,15,456.88</b>         | <b>7,97,107.00</b>         | <b>6,14,041.62</b>         |
| <b>Financial Liabilities</b>                      |       |                            |                            |                            |                            |
| Derivative financial instruments                  | 2     | -                          | 43.06                      | -                          | 43.06                      |
| Trade Payables                                    | 2     | -                          | -                          | -                          | -                          |
| Debt securities                                   | 2     | 99,549.45                  | 77,924.10                  | 1,00,448.48                | 79,230.43                  |
| Borrowings (other than debt securities)           | 2     | 4,74,559.77                | 4,08,243.84                | 4,82,269.35                | 4,09,211.24                |
| Subordinated Liabilities                          | 2     | 16,436.11                  | 16,402.09                  | 16,574.51                  | 16,610.19                  |
| Other financial liabilities                       | 2     | 12,747.86                  | 11,807.81                  | 12,747.86                  | 11,807.81                  |
| <b>Total Financial liabilities</b>                |       | <b>6,03,293.19</b>         | <b>5,14,420.90</b>         | <b>6,12,040.19</b>         | <b>5,16,902.72</b>         |

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 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 Group'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 and, as such, may differ from the techniques and assumptions explained in notes.

#### 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 are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, bank balance other than cash and cash equivalents, trade receivables, rent and utility deposits and other financial liabilities.

#### Loans and advances to customers

The fair values of loans are estimated by discounted cash flow models based on contractual cash flows using actual or estimated yields.

#### Borrowings other than debt securities, Debt securities and Subordinated liabilities

The fair value of issued debt is estimated by a discounted cash flow model incorporating the Group's own credit risk.

#### EIS receivable

EIS receivable is calculated by discounting the contractual future cash flows. The carrying value closely approximates its fair value.

#### C. Categories of Financial Instruments:

| Particulars                                   | As at March 31, 2026 |                                      |                                                  |                    |
|-----------------------------------------------|----------------------|--------------------------------------|--------------------------------------------------|--------------------|
|                                               | Amortised cost       | At Fair Value Through profit or loss | At Fair Value Through Other Comprehensive Income | Total              |
| Cash and cash equivalents                     | 34,315.91            | -                                    | -                                                | 34,315.91          |
| Bank Balance other than included in (a) above | 4,404.34             | -                                    | -                                                | 4,404.34           |
| Receivables                                   | 541.13               | -                                    | -                                                | 541.13             |
| Loans                                         | 7,30,652.03          | -                                    | -                                                | 7,30,652.03        |
| Derivative financial instruments              | -                    | -                                    | -                                                | -                  |
| Investments                                   | 2,837.07             | 5,966.06                             | -                                                | 8,803.13           |
| Other financial assets                        | 16,027.42            | -                                    | -                                                | 16,027.42          |
| <b>Total</b>                                  | <b>7,88,777.90</b>   | <b>5,966.06</b>                      | <b>-</b>                                         | <b>7,94,743.96</b> |
| Derivative financial instruments              | -                    | -                                    | -                                                | -                  |
| Trade Payables                                | -                    | -                                    | -                                                | -                  |
| Debt securities                               | 99,549.45            | -                                    | -                                                | 99,549.45          |
| Borrowings (other than debt securities)       | 4,74,559.77          | -                                    | -                                                | 4,74,559.77        |
| Subordinated Liabilities                      | 16,436.11            | -                                    | -                                                | 16,436.11          |
| Other financial liabilities                   | 12,747.86            | -                                    | -                                                | 12,747.86          |
| <b>Total</b>                                  | <b>6,03,293.19</b>   | <b>-</b>                             | <b>-</b>                                         | <b>6,03,293.19</b> |

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Particulars                                   | As at March 31, 2025 |                                      |                                                  |                    |
|-----------------------------------------------|----------------------|--------------------------------------|--------------------------------------------------|--------------------|
|                                               | Amortised cost       | At Fair Value Through profit or loss | At Fair Value Through Other Comprehensive Income | Total              |
| Cash and cash equivalents                     | 24,834.82            | -                                    | -                                                | 24,834.82          |
| Bank Balance other than included in (a) above | 7,738.40             | -                                    | -                                                | 7,738.40           |
| Receivables                                   | 238.12               | -                                    | -                                                | 238.12             |
| Loans                                         | 5,69,450.54          | -                                    | -                                                | 5,69,450.54        |
| Derivative financial instruments              | -                    | -                                    | -                                                | -                  |
| Investments                                   | 1,350.15             | -                                    | -                                                | 1,350.15           |
| Other financial assets                        | 11,844.85            | -                                    | -                                                | 11,844.85          |
| <b>Total</b>                                  | <b>6,15,456.88</b>   | <b>-</b>                             | <b>-</b>                                         | <b>6,15,456.88</b> |
| Derivative financial instruments              | -                    | -                                    | 43.06                                            | 43.06              |
| Trade Payables                                | -                    | -                                    | -                                                | -                  |
| Debt securities                               | 77,924.10            | -                                    | -                                                | 77,924.10          |
| Borrowings (other than debt securities)       | 4,08,243.84          | -                                    | -                                                | 4,08,243.84        |
| Subordinated Liabilities                      | 16,402.09            | -                                    | -                                                | 16,402.09          |
| Other financial liabilities                   | 11,807.81            | -                                    | -                                                | 11,807.81          |
| <b>Total</b>                                  | <b>5,14,377.84</b>   | <b>-</b>                             | <b>43.06</b>                                     | <b>5,14,420.90</b> |

#### 47 RISK MANAGEMENT

Risk is an integral part of the Group's business and sound risk management is critical to the success. As a financial intermediary, the Group is exposed to risks that are particular to its lending and the environment within which it operates and primarily includes credit, liquidity and market risks. The Board of Directors of the Company are responsible for the overall risk management approach and for approving the risk management strategies and principles. The Group has a risk management policy which covers all the risk associated with its assets and liabilities.

##### 47.1 Introduction and Risk Profile

###### Risk management and mitigation

The Group's risks are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment, as necessary.

The Group's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

It is the Group's policy to ensure that a robust risk awareness is embedded in its organisational risk culture. Employees are expected to take ownership and be accountable for the risks the Group is exposed to that they decide to take on. The Group's continuous training and development emphasises that employees are made aware of the Group's risk appetite and they are supported in their roles and responsibilities to monitor and keep their exposure to risk within the Group's risk appetite limits.

The Group is generally exposed to credit risk, liquidity risk, market risk, prepayment risk and operational risk.

##### 47.2 Credit Risk

Credit risk is the risk that the Group will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Group manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical concentrations, and by monitoring exposures in relation to such limits.

## NOTES

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(Currency : ₹ in Lakhs)

Credit risk is monitored by the credit department of the Group. It is their responsibility to review and manage credit risk. Credit risk consists of line credit managers who are responsible for their business lines and manage specific portfolios and experts who support both the line credit manager, as well as the business with tools like credit risk systems, policies, models and reporting.

The credit quality review process aims to allow the Group to assess the potential loss as a result of the risks to which it is exposed and take corrective actions."

#### Impairment assessment

The references below show where the Group's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the summary of significant accounting policies.

#### Definition of default and cure

The Group considers a financial instrument as defaulted and therefore Stage 3 (credit-impaired) for Expected Credit Loss (ECL) calculations in all cases when the borrower becomes more than 3 months past due on its contractual payments.

The staging criteria used by the Group is as below:

| Loans months past due       | Stage   |
|-----------------------------|---------|
| Upto 1 month                | Stage 1 |
| Between 1 month to 3 months | Stage 2 |
| More than 3 months          | Stage 3 |

The Group considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes past due for more than 3 months on its contractual payments. It is the Group's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when the due amount have been paid. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade, at the time of the cure, and whether this indicates there has been a significant increase in credit risk compared to initial recognition.

#### Exposure at default (EAD)

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the ability to increase its exposure while approaching default and potential early repayments too.

#### Probability of default (PD)

The Probability of Default is an estimate of the likelihood of default over a given time horizon. PD is computed separately for each stage, incorporating historical trends (roll rate model), and forward-looking macroeconomic factors (MEF). For Stage-1 12m PD, Roll Rate Model (Dynamic Pool Approach) was adopted for all the portfolios, as delinquency trends serve as strong indicators of credit risk. For Stage-2 LT PD, is computed by projecting contractual cash flows and adjusting them for default risk. Cumulative PDs are applied year-wise to determine the probability-weighted defaulted discounted cash flows. This ensures credit risk is incorporated systematically across the loan's remaining tenure.

#### Loss given Default (LGD)

Loss Given Default (LGD) refers to the proportion of a loan outstanding amount that is not recovered in the event of default. A model has been developed based on historical data from defaulted loans that have been fully resolved or written off.

The analysis encompasses the entire recovery cycle, from the initial default event to the final closure, ensuring a comprehensive assessment of loss dynamics. For each defaulted loan, actual recovery cash flows recorded throughout the resolution period have been systematically captured and analyzed. These cash flows are discounted using the respective Effective Interest Rate (EIR) applicable to the loan, maintaining alignment with Expected Credit Loss (ECL) principles.

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### Significant increase in credit risk

The Group continuously monitors all assets subject to ECLs in order to determine whether an instrument or a portfolio of instruments is subject to 12 month ECL or lifetime ECL. The Group assesses whether there has been an event which could cause a significantly increase in the credit risk of the underlying asset or the customers ability to pay and accordingly change the 12 month ECL to a lifetime ECL.

If contractual payments are more than 30 days past due, the credit risk is deemed to have increased significantly since initial recognition.

#### Concentration of Credit Risk

Group's loan portfolio is predominantly to finance commercial vehicle loans. The Group manages concentration of risk primarily by geographical region. The following tables show the region-wise concentrations of net terms loans.

| Geography | March 31, 2026     | March 31, 2025     |
|-----------|--------------------|--------------------|
| West      | 2,03,073.66        | 1,62,378.66        |
| Central   | 26,473.51          | 18,953.29          |
| South     | 5,04,776.20        | 3,92,703.28        |
| North     | 458.30             | -                  |
| East      | 6,725.17           | 3,152.44           |
|           | <b>7,41,506.84</b> | <b>5,77,187.66</b> |

#### Quantitative Information of Collateral

Net value of total term loans to value of collateral is as follows:

| As at March 31, 2026   | Loan to value      |                    |                    |                    |
|------------------------|--------------------|--------------------|--------------------|--------------------|
|                        | Upto 50%           | 51%-70%            | More than 70%      | Total              |
| Cars & Muvs            | 2,804.24           | 38,657.56          | 65,252.52          | 1,06,714.32        |
| Commercial Vehicles    | 5,596.34           | 48,378.25          | 1,33,306.23        | 1,87,280.81        |
| Construction Equipment | 6,276.49           | 29,584.77          | 1,77,709.99        | 2,13,571.25        |
| Three Wheeler          | 259.85             | 3,030.02           | 1,446.01           | 4,735.89           |
| Tractor                | 327.54             | 4,113.37           | 1,995.26           | 6,436.17           |
| Two Wheeler            | 313.94             | 583.90             | 279.39             | 1,177.23           |
| SME                    | 16,666.82          | 15,976.66          | 32,093.13          | 64,736.62          |
| Leasing                | -                  | 307.68             | 2,481.25           | 2,788.93           |
| Home Loans             | 55,782.71          | 29,931.90          | 26,939.56          | 1,12,654.18        |
| Loans Against Property | 30,633.08          | 10,126.19          | 652.17             | 41,411.44          |
| <b>Total</b>           | <b>1,18,661.02</b> | <b>1,80,690.31</b> | <b>4,42,155.51</b> | <b>7,41,506.84</b> |

| As at March 31, 2025   | Loan to value      |                    |                    |                    |
|------------------------|--------------------|--------------------|--------------------|--------------------|
|                        | Upto 50%           | 51%-70%            | More than 70%      | Total              |
| Cars & Muvs            | 2,301.51           | 31,912.01          | 33,431.30          | 67,644.82          |
| Commercial Vehicles    | 6,234.21           | 49,007.06          | 1,16,487.27        | 1,71,728.54        |
| Construction Equipment | 9,335.71           | 30,819.11          | 79,842.25          | 1,19,997.07        |
| Three Wheeler          | 284.08             | 5,071.70           | 1,326.15           | 6,681.93           |
| Tractor                | 266.30             | 3,973.07           | 1,399.59           | 5,638.96           |
| Two Wheeler            | 1,378.40           | 2,347.57           | 607.43             | 4,333.40           |
| SME                    | 19,950.15          | 12,572.09          | 48,809.78          | 81,332.02          |
| Home Loans             | 45,694.59          | 21,981.91          | 19,231.28          | 86,907.79          |
| Loans Against Property | 24,666.47          | 8,154.84           | 101.83             | 32,923.14          |
| <b>Total</b>           | <b>1,10,111.43</b> | <b>1,65,839.36</b> | <b>3,01,236.88</b> | <b>5,77,187.67</b> |



## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 47.3 Liquidity Risk

In assessing the Group's liquidity position, consideration shall be given to: (1) present and anticipated asset quality (2) present and future earnings capacity (3) historical funding requirements (4) current liquidity position (5) anticipated future funding needs, and (6) sources of funds. The Group maintains a portfolio of marketable assets that are assumed to be easily liquidated and undrawn cash credit limits which can be used in the event of an unforeseen interruption in cash flow. The Group also enters into securitization deals (direct assignment as well as pass through certificates) of their loan portfolio, the funding from which can be accessed to meet liquidity needs. Net liquid assets consist of cash and short-term bank deposits. Borrowings from banks and financial institutions and issue of Non convertible debentures are considered as important sources of funds to finance lending to customers.

#### Analysis of financial assets and liabilities by remaining contractual maturities:

The table below summarises the maturity profile of the undiscounted cash flows of the Group's financial assets and liabilities as at March 31, 2026.

| Particulars                                                  | Less than<br>3 months | Over<br>3 months &<br>upto<br>6 months | Over<br>6 months &<br>upto 1 year | Over<br>1 year &<br>upto 3 years | Over<br>3 years    | Total              |
|--------------------------------------------------------------|-----------------------|----------------------------------------|-----------------------------------|----------------------------------|--------------------|--------------------|
| <b>Financial assets</b>                                      |                       |                                        |                                   |                                  |                    |                    |
| Cash and cash equivalents                                    | 30,603.83             | 3,712.08                               | -                                 | -                                | -                  | 34,315.91          |
| Bank Balance other than included in<br>(a) above             | -                     | -                                      | 3,180.42                          | -                                | 1,223.92           | 4,404.34           |
| Trade receivables                                            | 541.13                | -                                      | -                                 | -                                | -                  | 541.13             |
| Loans                                                        | 79,463.46             | 56,543.79                              | 1,09,510.44                       | 3,38,823.73                      | 1,46,310.62        | 7,30,652.03        |
| Investments                                                  | 2,781.13              | 3,184.94                               | -                                 | 2,400.75                         | 436.31             | 8,803.13           |
| Derivative Financial Instruments                             | -                     | -                                      | -                                 | -                                | -                  | -                  |
| Other financial assets                                       | 597.16                | 774.88                                 | 966.32                            | 3,544.18                         | 10,144.88          | 16,027.42          |
| <b>Total undiscounted financial assets</b>                   | <b>1,13,986.72</b>    | <b>64,215.68</b>                       | <b>1,13,657.18</b>                | <b>3,44,768.65</b>               | <b>1,58,115.73</b> | <b>7,94,743.96</b> |
| <b>Financial liabilities</b>                                 |                       |                                        |                                   |                                  |                    |                    |
| Derivative Financial Instruments                             | -                     | -                                      | -                                 | -                                | -                  | -                  |
| Trade payables                                               | -                     | -                                      | -                                 | -                                | -                  | -                  |
| Other payables                                               | -                     | -                                      | -                                 | -                                | -                  | -                  |
| Subordinated Liabilities                                     | 10.62                 | 2,500.00                               | -                                 | -                                | 13,925.49          | 16,436.11          |
| Debt securities                                              | 10,488.00             | 11,622.02                              | 39,399.95                         | 38,039.48                        | -                  | 99,549.45          |
| Borrowings (other than debt<br>securities)                   | 44,154.88             | 45,752.32                              | 97,857.48                         | 2,22,123.58                      | 64,671.51          | 4,74,559.77        |
| Deposits                                                     | -                     | -                                      | -                                 | -                                | -                  | -                  |
| Other financial liabilities                                  | 10,942.93             | 246.27                                 | 284.52                            | 1,099.67                         | 174.47             | 12,747.86          |
| <b>Total undiscounted financial<br/>liabilities</b>          | <b>65,596.43</b>      | <b>60,120.61</b>                       | <b>1,37,541.93</b>                | <b>2,61,262.74</b>               | <b>78,771.48</b>   | <b>6,03,293.19</b> |
| <b>Net undiscounted financial assets /<br/>(liabilities)</b> | <b>48,390.29</b>      | <b>4,095.09</b>                        | <b>(23,884.75)</b>                | <b>83,505.91</b>                 | <b>79,344.26</b>   | <b>1,91,450.77</b> |

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

The table below summarises the maturity profile of the undiscounted cash flows of the Group's financial assets and liabilities as at March 31, 2025.

| Particulars                                              | Less than 3 months | Over 3 months & upto 6 months | Over 6 months & upto 1 year | Over 1 year & upto 3 years | Over 3 years       | Total              |
|----------------------------------------------------------|--------------------|-------------------------------|-----------------------------|----------------------------|--------------------|--------------------|
| <b>Financial assets</b>                                  |                    |                               |                             |                            |                    |                    |
| Cash and cash equivalents                                | 24,834.82          | -                             | -                           | -                          | -                  | 24,834.82          |
| Bank Balance other than included in (a) above            | 6.16               | -                             | 2.58                        | 6,505.22                   | 1,224.44           | 7,738.40           |
| Trade receivables                                        | -                  | 238.12                        | -                           | -                          | -                  | 238.12             |
| Loans                                                    | 62,762.69          | 38,518.24                     | 75,947.90                   | 2,21,749.10                | 1,70,472.60        | 5,69,450.54        |
| Investments                                              | -                  | -                             | -                           | -                          | 1,350.15           | 1,350.15           |
| Derivative Financial Instruments                         | -                  | -                             | -                           | -                          | -                  | -                  |
| Other financial assets                                   | 1,490.26           | 1,548.87                      | 1,825.19                    | 4,403.79                   | 2,576.74           | 11,844.85          |
| <b>Total undiscounted financial assets</b>               | <b>89,093.93</b>   | <b>40,305.24</b>              | <b>77,775.66</b>            | <b>2,32,658.12</b>         | <b>1,75,623.94</b> | <b>6,15,456.88</b> |
| <b>Financial liabilities</b>                             |                    |                               |                             |                            |                    |                    |
| Derivative Financial Instruments                         | -                  | 43.06                         | -                           | -                          | -                  | 43.06              |
| Trade payables                                           | -                  | -                             | -                           | -                          | -                  | -                  |
| Other payables                                           | -                  | -                             | -                           | -                          | -                  | -                  |
| Subordinated Liabilities                                 | 10.62              | -                             | -                           | 2,500.00                   | 13,891.47          | 16,402.09          |
| Debt securities                                          | 4,242.93           | 3,372.65                      | 4,245.37                    | 66,063.15                  | -                  | 77,924.10          |
| Borrowings (other than debt securities)                  | 35,745.17          | 35,014.45                     | 89,824.21                   | 1,91,074.03                | 56,585.98          | 4,08,243.84        |
| Deposits                                                 | -                  | -                             | -                           | -                          | -                  | -                  |
| Other financial liabilities                              | 8,200.30           | 564.25                        | 285.62                      | 1,652.15                   | 1,105.49           | 11,807.81          |
| <b>Total undiscounted financial liabilities</b>          | <b>48,199.02</b>   | <b>38,994.41</b>              | <b>94,355.19</b>            | <b>2,61,289.33</b>         | <b>71,582.95</b>   | <b>5,14,420.90</b> |
| <b>Net undiscounted financial assets / (liabilities)</b> | <b>40,894.91</b>   | <b>1,310.83</b>               | <b>(16,579.53)</b>          | <b>(28,631.21)</b>         | <b>1,04,040.99</b> | <b>1,01,035.98</b> |

The table below shows the contractual expiry by maturity of the Group's contingent liabilities and commitments. Each undrawn loan commitment is included in the time band containing the earliest date it can be drawn down.

| Particulars                                                                                | On demand        | Less than 3 months | Over 3 months & upto 6 months | Over 6 months & upto 1 year | Over 1 year & upto 3 years | Over 3 years |
|--------------------------------------------------------------------------------------------|------------------|--------------------|-------------------------------|-----------------------------|----------------------------|--------------|
| <b>As at March 31, 2026</b>                                                                |                  |                    |                               |                             |                            |              |
| Guarantees and counter guarantees                                                          | -                | -                  | -                             | -                           | -                          | -            |
| Estimated amount of contracts remaining to be executed on capital account, net of advances | -                | -                  | -                             | -                           | -                          | -            |
| Undrawn committed credit lines                                                             | 21,500.00        | -                  | -                             | -                           | -                          | -            |
| Other Commitments                                                                          | -                | 2,740.50           | -                             | -                           | -                          | -            |
| <b>Total commitments</b>                                                                   | <b>21,500.00</b> | <b>2,740.50</b>    | <b>-</b>                      | <b>-</b>                    | <b>-</b>                   | <b>-</b>     |
| <b>As at March 31, 2025</b>                                                                |                  |                    |                               |                             |                            |              |
| Guarantees and counter guarantees                                                          | -                | -                  | -                             | -                           | -                          | -            |
| Estimated amount of contracts remaining to be executed on capital account, net of advances | -                | -                  | -                             | -                           | -                          | -            |
| Undrawn committed credit lines                                                             | 4,500.00         | -                  | -                             | -                           | -                          | -            |
| Other Commitments                                                                          | 4,456.50         | 2,378.79           | -                             | -                           | -                          | -            |
| <b>Total commitments</b>                                                                   | <b>8,956.50</b>  | <b>2,378.79</b>    | <b>-</b>                      | <b>-</b>                    | <b>-</b>                   | <b>-</b>     |

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 47.4 Market Risk

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The objective of market risk management is to avoid excessive exposure of our earnings and equity to loss and reduce our exposure to the volatility inherent in financial instruments. There are broadly two types of market risks: (1) Interest rate risk, and (2) Price risk. The Group has not made investments in quoted equity instruments or other quoted investments and hence is not exposed to Equity price risk. Interest rate risk is discussed below:

##### Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is subject to interest rate risk, primarily since it lends to customers at fixed rates and for maturity periods shorter than the funding sources.

The Group has taken borrowings at floating rates gives rise to interest rate risk. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk, the Group seek to optimize borrowing profile between short-term and long-term loans. The Group adopts funding strategies to ensure diversified resource-raising options to minimize cost and maximize stability of funds. Assets and liabilities are categorized into various time buckets based on their maturities. The Interest Rate Risk is mitigated by availing funds at very competitive rates through diversified borrowings and for different tenors.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before taxes affected through the impact on floating rate borrowings are as follows:

| Impact on Profit before taxes       | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-------------------------------------|-------------------------|-------------------------|
| <b>On Floating Rate Borrowings:</b> |                         |                         |
| 1% increase in interest rates       | (2,360.83)              | (1,875.37)              |
| 1% decrease in interest rates       | 2,360.83                | 1,875.37                |

#### 47.5 Prepayment risk

Prepayment risk is the risk that the Group will incur a financial loss because its customers and counterparties repay or request repayment earlier or later than expected, such as fixed rate loans like ours when interest rates fall.

#### 47.6 Operational and business risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Group cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

#### 47.7 Currency Risk

The Subsidiary Company is exposed to currency risk on account of its borrowings in foreign currency. The fluctuation currency of the Subsidiary Company is Indian Rupee. The Subsidiary Company uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date.

The Subsidiary Company does not use derivative financial instruments for trading or speculative purposes.

Following are the forward contracts to hedge the foreign exchange rate as March 31, 2026 and March 31, 2025.

| Particulars       | Purpose   | Currency | Cross<br>Currency | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-------------------|-----------|----------|-------------------|-------------------------|-------------------------|
| Forward Contracts | Term Loan | USD      | INR               | -                       | (43.06)                 |

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 48 RELATED PARTY DISCLOSURE

##### a. Name of related party and nature of relationship:

|                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|---------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Enterprises having a significant influence</b>                                           | India Business Excellence Fund -IIA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|                                                                                             | Vistra ITCL (india) Limied (formerly known as IL and FS trust Company Limited)<br>(Trustee of Business Excellence Trust -II - India Business Excellence Fund - II)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|                                                                                             | Norwest Capital LLC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Subsidiary</b>                                                                           | IKF Home Finance Limited<br>(formerly known as IKF Housing Finance Private Limited)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Enterprises significantly influenced by Key Management Personnel and their relatives</b> | IKF Infratech Private Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Key Management Personnel (KMP)</b>                                                       | Mr V.G.K.Prasad - Chairman and Executive Director<br>Mrs. K Vasumathi Devi - Managing Director<br>Mrs. V Vasatha Lakshmi - Managing Director (IKF Home Finance Limited)<br>Mr.Prakash Bhawnani - Chief Financial Officer (w.e.f November 05, 2024)<br>Mr. Ch.Sreenivasa Rao - Company Secretary (Chief Financial officer till November 04, 2024)<br>Mr Prashant Rawat - Chief Financial officer (IKF Home Finance Limited w.e.f April 14, 2025)<br>Mr. Abhishek Jain - Company Secretary (IKF Home Finance Limited till November 04, 2024)<br>Ms Komal Ratlani- Company Secretary (IKF Home Finance Limited w.e.f November 05, 2024 and ceases to be w.e.f January 21, 2025)<br>Ms Aakanksha P - Company Secretary (IKF Home Finance Limited w.e. April 14, 2025) |
| <b>Relative of Key Management Personnel</b>                                                 | Mrs. V. Indira Devi<br>Mr. V. Raghu Ram<br>Mr. Sinha Satyanand Chunduri<br>Mrs. Durga Rani Chunduri<br>Mrs. Mayuri Bhawnani<br>Mrs. Ch Rani<br>Ms. K Mounica                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### b. Transaction with related parties:

| Name of related party    | Nature of transaction                                        | For the FY 2025      |                                                     |                          |                      | For the FY 2026      |                                                     |                          |                      |                      |
|--------------------------|--------------------------------------------------------------|----------------------|-----------------------------------------------------|--------------------------|----------------------|----------------------|-----------------------------------------------------|--------------------------|----------------------|----------------------|
|                          |                                                              | As at March 31, 2024 | Transaction value for the year ended March 31, 2025 | Received During the year | Paid During The year | As at March 31, 2025 | Transaction value for the year ended March 31, 2026 | Received During the year | Paid During the Year | As at March 31, 2026 |
| Key management personnel |                                                              |                      |                                                     |                          |                      |                      |                                                     |                          |                      |                      |
| Mr. V G K Prasad         | Rent paid                                                    | -                    | 24.95                                               | -                        | -                    | -                    | 26.14                                               | -                        | -                    | -                    |
|                          | Director's remuneration                                      | -                    | 144.00                                              | -                        | -                    | -                    | 156.00                                              | -                        | -                    | -                    |
|                          | Director Commission Payable                                  | 135.52               | 193.98                                              | -                        | 135.52               | 193.98               | 295.57                                              | -                        | 193.98               | 295.57               |
|                          | Rent deposit given                                           | 50.00                | -                                                   | -                        | -                    | 50.00                | -                                                   | -                        | -                    | 50.00                |
|                          | Purchase of IKF Home Finance Ltd shares *****                | -                    | -                                                   | -                        | -                    | -                    | -                                                   | -                        | 4,358.85             | -                    |
|                          | Share Capital -Partly Paid(₹ 0.5/- Paid up)                  | -                    | -                                                   | -                        | -                    | -                    | -                                                   | (32.49)                  | -                    | 32.49                |
|                          | Share Capital (₹ 5/- Paid up*)(March 31,2025: ₹10 /-paid up) | 1,985.36             | -                                                   | -                        | -                    | 1,985.36             | -                                                   | (135.06)                 | -                    | 2,120.42             |
| Mrs.K.Vasumathi Devi     | Share Capital (₹ 10/- Paid up) in IKF Home Finance***        | 473.79               | -                                                   | -                        | -                    | 473.79               | -                                                   | -                        | -                    | -                    |
|                          | Director's remuneration                                      | -                    | 72.00                                               | -                        | -                    | -                    | 78.00                                               | -                        | -                    | -                    |
|                          | Director Commission Payable                                  | 68.23                | 95.54                                               | -                        | 68.23                | 95.54                | 145.58                                              | -                        | 95.54                | 145.58               |
|                          | Purchase of IKF Home Finance Ltd shares *****                | -                    | -                                                   | -                        | -                    | -                    | -                                                   | -                        | 641.53               | -                    |
|                          | Share Capital (₹ 5/- Paid up*)(March 31,2025: ₹10 /-paid up) | 264.73               | -                                                   | -                        | -                    | 264.73               | -                                                   | -                        | -                    | 264.73               |
| Mrs. V Vasantha Lakshmi  | Share Capital (₹ 10/- Paid up) in IKF Home Finance***        | 69.73                | -                                                   | -                        | -                    | 69.73                | -                                                   | -                        | -                    | -                    |
|                          | Share Capital (₹ 5/- Paid up*)(March 31,2025: ₹10 /-paid up) | 249.18               | -                                                   | -                        | -                    | 249.18               | -                                                   | -                        | -                    | 249.18               |
|                          | Purchase of IKF Home Finance Ltd shares *****                | -                    | -                                                   | -                        | -                    | -                    | -                                                   | -                        | 603.85               | -                    |
|                          | Share Capital (₹ 10/- Paid up) in IKF Home Finance***        | 65.64                | -                                                   | -                        | -                    | 65.64                | -                                                   | -                        | -                    | -                    |
|                          | Director's remuneration in IKF Home Finance                  | -                    | 74.00                                               | -                        | -                    | -                    | 78.00                                               | -                        | -                    | -                    |
|                          | Director Commission Payable in IKF Home Finance              | 67.63                | 94.29                                               | -                        | 67.63                | 94.29                | 128.07                                              | -                        | 94.29                | 128.07               |

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Name of related party                 | Nature of transaction                                         | For the FY 2025      |                                                     |                          |                      | For the FY 2026      |                                                     |                          |                      |                      |
|---------------------------------------|---------------------------------------------------------------|----------------------|-----------------------------------------------------|--------------------------|----------------------|----------------------|-----------------------------------------------------|--------------------------|----------------------|----------------------|
|                                       |                                                               | As at March 31, 2024 | Transaction value for the year ended March 31, 2025 | Received During the year | Paid During The year | As at March 31, 2025 | Transaction value for the year ended March 31, 2026 | Received During the year | Paid During the Year | As at March 31, 2026 |
| Mr.Prakash Bhawnani                   | Salary Paid                                                   | -                    | 51.03                                               | -                        | -                    | -                    | 113.93                                              | -                        | -                    | -                    |
|                                       | Number of ESOP granted during the year (in Lakhs)***          | -                    | 0.51                                                | -                        | -                    | 0.51                 | -                                                   | -                        | -                    | -                    |
|                                       | Salary Paid                                                   | -                    | 36.08                                               | -                        | -                    | -                    | 38.57                                               | -                        | -                    | -                    |
|                                       | Salary Paid                                                   | -                    | 11.40                                               | -                        | -                    | -                    | -                                                   | -                        | -                    | -                    |
|                                       | Salary Paid                                                   | -                    | 5.55                                                | -                        | -                    | -                    | -                                                   | -                        | -                    | -                    |
|                                       | Salary Paid                                                   | -                    | 3.32                                                | -                        | -                    | -                    | -                                                   | -                        | -                    | -                    |
|                                       | Salary Paid                                                   | -                    | -                                                   | -                        | -                    | -                    | 58.13                                               | -                        | -                    | -                    |
|                                       | Salary Paid                                                   | -                    | -                                                   | -                        | -                    | -                    | 5.78                                                | -                        | -                    | -                    |
| Relatives of key management personnel |                                                               |                      |                                                     |                          |                      |                      |                                                     |                          |                      |                      |
| Mrs. V Indira Devi                    | Rent paid                                                     | -                    | 55.44                                               | -                        | -                    | -                    | 58.08                                               | -                        | -                    | -                    |
|                                       | Salary Paid                                                   | -                    | 12.00                                               | -                        | -                    | -                    | 12.00                                               | -                        | -                    | -                    |
|                                       | Rent deposit given                                            | 38.50                | -                                                   | -                        | -                    | 38.50                | -                                                   | -                        | -                    | 38.50                |
|                                       | Purchase of IKF Home Finance Ltd shares *****                 | -                    | -                                                   | -                        | -                    | -                    | -                                                   | -                        | 399.41               | -                    |
|                                       | Share Capital (₹ 5/- Paid up*)(March 31,2025: ₹ 10 /-paid up) | 164.81               | -                                                   | -                        | -                    | 164.81               | -                                                   | -                        | -                    | 170.74**             |
|                                       | Share Capital (₹ 10/- Paid up) in IKF Home Finance***         | 43.41                | -                                                   | -                        | -                    | 43.41                | -                                                   | -                        | -                    | -                    |
| Mr. V Raghu Ram                       | Share Capital (₹ 5/- Paid up*)(March 31,2025: ₹ 10 /-paid up) | 180.07               | -                                                   | -                        | -                    | 180.07               | -                                                   | -                        | -                    | 180.07               |
|                                       | Purchase of IKF Home Finance Ltd shares *****                 | -                    | -                                                   | -                        | -                    | -                    | -                                                   | -                        | 436.37               | -                    |
|                                       | Share Capital (₹ 10/- Paid up) in IKF Home Finance***         | 47.43                | -                                                   | -                        | -                    | 47.43                | -                                                   | -                        | -                    | -                    |
|                                       | Salary Paid                                                   | -                    | -                                                   | -                        | -                    | -                    | 2.80                                                | -                        | -                    | -                    |
| Ms.K.Mounica                          |                                                               |                      |                                                     |                          |                      |                      |                                                     |                          |                      |                      |
| Mr. Sinha Satyanand Chunduri          | Share Capital (₹ 5/- Paid up*)(March 31,2025: ₹ 10 /-paid up) | 11.77                | -                                                   | -                        | -                    | 11.77                | -                                                   | -                        | -                    | 11.77                |
| Mrs. Durga Rani Chunduri              | Share Capital (₹ 5/- Paid up*)(March 31,2025: ₹ 10 /-paid up) | 149.41               | -                                                   | -                        | -                    | 149.41               | -                                                   | -                        | -                    | 149.41               |



# NOTES

## TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Name of related party                                                                                                                                              | Nature of transaction                                         | For the FY 2025      |                                                     |                          |                      | For the FY 2026      |                                                     |                          |                      |                      |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|----------------------|-----------------------------------------------------|--------------------------|----------------------|----------------------|-----------------------------------------------------|--------------------------|----------------------|----------------------|
|                                                                                                                                                                    |                                                               | As at March 31, 2024 | Transaction value for the year ended March 31, 2025 | Received During the year | Paid During The year | As at March 31, 2025 | Transaction value for the year ended March 31, 2026 | Received During the year | Paid During the Year | As at March 31, 2026 |
| Enterprises significantly influenced by key management personnel or their relatives                                                                                |                                                               |                      |                                                     |                          |                      |                      |                                                     |                          |                      |                      |
| IKF Infotech Private Limited                                                                                                                                       | Inter Corporate deposits taken                                | -                    | -                                                   | 490.00                   | (490.00)             | -                    | -                                                   | -                        | -                    | -                    |
|                                                                                                                                                                    | Interest Paid                                                 | -                    | 1.21                                                | -                        | -                    | -                    | -                                                   | -                        | -                    | -                    |
| Enterprises in which Directors are interested                                                                                                                      |                                                               |                      |                                                     |                          |                      |                      |                                                     |                          |                      |                      |
| SVR Finance & Leasing Private Limited                                                                                                                              | Trade Advance                                                 | -                    | -                                                   | -                        | -                    | -                    | -                                                   | -                        | -                    | -                    |
|                                                                                                                                                                    | Interest Paid                                                 | -                    | -                                                   | -                        | -                    | -                    | -                                                   | -                        | -                    | -                    |
| Enterprises having a significant influence                                                                                                                         |                                                               |                      |                                                     |                          |                      |                      |                                                     |                          |                      |                      |
| India Business Excellence Fund-IIA ****                                                                                                                            | Share Capital (₹ 5/- Paid up*)(March 31,2025: ₹10 /-paid up)  | 1,305.16             | -                                                   | -                        | -                    | 1,305.16             | -                                                   | -                        | -                    | -                    |
| Vistra ITCL (India) Limited (formerly known as IL and FS Trust Company Limited) (Trustee of Business Excellence Trust-II - India Business Excellence Fund II) **** | Share Capital (₹ 5/- Paid up*)(March 31,2025: ₹10 /-paid up)  | 780.40               | -                                                   | -                        | -                    | 780.40               | -                                                   | -                        | -                    | -                    |
| Norwest Capital LLC                                                                                                                                                | Share Capital (₹ 5/- Paid up*)(March 31,2025: ₹ 10 /-paid up) | -                    | -                                                   | -                        | -                    | -                    | (2,319.74)                                          | -                        | -                    | 2,319.74             |

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

| Particulars                                                | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|------------------------------------------------------------|-------------------------|-------------------------|
| Short-term employee benefits                               | 1,112.43                | 793.19                  |
| Post-employment benefits#                                  | -                       | -                       |
| Long-term employee benefits                                | -                       | -                       |
| contributions to Defined contribution plan- Provident fund | -                       | -                       |
| Termination benefits                                       | -                       | -                       |
| Employee-share based payment                               | 83.13                   | 1.77                    |
| <b>Total compensation</b>                                  | <b>1,195.57</b>         | <b>794.96</b>           |

#As the provision for gratuity is made for the Group as a whole, the amount pertaining to the Key Management Personnel is not specifically identified and hence is not included above.

\*Further, pursuant to the approval of shareholders at the Extraordinary General Meeting held on March 06, 2026, the face value of equity shares has been split from ₹ 10 each to ₹ 5 each, with March 30, 2026 being the record date. Accordingly, the face value per share stands revised to ₹ 5 each with effect from that date.

\*\* The Increased/Decreased value is relating to purchase of shares/debentures from the public.

\*\*\*Further, pursuant to the approval of shareholders at the Extraordinary General Meeting held on March 06, 2026, the face value of equity share options has been split from ₹ 10 each to ₹ 5 each, with March 30, 2026 being the record date. Accordingly, the face value per share option stands revised to ₹ 5 each with effect from that date.

\*\*\*\*Represents enterprises which ceased to be related parties during the current financial year due to divestment of shareholding.

\*\*\*\*\* Company purchased shares of IKF Home Finance Limited from the promoters, and the same have been disclosed separately on an individual basis

#### Notes:

- Transaction values are excluding taxes and duties.
- Name of the related parties and nature of their relationships where control exists have been disclosed irrespective of whether or not there have been transactions with the Group. In other cases, disclosures have been made only when there have been transactions with those parties.
- Related parties as defined under clause 9 of the Ind AS 24 'Related party disclosures' have been identified based on representations made by key managerial personnel and information available with the Group. All above transactions are in the ordinary course of business
- The Group has not granted loans or advances to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that is repayable on demand or without specifying any terms or period of repayment for the financial years ended March 31, 2026 and March 31, 2025.

#### 49 VALUE OF IMPORTS CALCULATED ON CIF BASIS

The Group has not imported any goods therefore value of import on CIF basis is Nil

#### 50 EXPENDITURE IN FOREIGN CURRENCY

| Particulars                 | Year ended<br>March 31, 2026 | Year ended<br>March 31, 2025 |
|-----------------------------|------------------------------|------------------------------|
| Legal and professional fees | 12.22                        | 22.32                        |
| <b>Total</b>                | <b>12.22</b>                 | <b>22.32</b>                 |

#### 51 EARNINGS IN FOREIGN CURRENCY

The Group does has not have any earnings in foreign currency

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 52 PENALTY

No penalties were imposed by RBI and other regulators during the current year

#### 53 DRAW DOWN FROM RESERVES:

There has been no draw down from reserves during the year ended March 31, 2026 (previous year: Nil)

#### 54 POSTPONEMENT OF REVENUE RECOGNITION

Refer note 2.5 Revenue from operations for the circumstances in which revenue recognition has been postponed pending uncertainty of realisation.

#### 55 DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES

For the year ended March 31, 2026, no vendor / supplier has intimated the Group about its status as micro or small enterprises or its registration with the appropriate authority under MSMED. There are no amounts that need to be disclosed in accordance with the Micro Small and Medium Enterprise Development Act, 2006 (the 'MSMED') pertaining to micro or small enterprises.

#### 56 DISCLOSURE ON RESOLUTION FRAMEWORK – 2.0: RESOLUTION OF COVID-19 RELATED STRESS OF INDIVIDUALS AND SMALL BUSINESSES IN TERMS OF RBI CIRCULAR RBI / 2021-22 / 31 DOR. STR. REC.11 /21.04.048 / 2021-22 DATED MAY 5, 2021:

| Type of borrower   | Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A) | Of (A), aggregate debt that slipped into NPA during the half-year | Of (A) amount written off during the half-year | Of (A) amount paid by the borrowers during the half-year | Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year |
|--------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|------------------------------------------------|----------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| Personal Loans     | 67.49                                                                                                                                              | -                                                                 | -                                              | 1.37                                                     | 66.12                                                                                                                                  |
| Corporate Persons* | -                                                                                                                                                  | -                                                                 | -                                              | -                                                        | -                                                                                                                                      |
| of which MSMEs     | -                                                                                                                                                  | -                                                                 | -                                              | -                                                        | -                                                                                                                                      |
| Others             | 32.73                                                                                                                                              | -                                                                 | -                                              | 32.73                                                    | -                                                                                                                                      |
| <b>Total</b>       | <b>100.22</b>                                                                                                                                      | <b>-</b>                                                          | <b>-</b>                                       | <b>34.10</b>                                             | <b>66.12</b>                                                                                                                           |

\* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

Disclosures for Reserve Bank of India circular on Resolution Framework for Covid-19 related stress dated August 6, 2020 are not applicable to the Group as none of the borrowers opted for the resolution plan.

#### 57 REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES (ROC)

All charges or satisfaction are registered with ROC within the statutory period for the financial years ended March 31, 2026. No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

#### 58 COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31, 2026 and March 31, 2025.

#### 59 COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENTS

The Board of Directors of the Company did not approve any scheme of Arrangements during the financial year ended March 31, 2026 and March 31, 2025.

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

#### 60 UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM

The Group, as part of its normal business, grants loans and advances, makes investment. These transactions are part of Group's normal non-banking finance business, which is conducted ensuring adherence to all regulatory requirements. Other than the transactions described above, 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 Group to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries). The Group has also not received any fund from any parties (Funding Party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."

#### 61 UNDISCLOSED INCOME

There are no transactions not recorded in the books of accounts.

#### 62 TITLE DEEDS OF IMMOVABLE PROPERTIES NOT HELD IN NAME OF THE GROUP

The Group does not possess any immovable property (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Group during the financial year ended March 31, 2026 and March 31, 2025.

#### 63 DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Group has not traded or invested in Crypto currency or Virtual currency during the financial years ended March 31, 2026 and March 31, 2025.

#### 64 DETAILS OF BENAMI PROPERTY HELD

No proceedings have been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder in the financial years ended March 31, 2026 and March 31, 2025.

#### 65 WILFUL DEFAULTER

The Group has not been declared as a wilful defaulter by any bank or financial institution or other lender in the financial years ended March 31, 2026 and March 31, 2025.

#### 66 RELATIONSHIP WITH STRUCK OFF COMPANIES

The Group does not have any transactions with companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the financial years ended March 31, 2026 and March 31, 2025.

#### 67 INVESTMENT IN ASSOCIATES AND STRUCTURED ENTITIES

The Group does not have any Associates and Structured Entities

68 Previous year's information have been regrouped/reclassified wherever necessary to correspond with current year's classification/disclosure.

#### Signature to Notes on Accounts

**For Mukund M Chitale & Co**

**Chartered Accountants**

**ICAI Firm registration number : 106655W**

**Nilesh Joshi**

Partner

Membership No.114749

**For and on behalf of the Board of Directors of**

**IKF Finance Limited**

**CIN: U65992AP1991PLC012736**

**V.G.K Prasad**

Chairman

DIN: 01817992

**Prakash Bhawnani**

Chief Financial Officer

**Vasumathi Devi Koganti**

Managing Director

DIN: 03161150

**Ch.Sreenivasa Rao**

Company Secretary

M.No. ACS14723

Place: Hyderabad

Date: May 11, 2026

Place: Hyderabad

Date: May 11, 2026

## NOTES

### TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(Currency : ₹ in Lakhs)

**69** Additional information as required by paragraph 2 of the general instructions for preparation of Consolidated Financial statements to schedule III to the Companies Act, 2013.

| Name of the entity in the Group                                                                  | Net Asset, i.e., total assets minus total liabilities |                     | Share in profit or loss             |                     | Share in other comprehensive income             |                     | Share in total comprehensive income |                     |
|--------------------------------------------------------------------------------------------------|-------------------------------------------------------|---------------------|-------------------------------------|---------------------|-------------------------------------------------|---------------------|-------------------------------------|---------------------|
|                                                                                                  | As % of Consolidated net assets                       | Amount (₹ in Lakhs) | As % of Consolidated profit or loss | Amount (₹ in Lakhs) | As % of consolidated other comprehensive income | Amount (₹ in Lakhs) | As % of total comprehensive income  | Amount (₹ in Lakhs) |
| 1                                                                                                | 2                                                     | 3                   | 4                                   | 5                   | 6                                               | 7                   | 8                                   | 9                   |
| <b>Parent</b>                                                                                    |                                                       |                     |                                     |                     |                                                 |                     |                                     |                     |
| IKF Finance Limited                                                                              | 95.64%                                                | 1,89,558.86         | 76.83%                              | 16,483.03           | -4.98%                                          | (3.64)              | 76.56%                              | 16,479.39           |
| <b>Subsidiaries</b>                                                                              |                                                       |                     |                                     |                     |                                                 |                     |                                     |                     |
| <b>Indian</b>                                                                                    |                                                       |                     |                                     |                     |                                                 |                     |                                     |                     |
| IKF Home Finance Limited                                                                         | 4.36%                                                 | 8,642.67            | 22.93%                              | 4,919.88            | 104.98%                                         | 76.74               | 23.21%                              | 4,996.62            |
| Foreign                                                                                          | Not Applicable                                        | Not Applicable      | Not Applicable                      | Not Applicable      | Not Applicable                                  | Not Applicable      | Not Applicable                      | Not Applicable      |
| Minority Interest in all subsidiaries                                                            | 0.00%                                                 | -                   | 0.00%                               | 0.00                | -                                               | -                   | 0.00%                               | 0.00                |
| Inter-company eliminations and consolidation adjustments                                         | -                                                     | -                   | 0.23%                               | 49.80               | -                                               | -                   | 0.23%                               | 49.80               |
| <b>Associates (Investment as per the equity method)</b>                                          |                                                       |                     |                                     |                     |                                                 |                     |                                     |                     |
| Indian                                                                                           | Not Applicable                                        | Not Applicable      | Not Applicable                      | Not Applicable      | Not Applicable                                  | Not Applicable      | Not Applicable                      | Not Applicable      |
| Foreign                                                                                          | Not Applicable                                        | Not Applicable      | Not Applicable                      | Not Applicable      | Not Applicable                                  | Not Applicable      | Not Applicable                      | Not Applicable      |
| <b>Joint Ventures (as per proportionate consolidation / investment as per the equity method)</b> |                                                       |                     |                                     |                     |                                                 |                     |                                     |                     |
| Indian                                                                                           | Not Applicable                                        | Not Applicable      | Not Applicable                      | Not Applicable      | Not Applicable                                  | Not Applicable      | Not Applicable                      | Not Applicable      |
| Foreign                                                                                          | Not Applicable                                        | Not Applicable      | Not Applicable                      | Not Applicable      | Not Applicable                                  | Not Applicable      | Not Applicable                      | Not Applicable      |
| <b>Total</b>                                                                                     | <b>100.00%</b>                                        | <b>1,98,201.53</b>  | <b>100.00%</b>                      | <b>21,452.71</b>    | <b>100.00%</b>                                  | <b>73.10</b>        | <b>100.00%</b>                      | <b>21,525.81</b>    |

**For Mukund M Chitale & Co**  
Chartered Accountants  
ICAI Firm registration number : 106655W

**Nilesh Joshi**  
Partner  
Membership No.114749

Place: Hyderabad  
Date: May 11, 2026

**For and on behalf of the Board of Directors of IKF Finance Limited**  
CIN: U65992AP1991PLC012736

**V.G.K Prasad**  
Chairman  
DIN: 01817992

**Prakash Bhawnani**  
Chief Financial Officer

Place: Hyderabad  
Date: May 11, 2026

**Vasumathi Devi Koganti**  
Managing Director  
DIN: 03161150

**Ch.Sreenivasa Rao**  
Company Secretary  
M.No. ACS14723









Registered Office

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