Sundaram Finance Limited

73rd Annual Report

2025-26

SUNDARAM FINANCE®
Enduring values. New age thinking.

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Enduring values. New age thinking.

Board of Directors

Non-Executive Directors

S. Viji	Chairman
T.T. Srinivasaraghavan	
Srivats Ram	

Executive Directors

Harsha Viji	Executive Vice Chairman
Rajiv C. Lochan	Managing Director
A.N. Raju	Joint Managing Director

Independent Directors

R. Raghuttama Rao
Ganesh Lakshminarayan
Bhavani Balasubramanian
Kshama Fernandes
R. Venkatraman
Anuradha Rao

Committees of the Board	Chairperson	Members
Audit Committee	Bhavani Balasubramanian	R. Raghuttama Rao Kshama Fernandes
Stakeholders Relationship Committee	Ganesh Lakshminarayan	Rajiv C. Lochan A.N. Raju
Nomination, Compensation & Remuneration Committee	R. Venkatraman	Ganesh Lakshminarayan S. Viji
Corporate Social Responsibility Committee	Harsha Viji	Ganesh Lakshminarayan T. T. Srinivasaraghavan Rajiv C. Lochan A.N. Raju
Risk Management Committee	Rajiv C. Lochan	R. Raghuttama Rao A.N. Raju M. Ramaswamy
Asset Liability Management Committee	Harsha Viji	Rajiv C. Lochan A.N. Raju M. Ramaswamy Lakshminarayanan Duraiswamy
Information Technology Strategy Committee	Anuradha Rao	Kshama Fernandes Rajiv C. Lochan A.N. Raju Sudheer Warrier
Customer Service Committee	T.T. Srinivasaraghavan	Bhavani Balasubramanian Rajiv C. Lochan A.N. Raju
Policy Review and Compliance Committee	T.T. Srinivasaraghavan	Bhavani Balasubramanian A.N. Raju
Wilful Default Review Committee	Rajiv C. Lochan	R. Venkatraman Kshama Fernandes
Related Party Credit Committee	R. Venkatraman	Anuradha Rao Rajiv C. Lochan A.N. Raju
Chief Financial Officer		M. Ramaswamy
Chief Compliance Officer & Company Secretary		P.N. Srikant
Chief Risk Officer		Mukund Raghavan
Head – Internal Audit		V. Vaasen
Registered Office	21, Patullos Road, Chennai - 600 002 Tel: 044 2852 1181, Fax: 044 28550290 Website: www.sundaramfinance.in Email: investorservices@sundaramfinance.in	
CIN	L65191TN1954PLC002429	
Joint Auditors	Brahmayya & Co. 48, Masilamani Road, Balaji Nagar, Royapettah, Chennai 600014	R.G.N. Price & Co. Simpsons Building, 861, Anna Salai, Chennai 600002
Information Security Assurance Services	M/s. C.V. Ramaswamy & Co. Office No. 1, Vidwan Sundaram Street, Nungambakkam, Chennai 600 034	

Management Team

Anil Kumar C	General Manager - Finance
Annapoorna R	Senior General Manager & Head - Central Processing Unit
Balachander Gopinath	Vice President & National Head - Auto
Balakrishnan S	General Manager - RBI Compliance
Balasubramanian S	Vice President & Head - Andhra Region
Bama Balakrishnan	Senior Vice President - Finance
Dhandayuthapani S	Senior General Manager & Head - Deposits
Ganesan A K	Vice President & National Head - Collections & Recovery
Harikrishnan R	Vice President & Head - Karnataka Region
Janaki V	Head - Technology Shared Services
Jeevan Jose P	Senior General Manager & Zonal Head - Coimbatore & Salem
Kulkarni M J	National Head - MH & CE
Kumar S	Joint General Manager & Head - Administration
Manoj Arvindakshan Nair	Vice President & Head - Distribution
Murali S	General Manager & Zonal Head - Madurai & Tirunelveli
Muralidharan Venkataraman	Senior General Manager & Head - Strategy & Planning
Muthukrishnan N	General Manager & Head - Emerging Financial Institutions
Muthuraman M	Deputy General Manager & Head - Analytics & Data Science
Narayanan A V	General Manager & Head - Rajasthan Region
Narayanan K	Senior General Manager & Head - Leasing & Corporate Accounts Group
Narayanan N	Senior General Manager & Head - Legal
Rahul Jyothi Kumaran	Senior General Manager & Head - SME & SCF
Raja Sugirtha R	Senior General Manager - Sundaram Infotech Solutions
Rajesh Venkat	Senior Vice President & Head - Tamil Nadu Region & Analytics
Rajmohan Vasudeva Pai	Chief Credit Officer
Ramachandran N	Executive Director
Ramanakumar C A	General Manager - MH & CE
Ramani T E	General Manager & Head - Digital Initiatives
Renganathan S	Senior General Manager - Collections & Recovery
Salin Nair	Vice President & Head - Northern Region
Sankar Thiagarajan	Vice President & Deputy Head - Karnataka Region
Sankarakumar K	Senior Vice President - Corporate Finance
Saradamani Dey	Head - Corporate Communications
Satish Venkatraman	General Manager - Sundaram Infotech Solutions
Satyajit Medappa	Senior General Manager & Head - Wealth Management
Sekar R	Vice President & Head - Human Resources
Sri Raman N	Vice President & Deputy Region Head - Telangana
Sridharan R	Senior General Manager & Head - Indirect Taxation
Sudheer Warrier	Chief Technology & Digital Officer
Sunil S Narayanan	Vice President & Head - MP, Chhattisgarh & Eastern Region
Suresh Devadas	Zonal Head - Chennai
Tom Thomas	Senior General Manager & Head - Western Region
Venkataraman R	National Head - Vruddhi
Venkatesh K V	Senior General Manager - Taxation
Vinod Kumar N	Joint General Manager & Head - Farm Equipment Finance
Vinod Kumar S	General Manager & Head - Kerala Region
Viswanathan N C	Senior General Manager & National Head - SWIFT

Subsidiaries	Sundaram Home Finance Limited Sundaram Asset Management Company Limited Sundaram Asset Management Singapore Pte. Limited Sundaram Trustee Company Limited Sundaram Alternate Assets Limited Sundaram Fund Services Limited LGF Services Limited	
Bankers	State Bank of India HDFC Bank Limited ICICI Bank Limited	Bank of Baroda Axis Bank Limited HSBC Limited
Debenture Trustee	Ms. Anjalee Athalye Senior Vice President – Business & Operations IDBI Trusteeship Services Limited Universal Insurance Building, Ground Floor, Sir P.M. Road, Fort, Mumbai – 400001	

CURRENCY EQUIVALENTS

₹ One Million	=	₹10 Lakhs	US$ 1 = Indian ₹94.6543*
₹ One Billion	=	₹100 Crores or ₹10,000 Lakhs	*RBI Reference Rate as on 31.03.2026

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A member of the

IFLA
International Finance & Leasing Association

Board's Report

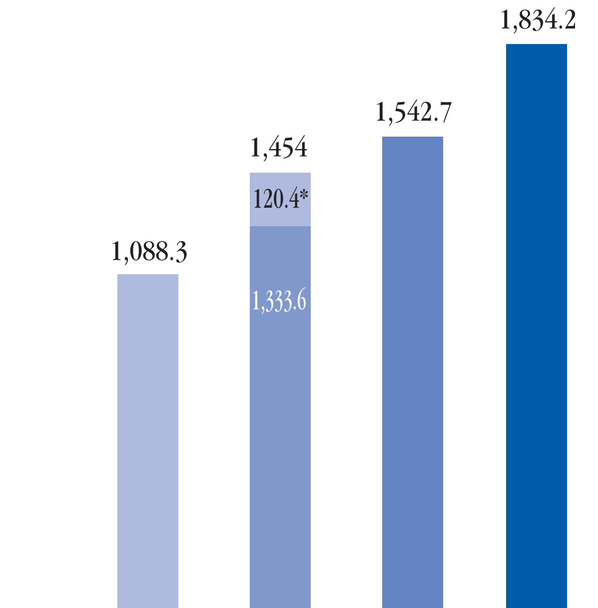
Your Directors have pleasure in presenting the 73rd Annual Report together with audited accounts for the year ended 31st March 2026. The summarised financial results of the Company are presented hereunder:

FINANCIAL RESULTS: STANDALONE

(₹ in crores)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from Operations	7,682.96	6,520.44
Other Income	51.52	75.63
Total Revenue	**7,734.48**	**6,596.07**
Less: Total Expenses	**5,291.08**	**4,534.39**
Profit before exceptional items and tax	2,443.40	2,061.68
Less: Exceptional item	74.75	–
Profit before tax	**2,368.65**	**2,061.68**
Profit after Tax	**1,834.17**	**1,542.65**
Other Comprehensive Income	147.90	451.47
Total Comprehensive Income for the Year	**1,982.07**	**1,994.12**
Dividend		
– Final 2023-24	–	177.77
– Interim 2024-25	–	155.55
– Final 2024-25	233.32	–
– Interim 2025-26	177.77	–

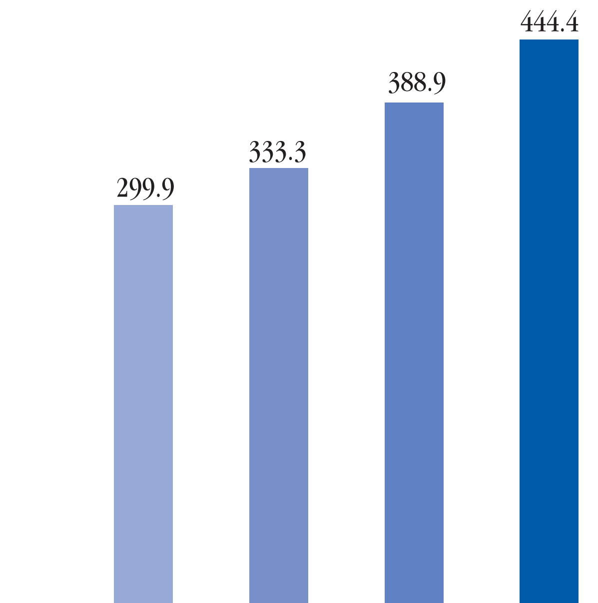
PAT
(₹ in cr.)



FY	2022-23	2023-24	2024-25	2025-26
EPS (₹)	97.9	130.9	138.9	165.1

* exceptional profit

Dividend
(₹ in cr.)



FY	2022-23	2023-24	2024-25	2025-26
%	270	300	350	400

DIVIDEND

Your Company paid an interim dividend of ₹16/- per share in February 2026. Your Directors are pleased to recommend a final dividend of ₹24/- per share, which, together with the interim dividend, would aggregate to a total dividend of ₹40/- per share (400 per cent on the face value of ₹10/-), representing a dividend pay-out of 24.23 per cent.

The Dividend Distribution Policy, formulated in accordance with the provisions of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been disclosed on the website of the Company under the web link -

https://sundaramfinance.in/assets/app_docs/investor-info/corporate_governance/policies/sebi/sfl_policy_for_distribution_of_dividends.pdf?v=1.1

CORPORATE GOVERNANCE

Your Company has always focused on ensuring the highest standards for prudence, ethics and transparency in corporate governance over the decades. The Board of Directors serve as stewards of the performance and health of your Company. The Board's mandate is to oversee your Company's strategic direction, monitor the performance of your Company, its subsidiaries & joint venture, maintain highest ethical standards of governance, assess the adequacy of risk management measures, evaluate internal financial controls, authorise and monitor strategic investments, facilitate and review Board and senior management succession planning and oversee regulatory compliance and corporate social responsibility activities. The Directors' deep industry knowledge, functional specialization and decades of experience has helped your Company handle complex issues related to macroeconomic uncertainty, regulatory changes, technological & digital developments, market volatility & risk management and information security & cyber security threats.

The Corporate Governance Report of the Company provides information about the corporate philosophy, details of the Directors and their other directorships, number of Board Meetings and Committee Meetings held during FY 2025-26, various other details which evidence the fact that the Company is customer-oriented, respectful in letter and spirit of all the regulatory provisions, mindful of high quality standards in all areas and, above all, follows a time-tested approach that balances growth with quality and profitability.

A detailed report on corporate governance, together with a certificate from the Secretarial Auditor, in compliance with the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached as part of this report, vide Annexure I.

Compliance reports in respect of all laws applicable to the Company have been reviewed by the Board of Directors.

RELATED PARTY TRANSACTIONS

All transactions with related parties were in the ordinary course of business and on an arm's length basis. The Company did not enter into any material transaction with such related parties, under Section 188 of the Companies Act, 2013, during the year. Form AOC-2, as required under Section 134 (3) (h) of the Act, read with Rule 8 (2) of the Companies (Accounts) Rules 2014, is attached as part of this report, vide Annexure II (i). The Company's Policy on Related Party Transactions is attached as part of this report, vide Annexure II (ii).

The Company did not have any transactions with any person or entity belonging to the promoter or promoter group and holding 10 per cent or more shareholding in the Company.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company, along with its subsidiaries and associates, has always proactively invested in a responsible manner to the growing needs of the communities in which it operates and has responded swiftly to health-related complications, weather & catastrophic events and other unexpected challenges that have impacted these communities. During the year, your Company has, in consonance with the CSR Policy of the Company, undertaken a number of initiatives that contribute to society at large, in the areas of healthcare, education, environmental sustainability and ecological balance, and preservation of the country's rich culture and heritage. The highlights of the CSR activities are:

1. Average Net Profit computation in accordance with Sec.135(5): ₹1,48,000.00 lakhs

2. CSR Budget, Amount spent in CSR, amount un-spent if any and amount to be set off in the financial year, if any.

Particulars	Amount (₹ in lakhs)
Total CSR Obligation for FY 2025-26	2,960.00
Less: Set off from FY 2024-25	(45.67)
Net CSR Obligation for FY 2025-26	2,914.33
CSR spent during FY 2025-26	2,774.65
Administrative overheads (including expenses incurred towards Impact Assessment)	167.55
Amount spent in excess of the requirement	27.87

The Annual Report on CSR Activities undertaken by the Company for FY 2025-26 is attached as part of this report, vide Annexure III.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

A Business Responsibility and Sustainability Report (BRSR) as required under Regulation 34(2) (f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, is enclosed as part of this report, vide Annexure IV. Further, as required under the SEBI Circular on BRSR Core – Framework for Assurance and ESG Disclosures for Value Chain dated 12th July, 2023, the Company has undertaken a reasonable assurance of the BRSR Core during the year and the Independent Practitioner's Reasonable Assurance Report issued by M/s Sundaram and Srinivasan, Chartered Accountants, Chennai, is enclosed as part of this report.

DISCLOSURE UNDER THE 'PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE POLICY'

The Company has in place a Policy for prevention of sexual harassment, in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

Number of complaints of sexual harassment received in the year	Nil
Number of complaints resolved during the year	Nil
Number of cases pending for more than 90 days	Nil

DISCLOSURE UNDER THE PROVISIONS OF MATERNITY BENEFIT ACT, 1961

The Company is in compliance with the provisions of the Maternity Benefit Act, 1961. Details have been provided in the Business Responsibility and Sustainability Report.

SECRETARIAL AUDIT

M/s Damodaran & Associates LLP, Practising Company Secretaries, have been appointed as the Secretarial Auditor of the Company, for a term of five (5) consecutive years w.e.f. 1st April 2025, in accordance with the provisions of Regulation 24A of the SEBI (LODR) Regulations, 2015. The Secretarial Audit Report and Secretarial Compliance Report, as provided by them, are attached as part of this report, vide Annexures V(i) and (ii) respectively.

REMUNERATION TO DIRECTORS / KEY MANAGEMENT PERSONNEL

Disclosure pursuant to Rule 5 (1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as part of this report, vide Annexure VI.

SUNDARAM FINANCE EMPLOYEE STOCK OPTION SCHEME (SFESOS)

Based on the recommendations of the Nomination, Compensation and Remuneration Committee, the Board has granted, subject to regulatory approvals where necessary, 14,629 stock options to select eligible employees, on 25th May 2026. The information required under Rule 12 of the Companies (Share Capital and Debenture) Rules, 2014, read with Reg. 14 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 is furnished, vide Annexure VII and Notes to the Accounts (Refer Note No. 41).

EXTRACT OF ANNUAL RETURN

As required under Section 92 (3) of the Companies Act, 2013, read with Rule 12 (1) of the Companies (Management and Administration) Rules, 2014, the link for the Extract of the Annual Return in E-form MGT-7 is

https://sundaramfinance.in/assets/app_docs/downloads/annual-reports/2025-2026/eform_mgt_7_annual_return_2025_26_26062026.pdf

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

During the year under review, no significant and material orders were passed by the regulators, courts, or tribunals against the Company, impacting its going concern status or its future operations.

INFORMATION AS PER SECTION 134 (3) (M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014

The initiatives taken by your Company towards conservation of energy have been provided in the Business Responsibility and Sustainability Report, which has been annexed to this Report.

Further, your Company's initiatives towards technology absorption have been provided in the portion relating to Information Technology, forming part of this Report. During FY 2025-26, expenditure in foreign currencies amounted to ₹0.08 cr. There were no earnings in foreign currency during the year.

MANAGEMENT DISCUSSION AND ANALYSIS

Global Economy

During the year under review, the global economy remained fragile amid persistent geopolitical tensions, tariff measures and the outbreak of war in West Asia in late February 2026. These developments heightened risks to global growth and disrupted commodity markets, inflation expectations, financial conditions and global demand. Damage to critical energy infrastructure and closure of the Strait of Hormuz adversely affected freight movement and supply chains across crude oil, hydrocarbons, fertilisers and other key commodities.

In view of the rapidly evolving environment, the World Economic Outlook (WEO) has presented the current outlook by way of a "reference forecast" and projected global growth at 3.1 per cent in 2026 and 3.2 per cent in 2027, as against an average growth rate of around 3.4 per cent during 2024-25. Over the medium term, global growth is expected to remain below the historical average of 3.7 per cent recorded during 2000 to 2019. Global headline inflation is projected at 4.4 per cent in 2026 and 3.7 per cent in 2027, both reflecting upward revisions.

Given the prevailing uncertainty, the outlook is supplemented by adverse scenarios involving a more prolonged or wider escalation of the conflict and/or greater damage to energy infrastructure in the affected region. Under such scenarios, global growth in 2026 could moderate further to around 2.0–2.5 per cent, while global inflation could rise to approximately 5.4–6.0 per cent. The adverse effects under such scenarios are expected to be more pronounced for emerging market and developing economies.

Over the medium term, prospects could improve with renewed structural reforms and a durable easing of trade tensions; however, any further escalation or geographic spread of the conflict would remain a material downside risk to the global outlook.

Indian Economy

Despite global uncertainties, the Indian economy remained resilient in FY 2025-26. As per the NSO's Second Advance Estimates under the revised GDP series (base year 2022-23), real GDP grew 7.6 per cent, driven by robust private consumption and strong fixed investment, while net external demand remained subdued. On the supply side, real GVA grew 7.7 per cent, led by services and supported by manufacturing; services, industry, and agriculture and allied activities grew 9.1 per cent, 6.2 per cent, and 3.1 per cent respectively.

Industrial activity in early FY 2026-27 has, however, been affected by the crisis in West Asia, with the fertiliser sector among the most impacted due to disruptions in gas and chemical supplies. The Government has responded with measures to address supply disruptions, preserve energy security, support trade and logistics, and maintain overall macroeconomic stability.

Headline CPI inflation moderated from about 3.8–4.0 per cent in early 2025 to near zero by October 2025, before rising to around 3.4–3.6 per cent by March 2026. The decline was driven mainly by a sharp fall in food inflation, while the subsequent increase reflected unfavourable base effects and emerging cost pressures from higher energy and commodity prices. Core inflation remained broadly stable at around 3.7 per cent.

During FY 2025-26, the Reserve Bank of India's Monetary Policy Committee (MPC) shifted its posture from restraint to calibrated easing, reducing the repo rate cumulatively to 5.25 per cent by December 2025 in response to moderating inflation and resilient growth conditions. In April 2026, in view of the supply-side shocks and risks to growth and inflation arising from the conflict in West Asia, the MPC adopted a cautious 'wait and watch' approach and kept the policy repo rate unchanged at 5.25 per cent. The Reserve Bank also continued to manage liquidity actively in order to support transmission while preserving financial stability. Notwithstanding the reduction in policy rates, bond yields remained elevated, particularly in the latter half of the year, reflecting concerns relating to imported inflation through higher oil prices, the implications for the current account deficit, and continued monetary tightness in global markets.

India's fiscal deficit stood at 4.4 per cent of GDP in FY 2025-26 and is estimated at 4.3 per cent of GDP in FY 2026-27, reflecting prudent fiscal management and supported by sustained growth in revenue collections over recent years. During FY 2025-26, the Indian Rupee depreciated amid tariff measures introduced by the United

States, sustained portfolio outflows and elevated energy import costs arising from the conflict in West Asia and touched an all-time low of ₹94.65 per US dollar in March 2026. As at 31 March 2026, the country's foreign exchange reserves stood at USD 691.11 billion, equivalent to 10.8 months of projected merchandise imports for FY 2025-26 and 21.9 per cent of outstanding external debt as at end-December 2025.

Automotive Sector

After a modest start to the year, the Indian automotive industry recorded its highest-ever sales across the principal vehicle segments in FY 2025-26 after seven years. Domestic sales across passenger vehicles, commercial vehicles, two-wheelers and three-wheelers reached record levels, supported by improved affordability, reduction in policy rates, changes in income-tax slabs, GST-related reforms and resilient domestic demand. As per data released by the Society of Indian Automobile Manufacturers (SIAM), the strong performance was driven largely by momentum in the second half of the year.

Passenger vehicle sales increased by 7.9 per cent year-on-year to 46.4 lakh units in FY 2025-26, representing the highest-ever annual volumes for the segment. The increase was supported by tax and interest-rate measures, improved affordability and stronger consumer sentiment in the second half of the year. Electric passenger vehicle registrations also recorded healthy growth, reflecting a gradual structural shift towards alternative powertrains.

The commercial vehicle segment recorded sales of 10.8 lakh units in FY 2025-26, reflecting growth of 12.6 per cent over the previous year. Demand was supported by GST-related reforms, fleet operator demand across sub-segments, increased economic activity and public capital expenditure. The reduction in the policy repo rate also aided market sentiment by easing the cost of financing. Electric light commercial vehicles witnessed improving acceptance, supported by favourable total cost of ownership dynamics and rising adoption among organised fleet operators. Electric small commercial vehicles also recorded early traction from a low base, aided by intra-city logistics demand.

The tractor and farm equipment segment also recorded strong growth during FY 2025-26, increasing by 23.5 per cent over the previous year. Growth in the segment was supported by favourable monsoon conditions, improved rural sentiment, stronger farm incomes, and the benefit of lower financing costs.

Automotive exports grew by 24 per cent during the year, reflecting continued global acceptance of Indian automotive products. Passenger vehicle exports registered their highest-ever levels for the second consecutive year, recording growth of 17.5 per cent over FY 2024-25, while commercial vehicle exports increased by 17.4 per cent over the previous year.

The outlook for the automotive sector for FY 2026-27 remains favourable, supported by strong macroeconomic fundamentals and healthy domestic demand. At the same time, geopolitical developments in West Asia continue to pose risks through their potential impact on supply chains, vehicle production, commodity prices, freight costs and broader economic activity. Consequently, an early de-escalation and resolution of the conflict would be important for sustaining growth momentum in the sector.

Operating & Financial Performance

Against the backdrop of a volatile economy, your Company's overall performance for the year has been well balanced across growth, asset quality and profitability. Gross receivables managed by your Company as of March 31, 2026, stood at ₹70,137 cr., as against ₹60,290 cr., recording a growth of 16.3 per cent over the previous year. Your Company's disbursements at ₹32,321 cr. (PY ₹28,405 cr.) have registered a reasonable growth of 13.8 per cent during the year under review.

During the year, your Company's "AAA" credit rating and the treasury team's ability to raise resources at competitive rates enabled your Company to maintain its cost of borrowings at a best-in-class level. Despite competitive intensity and mix of price-sensitive medium & heavy commercial vehicle segments, your Company was able to maintain yields through better pricing of risk and improving asset mix. Consequently, your Company's focus on improving pricing and managing borrowing costs well has yielded positive results on margin expansion in FY 2025-26.

Collections in the financial system remained a challenge for a significant part of the year due to macro-economic uncertainties and fragile finances of some State Governments. However, your Company's consistent and focused efforts through the year, coupled with improvement in demand, economic activity and sentiments towards the later part of the year, enabled a notable improvement in the fourth quarter. Your Company's superior credit standards, strong customer relationships and systematic collection efforts have enabled it to ensure best-in-class performance on asset quality in the year in question. Stage 3 assets, Gross and Net of ECL provisions, stood at 1.44 per cent (PY 1.44 per cent) and 0.69 per cent (PY 0.75 per cent) respectively, as at 31st March, 2026.

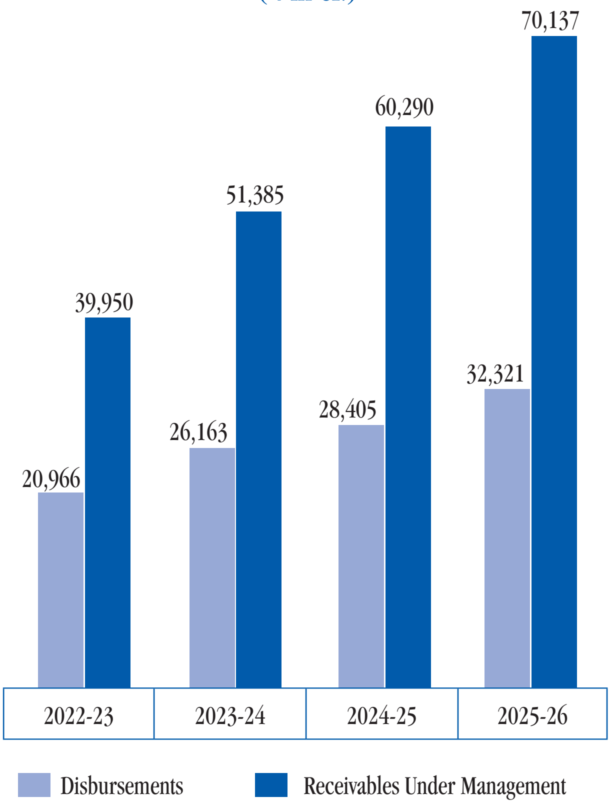
Your Company maintained disciplined control over operating expenses during the year under review. The cost-to-income ratio stood at 28.71 per cent as at 31st March 2026, as compared to 30.80 per cent in the previous year. Prudent management of operating expenditure continues to remain an area of focus for your Company.

Your Company has been maintaining comfortable liquidity in the form of liquid investments and undrawn bank limits, to meet its maturing liabilities.

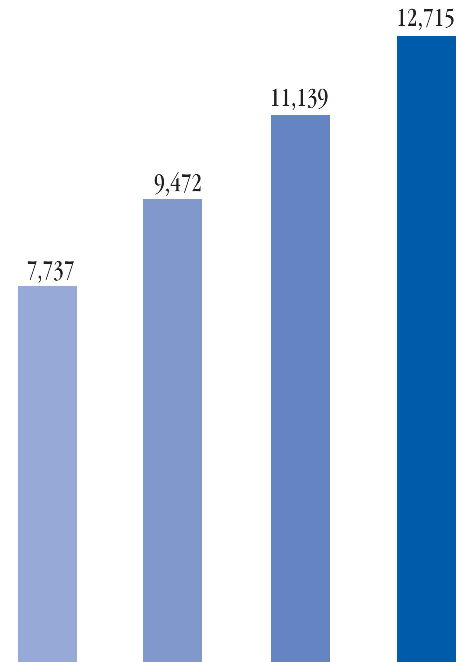
Your Company registered a net profit of ₹1,834 cr. compared to ₹1,543 cr. in the previous year, a growth of 19 per cent. Profits from core operations registered a growth of 16 per cent. Your Company's net worth stood at ₹12,715 cr., as on 31st March 2026. Capital adequacy (CRAR) at 18.95 per cent was comfortably higher than the statutory requirement of 15 per cent.

There are no significant changes in key financial ratios of the Company for FY 2025-26 as compared to FY 2024-25. Your Company's Return on Net Worth as on 31.03.2026 stood at 17.5 per cent as compared to 16.3 per cent as on 31.03.2025. Core Return on Net Worth, adjusting for investments in Group companies, as on 31.03.2026 stood at 18.4 per cent as compared to 19 per cent as on 31.03.2025.

Disbursement and Receivables Under Management
(₹ in cr.)



Own Funds
(₹ in cr.)



	March 2023	March 2024	March 2025	March 2026
Book Value* (₹)	696.41	852.54	1,002.61	1,144.46

* per equity share of ₹10/- each

RESOURCE MOBILISATION

a) Deposits

During the year, your Company mobilised fresh deposits aggregating to ₹929.46 cr. Renewal of deposits during the year amounted to ₹2,374.34 cr. representing 78 per cent of the matured deposits of ₹3,052.08 cr. Deposits outstanding at the year-end were at ₹6,216.24 cr. as against ₹6,094.08 cr. in the previous year. The net accretion for the financial year was ₹122.15 cr. as at 31st March 2026. 2,975 Term Deposit Receipts (TDRs) amounting to ₹43.28 cr. had matured for payment and were due to be claimed or renewed. After close follow-up, these figures are currently at 2,109 and ₹21.91 cr. respectively. Continuous efforts are being made to arrange for repayment or renewal of these deposits. There has been no default in repayment of deposits or payment of interest thereon during the year.

You will be happy to note that as part of the continued digital journey, your Company has introduced online fresh deposits for new depositors. Depositors can also place additional deposits, renew their deposits, initiate payment requests, furnish Form No. 121, provide instruction for change in address and/or bank details with necessary supporting documents, through our online customer portal and SF Next mobile application.

b) Term Funding

During the year, your Company raised term funding from Banks, Mutual funds, Insurance companies and others in the form of non-convertible debentures and long term loans to the tune of ₹14,840 cr., across varying tenors.

c) Bank Finance

As part of the overall funding plan, your Company's working capital limits with consortium banks were retained at ₹3,500 cr. During the year, your Company also issued several tranches of commercial paper aggregating to ₹7,900 cr. The maximum amount of outstanding commercial papers at any time was ₹6,055 cr. and the amount outstanding at the end of the year was ₹3,750 cr.

d) Assets Securitised / Assigned

During the year, your Company raised resources to the extent of ₹4,450 cr. through securitisation and assignment of receivables.

CREDIT RATINGS

Your Company's long term credit ratings have been retained at "AAA" (Highest Degree of Safety) with a "Stable Outlook", by both ICRA and CRISIL. The short-term borrowings (including commercial paper) are rated "A1+" by both ICRA and CRISIL. Fixed Deposits are rated "AAA" (Highest Credit Quality) by both ICRA and CRISIL.

OUTLOOK

India is expected to remain among the fastest-growing major economies in FY 2026-27, with real GDP growth projected in the range of 6.5-7.0 per cent, supported by resilient domestic consumption, sustained public capital expenditure and a gradual revival in private investment. Inflation is expected to remain within the RBI's tolerance band, fiscal consolidation is progressing, the banking system remains well-capitalised, asset quality trends are favourable, and foreign exchange reserves continue to provide external resilience. Domestic demand drivers are expected to remain broadly intact, with urban consumption, government-led capital formation and improving private sector activity supporting growth. Manufacturing and services should continue to benefit from structural reforms, supply-chain diversification, digital adoption and formalisation, although input-cost pressures and weaker external demand may moderate momentum in some sectors.

The near-term outlook, however, remains subject to material external and supply-side risks. The ongoing conflict in West Asia, together with disruption to shipping routes and the blockage of the Strait of Hormuz, has heightened uncertainty around crude oil prices, freight costs and supply chains. These developments could affect imported inflation, the current account balance, exports, remittance flows and interest-rate expectations, and may also weigh on cost structures and demand conditions in certain MSME segments. In addition, adverse weather conditions, including the possibility of a below-normal monsoon and an El Niño event, remain key risks for agricultural output, rural incomes and food inflation.

Taking these factors into account, the Reserve Bank of India's Monetary Policy Committee (MPC) has projected real GDP growth for FY 2026-27 at 6.9 per cent and projected CPI inflation for FY 2026-27 at 4.6 per cent. The outlook remains subject to downside risks arising from geopolitical escalation, supply disruptions and adverse weather conditions, and volatility in international energy and commodity prices.

Overall, the outlook for FY 2026-27 remains one of guarded optimism. While domestic macroeconomic fundamentals remain supportive, the external environment continues to warrant close monitoring. The outlook for the sub-segments of the automotive sector is expected to broadly reflect this macroeconomic context, with growth supported by domestic demand, but moderated by geopolitical and supply-side risks.

Medium, Heavy and Intermediate Commercial Vehicles (MHICV): The MHICV industry is expected to grow in the low single digits in FY 2026-27, following the strong rebound recorded in FY 2025-26. Demand for this segment will remain linked to economic activity and replacement demand, with relatively stronger traction in tippers and buses. Infrastructure, mining and railway activity are expected to continue to support the segment.

Material Handling and Construction Equipment (MHCE): MHCE demand remains linked to infrastructure and construction activity. After a contraction of 7 per cent in FY 2025-26, with several equipment segments recording double-digit decline, the industry is expected to recover in FY 2026-27 and record single digit growth.

Retail Commercial Vehicles (Light & Small Commercial Vehicles): The Light and Small Commercial Vehicle (L&SCV) segment is expected to record steady growth in FY 2026-27, supported by replacement demand, intra-city logistics and essential goods movement. Demand is expected to remain broad-based across urban, semi-urban and select rural markets, with LCVs likely to be the principal contributors to overall CV growth.

Passenger Cars & Utility Vehicles (UVs): The passenger car and utility vehicle market is expected to be supported by steady urban demand and continued preference for personal mobility. Growth is expected to be supported by improving model availability, charging infrastructure and operating economics, though pricing, range confidence and policy clarity remain relevant constraints. The segment is expected to record moderate growth of mid-single digits in FY 2026-27.

Tractors & Farm Equipment (TFE): The TFE segment is expected to record modest growth in FY 2026-27, following two successive years of strong 25-30 per cent growth in FY 2024-25 & FY 2025-26. Demand is expected to remain supported by replacement demand, mechanisation and rural financing. The possibility of an El Niño event and below-normal monsoon forecast remain key risks, particularly for rain-fed regions. Geopolitical developments may indirectly affect the segment through higher diesel, fertiliser and logistics costs, with implications for farm profitability and rural demand.

INTERNAL FINANCIAL CONTROLS

The Company has a well-established internal financial control and risk management framework to ensure the highest standards of integrity and transparency in its operations and a strong corporate governance structure. 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 accounting records; and

e) timely preparation of reliable financial information.

Additionally, as part of RBI's Risk Based Internal Audit (RBIA) requirement, your Company has adopted appropriate policy and operating guidelines. Along with the Risk Management team and Internal Audit department, the functional and operational risk control matrices have been designed to ensure that adequate controls as may be required are in place and operating effectively and efficiently.

RISK MANAGEMENT

Your Company has built a robust risk governance and risk management framework over the years. The Audit Committee, Risk Management Committee, Asset Liability Management Committee and IT Strategy Committee review and monitor the risks on a regular basis.

The risk management process of the Company is underpinned by a strong and long-standing organisational culture and sound operating procedures involving our Sundaram values, competencies, internal control culture and effective internal reporting.

Your Company has adopted the ERM Framework, which is based on 3 lines of defence:

a. First pillar: Function-heads who are the risk owners and responsible and accountable for assessing, controlling and mitigating risks;

b. Second pillar: Chief Risk Officer and the Risk Management team who assist through facilitating risk awareness, risk reviews, providing analysis and reports including creating a proactive forward-looking view to emerging risks;

c. Third pillar: Internal Auditors and Statutory Auditors who provide assurance to the senior management on risk governance through their assessment of the adequacy and the effectiveness of internal controls and the monitoring mechanisms.

Your Company has a robust first line of defence in the form of sensitised and aware functional teams with deep domain expertise. Active operational engagement on risk management is enabled through two levels of internal teams that review operational risks on an on-going basis:

i) a Functional Working Group on operational risks comprised of 85 operating executives across the Company and

ii) a Core Working Group on Risk Management comprised of 11 functional heads of various departments of the Company. These groups are convened by our second line of defence, the Risk Management department, which ensures meetings on a regular basis to review status on various risks, anticipate emerging risks and define a proactive action plan for containing incipient risk.

The internal audit team reviews the processes and controls to ensure the design effectiveness and to assure adequacy of controls to mitigate risk in line with the RBI's Risk-based Internal Audit (RBIA) framework. Your Company has well-documented standard operating procedures and risk control matrices for all processes to ensure superior control over transaction processing and regulatory compliance. Periodical review of the same ensures that the risks including technology risks are under control. This apart, policies are reviewed and approved by the Board and its Committees that facilitate the review of identification of risks and controls and provide guidance to manage the risks across business that ensures a sustainable and ethical business environment, reflected in our risk management process.

The risk management process fulfils the requirement under Section 134 of the Companies Act, 2013 and Regulation 21, read with Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Above all, your Company's values and culture that are enshrined in the Sundaram Way of doing business and the obligations and commitment to our customers, employees, deposit holders and the community are the foundations on which its risk framework rests.

A few principal financial risks of your Company have been furnished in the Notes to the Accounts under Note No. 38, for your information.

INTERNAL AUDIT

Your Company's internal audit department independently provides the Audit Committee/Board of Directors and the Senior Management a reasonable assurance on the adequacy and effectiveness of internal controls and the risk management framework of the Company. The effectiveness and efficiency of the controls, and the design are regularly measured through process reviews and risk assessment. Your Company has rolled out Risk Based Internal Audit (RBIA) Policy with effect from 1st April 2022 as required by the RBI. The internal audit department reports directly to the Audit Committee of the Board. The Audit Committee regularly reviews the audit findings as well as the adequacy and effectiveness of the internal control measures.

Audits are conducted encompassing the branch network and all the functional areas at Head office in such a manner that it serves as an important tool of internal control. Additionally, Information Systems audit is carried out by an external professional firm under direct supervision of the Internal Audit Department. Based on the recommendations of the Information Systems Auditor, the Company has implemented a number of control measures both in operational and IT-related areas, apart from information security related measures.

The quality assurance and improvement programme ('QAIP') of the internal audit function for FY 2025-26 was carried out by an external professional consultant in accordance with the prescribed RBI Guidelines.

INFORMATION TECHNOLOGY

Your Company recognises Information Technology as a critical pillar for running and growing its business. Significant investments continue to be made in strengthening IT infrastructure particularly in the areas of information security and network capabilities. On the applications front, the Company is investing in solutions that enhance the efficiency and performance of front-line staff, improve decision-making through advanced data and analytics, and establish the architectural foundation required for modernisation of its core systems. During the year, the Company also implemented a state–of–the-art Human Resource Management System (HRMS) to further strengthen employee engagement.

Your Company follows a hybrid approach to data centre operations. A modern on premises Data Centre is complemented by a multi vendor cloud environment comprising over 500 servers, delivering an uptime exceeding 99.99 per cent. The on premises Data Centre is certified by TUV Rheinland for compliance with the ISO/IEC 27001:2022 Information Security Management Standard. Together, these facilities support the technological needs of the Company, its subsidiaries, and its associates.

To ensure resilience, a dedicated Disaster Recovery (DR) site is maintained in a separate seismic zone, with near real time replication of all critical applications. Regular DR drills, along with a secure and scalable remote working infrastructure, ensure operational continuity during disruptions. The Company's Cloud strategy continues to focus on achieving an optimal balance of opportunity, risk and cost.

Cyber Security remains an area of sustained and proactive focus. A full time Chief Information Security Officer (CISO) oversees the Company's security posture, supported by continued investments in strengthening detection, response, and recovery capabilities. During the year, enhanced tools and processes were implemented to ensure the reliability, security, and integrity of the Company's systems and data. The Company operates a 24x7 Security Operations Centre (SOC) for real time threat monitoring and alerting. Periodic vulnerability assessments and penetration testing are conducted across applications and infrastructure to validate the effectiveness of established security controls. The Company also engages regularly with external consultants and industry experts to validate its transformation initiatives and reinforce its Information and Cyber Security practices, consistently adopting recognised industry best practices.

Your Company's in-house technology team brings together deep expertise across multiple technologies and strong business & domain knowledge to deliver differentiated digital solutions. Strategic partnerships with select technology specialists help augment internal capabilities with external expertise. Contemporary technology and architecture practices now form the core of the Company's digital capabilities, positioning the Company well to expand and advance its technology landscape. During the year, the Company implemented a Cloud-based Enterprise Data Platform as the foundational element of its Systems of Intelligence layer. Machine Learning and Artificial Intelligence models are increasingly being embedded into business processes, and the Company continues to develop and refine such models to support diverse business functions. The Company has also begun piloting the Agentic framework to apply advanced AI capabilities to real world business use cases.

Working closely with the business functions, the technology team has implemented several process improvements that have reduced turnaround times, enabled straight-through processing, and supported timely decision making. These improvements have been underpinned by reusable digital capabilities, including digitally guided workflows, enterprise task-management tools, a structured communication framework, and embedded Nano Learning modules.

As a relationship centric organisation, your Company continues to focus on creating the right balance of high touch and high tech interactions to deepen customer and stakeholder engagement. The Company's technology priorities remain centred on deploying intelligent solutions that enhance customer service and acquisition, improve employee productivity, reduce cost to serve, expand the use of analytics, and deliver superior customer experiences across all touchpoints.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements, drawn up in accordance with the applicable Accounting Standards, form part of the Annual Report as required by the provisions of Section 129 (3) of the Companies Act, 2013. A separate statement containing the salient features of the financial statements of the Subsidiaries and Joint Venture in Form AOC-I forms part of the Annual Report.

The Consolidated profit after tax is ₹2,059 cr. as against ₹1,879 cr. in the previous year, a growth of 9.6 per cent year on year. The total comprehensive income for the year was ₹2,134 cr. as against ₹2,443 cr. The consolidated net worth for the year stood at ₹14,894 cr. as against ₹13,197 cr. in the previous year.

The annual accounts of all the Subsidiaries and Joint Venture have been posted on your Company's website – www.sundaramfinance.in. Detailed information, including the annual accounts of the Subsidiaries and Joint Venture will be available for inspection by the members, through a digital platform which would be provided by the Company. The same will also be made available in physical form to the members upon request.

SUBSIDIARIES

- **Sundaram Home Finance Limited**

  Sundaram Home Finance Limited, during the year approved loans aggregating to ₹6,946 cr. (PY ₹6,940 cr.). Disbursements during the year were higher by 4.5 per cent at ₹6,830 cr. (PY ₹6,534 cr.). The company earned a gross income of ₹1,868 cr. (PY ₹1,597 cr.) and reported a profit after tax at ₹281.88 cr. (PY ₹244.66 cr.). The loan portfolio under management as at 31st March 2026 stood at ₹19,909 cr. as against ₹17,428 cr. in the previous year. Gross Stage 3 assets stood at 1.11 per cent (PY 1.02 per cent) and net of ECL provisions stood at 0.51 per cent (PY 0.53 per cent), as at 31st March, 2026. The Net Stage 3 assets, excluding restructured assets, stood at 0.46 per cent as at 31st March 2026. The Board of Directors have recommended a final dividend of ₹3.58/- per share (35.77 per cent) for the year ended 31st March 2026. This together with the interim dividend of ₹3.38/- per share (33.83 per cent), would aggregate to a total dividend of ₹6.96/- per share (69.60 per cent).

- **Sundaram Asset Management Company Limited (On consolidated basis)**

  The company, along with its subsidiaries reported a consolidated gross income of ₹581.40 cr. as against ₹515.75 cr. in the previous year. Consolidated Profit after tax was ₹173.60 cr. as compared to ₹153.53 cr. during the previous year. The Average Assets under Management amounted to ₹82,987 cr. for the year 2025-26 as compared to ₹76,008 cr. in the previous year. The company had declared an interim dividend of ₹8.22/- per share in the month of January 2026 and has decided to propose a final dividend of ₹8.34/- per share with the approval of shareholders for the year FY 2025-26.

- **Sundaram Trustee Company Limited**

  Sundaram Trustee Company Limited earned a gross income of ₹2.21 cr., as against ₹3.64 cr., in the previous year and reported a profit after tax of ₹1.08 cr. for the year, as against ₹2.23 cr. in the previous year. The company recommended a dividend of ₹216/- per share for the year ended 31st March 2026.

- **LGF Services Limited**

  During the year, the company reported a gross income of ₹0.16 cr. as against ₹0.19 cr. in the previous year. The profit after tax for the year was ₹0.09 cr. as against ₹0.08 cr. in the previous year. The company recommended a dividend of ₹3/- (30 per cent) per share for the year.

- **Sundaram Fund Services Limited**

  Sundaram Fund Services Limited earned an income of ₹0.08 cr. during the year as against ₹0.14 cr. in the previous year. The company reported a profit after tax of ₹0.05 cr. as against ₹0.03 cr. in the previous year.

JOINT VENTURE

Royal Sundaram General Insurance Co. Ltd (Royal Sundaram)

Royal Sundaram reported a Gross Written Premium (GWP) of ₹4,638 cr. as compared to ₹4,065 cr. in the previous year, representing a growth of 14.1 per cent. The company reported a profit after tax (as per IND AS) of ₹107 cr. for the current year as against ₹133 cr. in the previous year. The company has paid an interim dividend of ₹0.55/- per share during the year and recommended a final dividend of ₹0.25/- per share, aggregating a total dividend of ₹0.80/- per share for FY 2025-26 (PY ₹0.90/- per share). The company's solvency ratio as at March 31, 2026 was at 2.21 times (PY 2.20 times) as against the mandated threshold of 1.50 times.

BOARD & AUDIT COMMITTEE

The details regarding number of Board Meetings held during the financial year and composition of Audit Committee are furnished in the Corporate Governance Report. The details of all other Committees are also furnished in the Corporate Governance Report.

DIRECTORS

Mr. Harsha Viji and Mr. Rajiv C. Lochan, Directors, retire by rotation and being eligible, offer themselves for re-election.

KEY MANAGERIAL PERSONNEL

During the year under review, the shareholders of the Company approved the re-appointment of the Whole-time Directors in the following manner:

Name	Designation	Effective Date	Term
Mr. Harsha Viji	Executive Vice Chairman	01.04.2026	5 years
Mr. Rajiv C. Lochan	Managing Director	01.04.2026	5 years
Mr. A. N. Raju	Joint Managing Director	01.04.2026	4 years

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declaration from each Independent Director of the Company under Section 149 (7) of the Companies Act, 2013 that they meet with the criteria of their Independence laid down in Section 149 (6).

ANNUAL EVALUATION BY THE BOARD

The Board has made a formal evaluation of its own performance and that of its committees and individual Directors as required under Section 134(3)(p) of the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

2. The Company has 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 of the Company for that period;

3. Proper and sufficient care has been exercised for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

4. The annual accounts have been prepared on a going concern basis;

5. Adequate internal financial controls have been put in place and they are operating effectively; and

6. Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

AUDITORS

M/s Brahmayya & Co., Chartered Accountants, Chennai (Regn. No. 000511S) and M/s R.G.N Price & Co., Chartered Accountants, Chennai (Regn. No. 002785S), have been appointed as Joint Statutory Auditors of your Company, to hold office for a term of three (3) consecutive years from the conclusion of the 71st Annual General Meeting to the conclusion of the 74th Annual General Meeting, in accordance with the Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) issued by the Reserve Bank of India vide their notification dated 27th April 2021 (RBI Guidelines), at such remuneration as may be mutually agreed to between the Board of Directors of the Company and the Joint Statutory Auditors.

ACKNOWLEDGEMENT

Your Directors gratefully acknowledge the support and co-operation extended to your Company by all its customers, depositors, shareholders, and bankers, as also the various mutual funds, insurance companies, automotive manufacturers and dealers, oil marketing companies and other stakeholders.

Your Directors also place on record their special appreciation of Team Sundaram for its dedication and commitment in delivering the highest quality of service to every one of our valued customers.

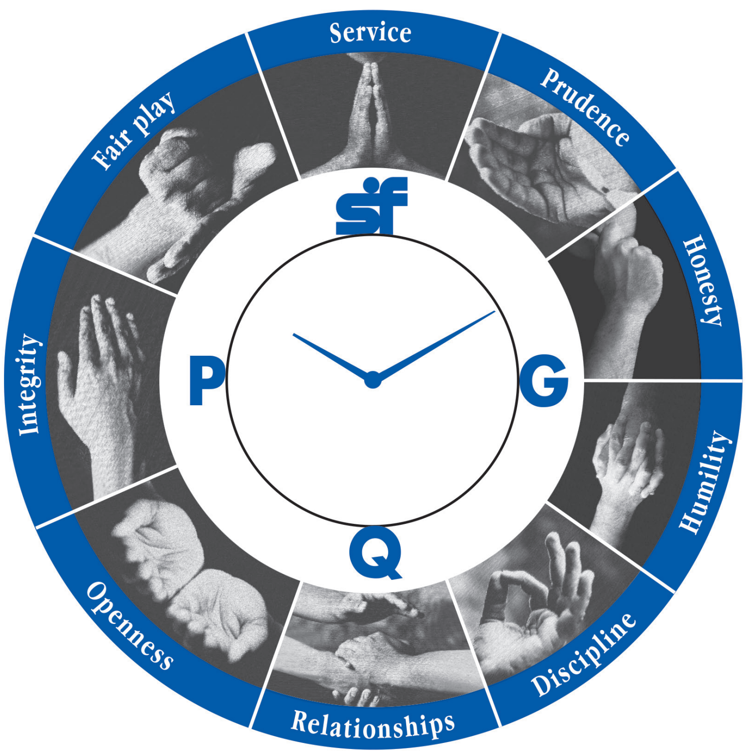
For and on behalf of the Board

Chennai 600 002
25.05.2026

S. VIJI
Chairman

Report on Corporate Governance

Sundaram Finance Limited has been following robust corporate governance practices since its inception. The strong edifice of the Company, started in 1954, is supported by the pillars of customer trust, investor faith and employee loyalty. Your Company's approach to corporate governance is guided by the Sundaram Way – a set of values enshrined in the Company's culture by its founder Chairman, Mr. T. S. Santhanam.



Your Company continues to maintain the highest standards of integrity and transparency in operations, excellence in service to all stakeholders and strong Corporate Governance standards. We believe that a well–informed and participative Board is necessary to ensure the highest standards of corporate governance. The Board oversees the Management's functions and safeguards the long–term interests of our stakeholders.

As of 31st March 2026, the Board comprised twelve members, of which six members are Independent Directors. An Independent Director is the chairperson of the Board committees, viz., Audit Committee, Nomination, Compensation & Remuneration Committee, Information Technology Strategy Committee and Stakeholders' Relationship Committee.

I. BOARD OF DIRECTORS

All the members of the Board are eminent persons with considerable expertise and experience in general management spanning the automobile, engineering, banking, finance, accounts and audit, information technology, consulting and road transport sectors. The Company is immensely benefited by the range of experience and skills that the Directors bring to the Board. The composition of the Board is in conformity with the listing requirements as on 31st March 2026.

The details of Directors' attendance at Board Meetings, AGM and details of other directorships, committee chairmanships / memberships held by the Directors during the year are as follows:

Name of the Director	DIN	Attendance Particulars		Directorships in other public limited companies (as on 31st March 2026)				Committees in which Chairman/ Member of other public limited companies* (as on 31st March 2026)		Directorship in other listed entity	
		Board Meetings	AGM	Chairman		Director		Chairman	Member	Name of the Company	Category of Directorship
				Listed	Unlisted	Listed	Unlisted				
Promoter Directors											
Mr. S. Viji Non-executive Chairman	00139043	5	Yes	–	–	1	–	1	1	Wheels India Limited	Non-Executive Director
Mr. T. T. Srinivasaraghavan Non-executive Director	00018247	6	Yes	1	1	2	2	1	2	Five Star Business Finance Limited	Independent Director
										R K Swamy Limited	Independent Director
										Sundaram Home Finance Limited	Non-Executive Chairman
Mr. Srivats Ram Non-executive Director	00063415	5	Yes	1	1	2	1	–	3	Wheels India Limited	Chairman & Managing Director
										TSF Investments Limited (Formerly known as Sundaram Finance Holdings Limited)	Non-Executive Director
										India Motor Parts & Accessories Limited	Non-Executive Director
Mr. Harsha Viji Executive Vice Chairman	00602484	6	Yes	1	2	1	1	–	1	TSF Investments Limited (Formerly known as Sundaram Finance Holdings Limited)	Non-Executive Chairman
										Sundaram Home Finance Limited	Non-Executive Director

Name of the Director	DIN	Attendance Particulars		Directorships in other public limited companies (as on 31st March 2026)				Committees in which Chairman/ Member of other public limited companies* (as on 31st March 2026)		Directorship in other listed entity	
		Board Meetings	AGM	Chairman		Director		Chairman	Member	Name of the Company	Category of Directorship
				Listed	Unlisted	Listed	Unlisted				
Independent Directors											
Dr. R. Raghuttama Rao	00146230	6	Yes	–	–	2	1	–	3	Wheels India Limited	Independent Director
										Latent View Analytics Limited	Independent Director
Mr. Ganesh Lakshminarayan	00012583	6	Yes	1	–	1	–	1	3	Rane Holdings Limited	Chairman & Managing Director
										Rane (Madras) Limited	Non-Executive Director
Mrs. Bhavani Balasubramanian	09194973	6	Yes	–	–	2	–	1	1	HCL Technologies Limited	Independent Director
										Sundaram Home Finance Limited	Independent Director
Dr. Kshama Fernandes	02539429	6	Yes	–	1	2	2	–	3	Northern Arc Capital Limited**	Non-Executive Director
										Goa Carbon Limited	Independent Director
Mr. R. Venkatraman	07119686	5	Yes	–	–	1	1	3	–	TSF Investments Limited (Formerly known as Sundaram Finance Holdings Limited)	Independent Director
Ms. Anuradha Rao	07597195	5	Yes	–	–	2	–	–	3	Northern Arc Capital Limited	Non-Executive Director
										SBI Cards & Payment Services Limited	Independent Director
Executive Directors											
Mr. Rajiv C. Lochan Managing Director	05309534	6	Yes	–	–	–	1	–	–	–	–
Mr. A. N. Raju Joint Managing Director#	00036201	6	Yes	–	–	1	1	1	1	Sundaram Home Finance Limited	Non - Executive Director

* Audit Committee and Stakeholders Relationship Committee considered

** upto 31.03.2026

Deputy Managing Director upto 31.03.2026

The expertise / skills / competencies identified by the Board and available with the Directors are detailed below:

Category	Expertise	Skills / Competencies
Non-executive Non-Independent Directors Mr. S. Viji Mr. T.T. Srinivasaraghavan Mr. Srivats Ram	• In-depth Industry Knowledge • Capital Markets • Legal and Regulatory Framework • Risk Assessment and Management • Business Policies • Strategic Management	• Entrepreneurial • Governance • Behavioural
Independent Directors Dr. R. Raghuttama Rao Mr. Ganesh Lakshminarayan Mrs. Bhavani Balasubramanian Dr. Kshama Fernandes Mr. R. Venkatraman Ms. Anuradha Rao	• In-depth Industry Knowledge • Audit and Financial Management • Treasury • Legal and Regulatory Framework • Risk Assessment and Management • Business Policies • Capital Markets	• Technical/Professional • Analytical • Technological • Behavioural
Executive Directors Mr. Harsha Viji Mr. Rajiv C. Lochan Mr. A.N. Raju	• In-depth Industry Knowledge • Audit and Financial Management • Wealth Management • Treasury Operations and Management • Business Policies • Legal and Regulatory Framework • Capital Markets • Risk Assessment and Management • Asset Liability Management • Strategic Management	• Governance • Leadership • Technical • Analytical • Organisational • Technological • Planning • Resource Management and Utilisation • People Management • Communication • Behavioural

II. BOARD MEETINGS

The Board of Directors formulates the broad business and operational policies, periodically reviews the performance and engages itself with strategic issues concerning the Company.

During the year under review, 6 meetings of the Board of Directors were held.

28.04.2025	03.11.2025
26.05.2025	02.02.2026
04.08.2025	27.03.2026

All Directors and Senior Management Personnel have re-affirmed compliance with the Code of Conduct approved and adopted by the Board of Directors.

In our opinion, the Independent Directors fulfil the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

A Certificate issued by Mr. M. Damodaran, Managing Partner, M/s. M. Damodaran & Associates LLP, Practicing Company Secretaries, under Sch. V. Para C.10(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached as part of this report vide Annexure I (i).

The Managing Director, on behalf of the Board, has periodically reviewed compliance reports pertaining to all laws applicable to the Company and submitted his consolidated report indicating therein that the Company was fully compliant with all applicable laws.

III. AUDIT COMMITTEE

The Audit Committee reviews the financial accounting policies, adequacy of internal control systems and information systems audit, and interacts with the statutory auditors, internal auditors and information systems auditors. Senior Executives and functional heads are invitees to the committee meetings. Besides, the Committee inter alia reviews the audit plans, interim and annual financial results, management discussion and analysis of financial condition and results of operations, related party transactions, observations of the management and internal / external auditors on internal control and follow–up reports of the management.

The Composition of the Audit Committee and attendance of the members at Committee meetings are as follows:

Name of the Member		No. of Meetings Attended	Meeting Dates
Mrs. Bhavani Balasubramanian	Chairperson	7	17.04.2025 23.05.2025 01.08.2025 17.10.2025 01.11.2025 29.01.2026 23.03.2026
Dr. R. Raghuttama Rao	Member	7	
Dr. Kshama Fernandes	Member	7	

The Company Secretary is the Secretary to the Committee.

IV. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee

i) approves and monitors transfers, transmission, splits and consolidation of securities of the Company,

ii) reviews and resolves the grievances of security holders / depositors / debenture holders of the Company including complaints related to transfer/transmission of shares, Non-receipt of annual report, Non-receipt of declared dividends, Non-receipt of interest on deposits/debentures, issue of new/duplicate certificates, general meetings etc., and

iii) reviews the compliances with various statutory and regulatory requirements.

The Composition of the Stakeholders Relationship Committee and attendance of the members at Committee meeting are as follows:

Name of the Member		No. of Meetings Attended	Meeting Date
Mr. Ganesh Lakshminarayan	Chairman	1	22.12.2025
Mr. Rajiv C. Lochan	Member	1	
Mr. A.N. Raju	Member	1	

Besides, transfer/transmission of shares were approved by resolutions passed in circulation on 21 occasions.

Mr. P. N. Srikant, Secretary, is the Compliance Officer. One investor complaint was received and resolved during the year. None was pending unresolved as on 31st March 2026.

V. RISK MANAGEMENT COMMITTEE

The Risk Management Committee (RMC) formed in accordance with the Directions of the Reserve Bank of India, functions under the supervision of the Audit Committee.

The RMC formulates policies and strategies for identification, measurement and reporting on market risks, credit risks and operational risks.

The Composition of the Risk Management Committee and attendance of the members at Committee meetings are as follows:

Name of the Member		No. of Meetings attended	Meeting Dates
Mr. Rajiv C. Lochan	Chairman	4	25.06.2025 17.09.2025 17.12.2025 18.03.2026
Dr. R. Raghuttama Rao	Member	4	
Mr. A.N. Raju	Member	4	
Mr. M. Ramaswamy	Member	3	

The Company Secretary is the Secretary to the Committee.

VI. ASSET LIABILITY MANAGEMENT COMMITTEE

The Asset Liability Management Committee (ALCO) formed in accordance with the Directions of the Reserve Bank of India, functions under the supervision of the Audit Committee.

The ALCO is responsible for:

- managing the balance sheet within the performance / risk parameters laid down by the RMC
- monitoring and managing the market risk.

The Composition of Asset Liability Management Committee and attendance of the members at Committee meetings are as follows:

Name of the Member		No. of Meetings attended	Meeting Dates	
Mr. Harsha Viji	Chairman	9	11.04.2025 12.05.2025 12.06.2025 10.07.2025 14.08.2025 11.09.2025	17.10.2025 06.11.2025 03.12.2025 09.01.2026 06.02.2026 09.03.2026
Mr. Rajiv C. Lochan	Member	11		
Mr. A.N. Raju	Member	9		
Mr. M. Ramaswamy	Member	12		
Mr. Lakshminarayan Duraiswamy	Member	9		

VII. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility (CSR) Committee has formulated a Corporate Social Responsibility Policy indicating the CSR activities to be undertaken by the Company in accordance with Schedule VII to the Companies Act, 2013. The terms of reference of the CSR Committee include recommending to the Board the amount of expenditure to be incurred on the CSR activities and monitoring the implementation of the CSR Policy from time to time. The CSR Policy of the Company, incorporating the recent changes, as approved and adopted by the Board, has been posted on the website.

The Composition of the Corporate Social Responsibility Committee and attendance of the members at Committee Meetings are as follows:

Name of the Member		No. of Meetings Attended	Meeting Dates
Mr. Harsha Viji	Chairman	2	26.05.2025 02.02.2026
Mr. Ganesh Lakshminarayan	Member	2	
Mr. T. T. Srinivasaraghavan	Member	2	
Mr. Rajiv C. Lochan	Member	2	
Mr. A. N. Raju	Member	2	

Besides, CSR contributions were approved by resolutions passed in circulation on 3 occasions.

The Company Secretary is the Secretary to the Committee.

VIII. NOMINATION, COMPENSATION & REMUNERATION COMMITTEE

The Nomination, Compensation & Remuneration Committee formulated criteria for evaluation of the Board and Non-Independent Directors for the purpose of review of their performance at a separate meeting of the Independent Directors. Further, the Committee has recommended a policy relating to the remuneration of the directors, key managerial personnel, senior management and other employees, which, inter alia, includes the principles for identification of persons who are qualified to become directors.

The criteria laid down for Evaluation of the Directors and the Remuneration Policy, as approved and adopted by the Board, are attached as part of this report vide Annexures I (ii) and (iii) respectively.

The Composition of the Nomination, Compensation & Remuneration Committee and attendance of the members at Committee Meetings are as follows:

Name of the Member		No. of Meetings Attended	Meeting Dates
Mr. R. Venkatraman	Chairman	3	28.04.2025 22.05.2025 23.01.2026
Mr. Ganesh Lakshminarayan	Member	3	
Mr. S. Viji	Member	3	

Besides, resolutions passed in circulation on 3 occasions.

The Company Secretary is the Secretary to the Committee.

IX. INFORMATION TECHNOLOGY STRATEGY COMMITTEE

The Information Technology Strategy Committee has been constituted with the following terms of reference:

a) Ensure that the Company has put an effective IT strategic planning process in place;

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

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

d) Ensure that the Company has put in place processes for assessing and managing IT and cybersecurity risks;

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

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

The Composition of the Information Technology Strategy Committee and attendance of the members at Committee Meetings are as follows:

Name of the Member		No. of Meetings Attended	Meeting Dates
Ms. Anuradha Rao	Chairperson	4	11.04.2025 16.07.2025 10.10.2025 16.01.2026
Dr. Kshama Fernandes	Member	4	
Mr. Rajiv C. Lochan	Member	4	
Mr. A.N. Raju	Member	4	
Mr. Sudheer Warrier	Member	4	

The Company Secretary is the Secretary to the Committee.

The Company has constituted an IT Steering Committee consisting of Senior Management, business owners, the development team, and other stakeholders to provide oversight and monitoring of the progress of the projects, including deliverables to be realised at each phase of the project and milestones to be reached according to the project timetable. Thus, this Committee, operating at an executive level, focusses on business priority setting, technology resource allocation and project tracking.

The Company has also constituted an Information Security Committee with suitable representation at Senior Management level from the information technology and business functions, including the Chief Information Security Officer. The key focus areas of the Committee include approving/ monitoring information security projects and security awareness initiatives, reviewing cyber incidents, developing information/ cyber security policies, as well as implementation of such policies, standards and procedures to ensure that all identified risks are managed within the Company's risk appetite.

X. CUSTOMER SERVICE COMMITTEE

The Customer Service Committee has been constituted with the following terms of reference:

a) To ensure that the services rendered to the customers are always in line with the Company's time-tested reputation in providing exemplary customer service.

b) To review the Customer Grievance Redressal Policy and related procedures, in line with the Directions of Reserve Bank of India and any other regulator from time to time.

c) To review the status of complaints received from customers, including those received through the RBI Ombudsman, and action taken by the Company to redress/resolve the complaints.

d) Determine and fix the structure of emoluments, facilities and benefits accorded to the Internal Ombudsman/Deputy Internal Ombudsman.

e) To formulate and review the Standard Operating Procedure for escalation of partly or wholly rejected complaints to the Internal Ombudsman.

f) To review the decisions and periodic reports of the Internal Ombudsman, including cases where the decision of the Internal Ombudsman has been rejected by the Company.

g) To ensure timely reporting of information relating to customer complaints to RBI and other regulators, in accordance with the respective directions/regulations.

h) To recommend measures to leverage technology for enhancing customer service in the Company.

i) To consider any other matter related to customer service and protection as may be referred by the Board or any Regulatory Authority from time to time.

The Composition of the Customer Service Committee and attendance of the members at Committee meetings are as follows:

Name of the Members		No. of Meetings Attended	Meeting Dates
Mr. T.T. Srinivasaraghavan	Chairman	4	18.04.2025 24.07.2025 24.10.2025 09.01.2026
Mrs. Bhavani Balasubramanian	Member	4	
Mr. Rajiv C. Lochan	Member	4	
Mr. A.N. Raju	Member	4	

The Company Secretary is the Secretary to the Committee.

XI. POLICY REVIEW AND COMPLIANCE COMMITTEE

The Policy Review and Compliance Committee has been constituted with the following terms of reference:

a) To review the applicable policies and related procedures of the Company from time to time, to assess the adequacy of the policies from a business and/or regulatory perspective and recommend suitable amendments to the Board of Directors.

b) To formulate new policies, as may be applicable to the Company, from time to time.

c) To ensure that company policies uphold high ethical standards and promote a culture of integrity and accountability.

d) To provide appropriate guidance and support in addressing emerging issues and changes in the regulatory landscape, as well as the business environment, and the formulation of related policies as required.

e) To oversee the mitigation of compliance, legal, regulatory and reputation risks, across all functions in the Company.

f) To monitor and review the overall compliance by the Company under all regulatory/supervisory directions issued by the Reserve Bank of India from time to time, as well as all other statutory/regulatory provisions applicable to the Company.

g) To ensure the continued advancement and improvement of compliance practices across the Company.

The Composition of the Policy Review and Compliance Committee and attendance of the members at Committee meetings are as follows:

Name of the Members		No. of Meetings Attended	Meeting Dates
Mr. T.T. Srinivasaraghavan	Chairman	4	24.07.2025 24.10.2025 22.01.2026 26.03.2026
Mrs. Bhavani Balasubramanian	Member	4	
Mr. A.N. Raju	Member	4	

The Company Secretary is the Secretary to the Committee.

XII. REVIEW COMMITTEE FOR TREATMENT OF WILFUL DEFAULTERS AND LARGE DEFAULTERS

The Composition of the Review Committee for Treatment of Wilful Defaulters and Large Defaulters and attendance of the members at Committee meetings are as follows:

Name of the Members		No. of Meetings Attended	Meeting Dates	
Mr. Rajiv C. Lochan	Chairman	10	10.04.2025 30.04.2025 30.07.2025 26.08.2025 23.09.2025	25.11.2025 22.12.2025 31.01.2026 24.02.2026 28.03.2026
Mr. R. Venkatraman	Member	10		
Dr. Kshama Fernandes	Member	10		

The terms of reference of Review Committee shall include the following:

a) Evaluation of the proposals submitted by the Identification Committee, together with the written representations received from the customers who are likely to be classified as wilful defaulters;

b) Providing an opportunity for a personal hearing to the customer(s);

c) Assessing all the facts/materials on record and passing a reasoned order for communicating the decision taken.

XIII. RELATED PARTY CREDIT COMMITTEE

The Related Party Credit Committee has been constituted on 27th March 2026, for approving loans to related parties as defined in the Reserve Bank of India (NBFCs – Credit Risk Management) Directions, 2025 (the Directions), including personal loans to Directors and Key Managerial Personnel, in excess of the materiality threshold prescribed under the Directions.

The Composition of the Related Party Credit Committee is as follows:

Name of the Members	Position
Mr. R. Venkatraman	Chairman
Ms. Anuradha Rao	Member
Mr. Rajiv C. Lochan	Member
Mr. A. N. Raju	Member

The Company Secretary is the Secretary to the Committee.

XIV. SEPARATE MEETING OF INDEPENDENT DIRECTORS

A Separate Meeting of Independent Directors was held on 15th December 2025 without the attendance of Non-Independent Directors and members of management. All the Independent Directors attended the meeting and:

(i) reviewed the performance of Non-Independent Directors and the Board as a whole.

(ii) reviewed the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors.

(iii) 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.

XV. PARTICULARS OF SENIOR MANAGEMENT

Sl. No.	Name	Designation
1.	Mr. M. Ramaswamy	Chief Financial Officer
2.	Mr. N. Ramachandran	Executive Director
3.	Mr. Sudheer Warrier	Chief Technology & Digital Officer
4.	Mr. M.J. Kulkarni	National Head - MH & CE
5.	Mr. K. Sankarakumar	Senior Vice President - Corporate Finance
6.	Mr. Rajesh Venkat	Senior Vice President & Head - Tamil Nadu Region & Analytics
7.	Mr. Moahan Ananda Venkatesan(1)	Senior Vice President & Head - HO Operations
8.	Ms. Bama Balakrishnan	Senior Vice President - Finance
9.	Mr. Manoj Arvindakshan Nair	Vice President & Head - Distribution
10.	Mr. P.N. Srikant	CCO & Company Secretary
11.	Mr. Mukund Raghavan	Chief Risk Officer
12.	Mr. V. Vaasen	Head - Internal Audit
13.	Mr. Ajit Narasimhan(2)	Senior General Manager & Head - Strategy & Planning
14.	Mr. Muralidharan Venkataraman(3)	Senior General Manager & Head - Strategy & Planning

Note (1) Retired on 31st March 2026

(2) Transferred to subsidiary company w.e.f. 1st September 2025.

(3) Appointed w.e.f. 5th March 2026

XVI. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company has familiarised the Independent Directors with their roles, rights, responsibilities in the Company, nature of the industry in which the company operates, business model etc. through familiarisation programmes. Details of the familiarisation programmes have been disclosed on the Company's website under the following web link:

https://sundaramfinance.in/assets/app_docs/investor-info/corporate_governance/familiarisation_programme/familiarisation_programme_2025_26.pdf

XVI. REMUNERATION OF DIRECTORS

The sitting fee payable to Non-Executive Directors of the Company for attending the meetings of the Board and various Committees are as under:

Meeting	Amount in ₹
Board	60,000
Audit Committee	60,000
All other Committees	40,000
Independent Directors' Meeting	40,000

The Non-Executive Directors are remunerated by way of commission for each financial year as decided by the Board of Directors within the ceiling of 1% of the net profits of the Company approved by the shareholders. The details of remuneration paid to the Non-Executive Directors and number of shares held by them are as follows:

Name of the Director	Sitting Fee (₹ in Lakhs)	Commission (₹ in Lakhs)	Number of Shares held individually (as on 31.03.2026)	Relationship with other Directors
Mr. S. Viji	4.20	35.00	12,75,704 [(1)]	Father of Mr. Harsha Viji
Mr. T. T. Srinivasaraghavan	7.60	29.00	– [(2)]	
Mr. Srivats Ram	3.00	23.00	17,01,322 [(3)]	
Dr. R. Raghuttama Rao	9.80	23.00	2,200	
Mr. Ganesh Lakshminarayan	6.40	23.00	– [(4)]	
Mrs. Bhavani Balasubramanian	11.40	35.00	–	
Dr. Kshama Fernandes	13.80	23.00	–	
Mr. R. Venkatraman	8.60	23.00	–	
Ms. Anuradha Rao	5.00	23.00	–	

Note:
- Number of shares held jointly with others: [(1)]8,684 [(2)]1,74,348 [(4)]2,500
- Number of shares held as Karta of HUF: [(2)]1,23,192 [(3)]77,200
- Number of shares held as Trustee: [(2)]2,71,600

Amount of deposits placed by the Non-Executive Directors in the Company aggregated to ₹1,818.14 lakhs as on March 31, 2026. The interest on these deposits paid / credited during the year 2025-26 amounted to ₹148.67 lakhs.

The Executive Directors of the Company are appointed on contractual basis, on terms approved by the shareholders. Their remuneration comprises salary, allowances, commission and perquisites. The quantum of commission payable to them is decided by the Nomination, Compensation & Remuneration Committee and Board of Directors. The remuneration is within the limits prescribed under Schedule V to the Companies Act, 2013.

The details of remuneration paid to the Executive Directors for the Financial Year 2025-26 are as follows:

(₹ in lakhs)

Nature of Payment	Mr. Harsha Viji* Executive Vice Chairman	Mr. Rajiv C. Lochan Managing Director	Mr. A.N. Raju Joint Managing Director @
Salary and allowances	372.85	268.01	224.17
Commission	511.21	356.03	250.00
Contributions to Provident, Superannuation and Gratuity Funds	31.22	21.75	18.14
Perquisites	23.85	9.62	6.25
Stock Options	–	51.37#	23.12^
Total	939.13	706.77	521.67

* Son of Mr. S. Viji, Chairman

@ Deputy Managing Director upto 31.03.2026

\# Value of 1,000 Stock Options (granted in May 2022) exercised during the financial year 2025-26.

^ Value of 450 Stock Options (out of 600 stock options granted in May 2022) exercised during the financial year 2025-26.

Stock Options granted at ₹ 10/- per share (at par) on, 26th May 2023, 24th May 2024, 26th May 2025 and 25th May 2026 under Grant 15, Grant 16, Grant 17 and Grant 18 respectively, would vest as follows:

Name	Date of Vesting			
	01.06.2026$	01.06.2027#	01.06.2028^	01.06.2029*
	Grant-15	Grant-16	Grant-17	Grant-18
Mr. Rajiv C. Lochan	2,989	1,556	1,417	1,861
Mr. A.N. Raju	1,921	1,000	506	665

$ Exercisable between 01.06.2026 and 30.11.2026

\# Exercisable between 01.06.2027 and 30.11.2027

^ Exercisable between 01.06.2028 and 30.11.2028

* Exercisable between 01.06.2029 and 30.11.2029

XVIII. GENERAL BODY MEETINGS

Details relating to last three Annual General Meetings:

Year	Date	Time	Location	No. of Special Resolutions Passed
2025	23rd July 2025	10.00 AM	Through Video Conferencing Mode	Two
2024	14th August 2024	10.00 AM	Through Video Conferencing Mode	Two
2023	21st July 2023	10.00 AM	Through Video Conferencing Mode	Two

Following Special Resolutions were passed through Postal Ballot and E-voting, as per the procedure prescribed under Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 under the overall supervision of the Scrutinizer, Mr. T. K. Bhaskar, Partner, H&B Partners, Advocates, Chennai.

Date of Resolution	Details of Resolution(s)	Total No. of votes in favour	Total No. of votes against	% of votes in favour	% of votes against
13.03.2026	Re-appointment of Mr. A.N. Raju (holding DIN:00036201) for a term of four (4) consecutive years with effect from 1st April 2026 and his elevation as Joint Managing Director	7,59,03,104	7,59,798	99.01%	0.99%

The results of the postal ballot was announced by Mr. Harsha Viji, Executive Vice Chairman, at the Registered Office of the Company and posted on the website.

XIX. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a necessary vigil mechanism and adopted a Whistle Blower Policy for Directors and Employees to report concerns about unethical behavior. The mechanism provides for adequate safeguards against victimization. Further, no person has been denied access to the Audit Committee.

The Whistle Blower Policy is available under the following web link:

https://sundaramfinance.in/assets/app_docs/investor-info/corporate_governance/policies/sebi/sfl_whistle_blower_policy.pdf?v=1.1

XX. DISCLOSURES

- There were no materially significant related party transactions having potential conflict with the interests of the Company at large.
- Information pertaining to the Credit Ratings assigned by various Credit Rating Agencies for the Company's short term and long term borrowings, including fixed deposits, has been provided in the Board's Report on Page No. 14 and as part of the Notes to the Accounts (Note: 44.08) on Page No. 227.
- All the mandatory requirements specified in Regulations 17 to 27 and Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been complied with.
- The Company will continue to adopt other Non-mandatory requirements as appropriate.
- The Company has a record of unqualified financial statements since inception.

XXI. POLICIES ON MATERIAL SUBSIDIARIES AND RELATED PARTY TRANSACTIONS

The Company's policies on Material Subsidiaries and Related Party Transactions are available on the website under the following web links:

https://sundaramfinance.in/assets/app_docs/investor-info/corporate_governance/policies/sebi/sfl-policy-on-material-subsidiaries.pdf

https://sundaramfinance.in/assets/app_docs/investor-info/corporate_governance/policies/sebi/sfl_policy_on_related_party_transactions.pdf?v=1.2

XXII. MEANS OF COMMUNICATION

- The unaudited financial results for first three quarters of the financial year 2025-26 and the audited financial results for the year ended 31st March 2026 have been published in "Business Line" (English) and "Makkal Kural" (Tamil).
- The results and press releases were also displayed on the Company's website at https://www.sundaramfinance.in/investor-info
- Shareholders have been provided with an opportunity to provide their email addresses for receiving correspondence and annual report in electronic form.

- The Notice of the 73rd Annual General Meeting, together with the Annual Report for the financial year 2025-26, has been sent only in electronic form, in accordance with the relaxation granted by the Ministry of Corporate Affairs to those shareholders who have registered their email id with the Company/Depositories.

XXIII. OTHER DISCLOSURES

- Fees paid to Statutory Auditors for all services (FY: 2025-26)

Sl. No.	Name of the Company	Total Fees Paid* (Amount ₹ in lakhs)	
		Brahmayya & Co.	R.G.N. Price & Co.
1.	Sundaram Finance Limited	52.72	74.39
2.	Sundaram Alternate Assets Limited	17.65	–
	Total	70.37	74.39

* Including GST

- Loans made to companies in which Directors are interested:

Name of the Company	Amount (₹ in cr.)
WIL CAR Wheels Limited	20.59

- Details of material subsidiary and their Statutory Auditor

Sl. No.	Name of the Company	Date of Incorporation	Place of Incorporation	Statutory Auditor Details	
				Name of Statutory Auditor	Date of appointment
1.	Sundaram Home Finance Limited	02/07/1999	Chennai	M/s. Varma & Varma, Chartered Accountants	12/08/2024
				M/s. M Srinivasan & Associates, Chartered Accountants	27/06/2025

- Disclosure in relation to Prevention of Sexual Harassment at Workplace is available as part of the Board's Report.
- The Prevention, Prohibition and Redressal Policy against Sexual Harassment of women at work place is available under the following web link:
  https://www.sundaramfinance.in/assets/app_docs/investor-info/corporate_governance/policies/others/shp_20062014.pdf

XXIV. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting

Date	Time	Mode
22nd July 2026	10.00 AM	Video Conference / Other Audio Visual Means (OAVM)

- Financial Year – 1st April 2025 to 31st March 2026
- Record date - 6th July 2026
- Dates of payment of dividend

Interim	25th February 2026	₹16.00 per share (160%)
Final	On or after 23rd July 2026	₹24.00 per share (240%)

- The Company's shares are listed on:
  National Stock Exchange of India Limited
  Exchange Plaza, 5th Floor
  Plot No. C/1, G Block
  Bandra-Kurla Complex
  Bandra (E), Mumbai 400 051
- The Company has paid the listing fees for the financial years 2025-26 & 2026-27 to the above stock exchange.
- ISIN : INE660A01013
- Details of outstanding shares in Sundaram Finance Limited Unclaimed Shares Suspense Account.

Particulars	Aggregate Number of shareholders	Outstanding shares lying in Sundaram Finance Limited Unclaimed Shares Suspense Account
Opening Balance as on 1st April 2025	9	2,550
Less: Shares transferred / delivered during 2025-26	1	400
Less: Shares transferred to Investor Education and Protection Fund Authority on 27.06.2025	1	800
Closing Balance as on 31st March 2026	7	1,350

- Details of outstanding shares in Investor Education and Protection Fund Authority, Ministry of Corporate Affair:

Particulars	Aggregate Number of shareholders	Outstanding shares lying in Sundaram Finance Limited IEPF Account
Opening Balance as on 1st April 2025	307	1,11,573
Less: Shares transferred / delivered during 2025-26	6	7,800
Add: Transfer of shares to Investor Education and Protection Fund Authority Ministry of Corporate Affairs during 2025-26		
(i) Shares transferred on 27.06.2025	11	3,791
(ii) Shares transferred on 18.09.2025	1	1,600
Balance as on 31st March 2026	313	1,09,164

Statutory Reminders are sent to members, in respect of shares transferred to the Unclaimed Share Suspense Account and IEPF authority through e-mails and phone contacts. Members who have not yet made claims are, therefore, requested to contact the Company / Registrar and Share Transfer Agents immediately by e-mail, enclosing therewith a self-attested copy of PAN, cancelled signed cheque leaf, self-attested valid address proof.

- Following dividends are transferable to the Investor Education and Protection Fund (IEPF) on the respective due dates, as under, in accordance with the provisions of Section 124 (5) of the Companies Act, 2013.

Nature of Dividend	Transferable to IEPF on	Nature of Dividend	Transferable to IEPF on
Final Dividend 2018-19	19th August 2026	Interim Dividend 2022-23	9th March 2030
Interim Dividend 2019-20	12th March 2027	Final Dividend 2022-23	21st August 2030
Final Dividend 2019-20	24th August 2027	Interim Dividend 2023-24	6th March 2031
Interim Dividend 2020-21	22nd February 2028	Final Dividend 2023-24	12th September 2031
Final Dividend 2020-21	6th October 2028	Interim Dividend 2024-25	4th March 2032
Interim Dividend 2021-22	10th March 2029	Final Dividend 2024-25	21st August 2032
Final Dividend 2021-22	26th August 2029	Interim Dividend 2025-26	3rd March 2033

Reminders are sent to members for encashing unclaimed and unpaid dividends, on a regular basis, in addition to the reminders through e-mails and phone contacts. Members who have not yet made claims are, therefore, requested to contact the Company / Registrar and Share Transfer Agents immediately by e-mail, enclosing therewith a self-attested copy of PAN, cancelled signed cheque leaf, self-attested valid address proof.

- Share transfers were processed and share certificates despatched within the specified time limit from lodgment in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.
- Dematerialisation requests have been confirmed within the specified time limit.
- M/s Cameo Corporate Services Ltd, Registrars and Share Transfer Agents of the Company have attended to the share transfer formalities regularly. The Registrar and Share Transfer Agents can be contacted by the investors at the following address:

M/s Cameo Corporate Services Ltd 'Subramanian Building', No 1 Club House Road, Chennai 600 002	
Phone	044 2849 0390 to 0395
Fax	044 2846 0129
Email	investor@cameoindia.com
Contact Persons	Mr. R.D. Ramasamy, Director Mr. Nagaraj, Manager

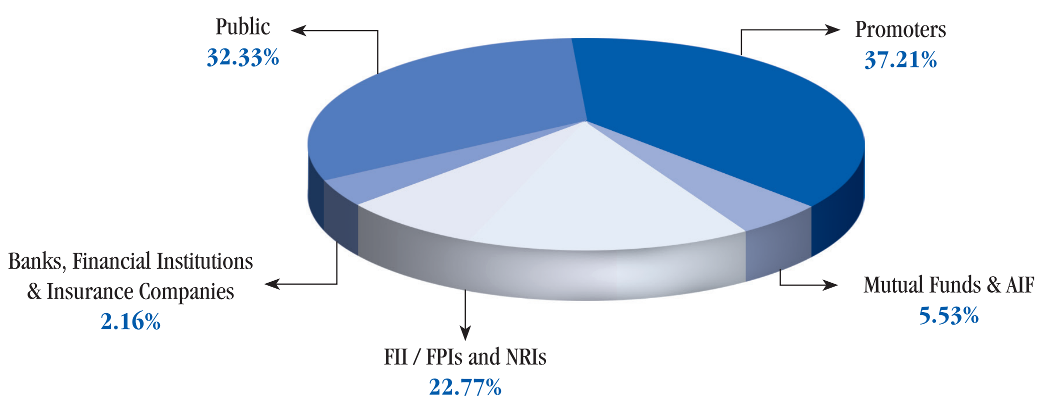
Debenture Trustee	Ms. Anjalee Athalye Senior Vice President - Business & Operations IDBI Trusteeship Services Limited Universal Insurance Building, Ground Floor, Sir P.M. Road, Fort, Mumbai – 400001 Tel: 022 40807018 Fax: 022 66311776 Email: anjalee@idbitrustee.com

DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH 2026

No of equity shares	Total Shareholders	Total Shares	Total % of capital
Upto 250	52,712	12,48,848	1.13
251 to 500	1,902	7,23,755	0.65
501 to 1000	1,342	10,13,759	0.91
1001 to 5000	1,863	45,23,998	4.07
5001 to 10000	398	30,01,717	2.70
10001 to 50000	507	1,13,27,147	10.20
50001 to 100000	136	97,03,922	8.73
100001 and above	215	7,95,60,714	71.61
Total	59,075	11,11,03,860	100.00

Total shares held in dematerialised form	99.03%
Public shareholding in dematerialised form	97.22%

SHAREHOLDING PATTERN AS ON 31.03.2026



For your queries / grievances / complaints, please contact:
Mr. P.N. Srikant
CCO & Company Secretary
Sundaram Finance Limited
21, Patullos Road, Chennai - 600 002
Ph : 044-2888 1207
Fax : 044-2855 0290
E mail : investorservices@sundaramfinance.in

Rajiv C. Lochan
Managing Director

Annexure - I (i)

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members,
SUNDARAM FINANCE LIMITED,
(CIN - L65191TN1954PLC002429)
21, Patullos Road, Chennai – 600002.

We, M Damodaran & Associates LLP, Practicing Company Secretaries have examined the relevant registers, records, forms, returns and disclosures received from the Directors of SUNDARAM FINANCE LIMITED having CIN - L65191TN1954PLC002429 and having registered office at 21, Patullos Road, Chennai – 600002 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr.No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Santhanam Viji	00139043	17/01/1986
2	Mr. Thiruvallur Thattai Srinivasaraghavan	00018247	01/02/1998
3	Mr. Srivats Ram	00063415	28/03/2022
4	Dr. Raghavendra Raghuttama Rao	00146230	01/04/2019
5	Mr. Ganesh Lakshminarayan	00012583	12/08/2020
6	Mrs. Bhavani Balasubramanian	09194973	06/02/2023
7	Dr. Kshama Fernandes	02539429	11/08/2023
8	Mr. Ramachandran Venkatraman	07119686	05/02/2024
9	Ms. Anuradha Rao	07597195	01/04/2024
10	Mr. Harsha Viji	00602484	24/09/2010
11	Mr. Rajiv Lochan Chellappa	05309534	25/11/2016
12	Mr. Ayalur Natarajan Raju	00036201	01/06/2014

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **M DAMODARAN & ASSOCIATES LLP**
M. DAMODARAN
Managing Partner
Membership No.: 5837
COP. No.: 5081
FRN: L2019TN006000
P/R 3847/2023
ICSI UDIN:F005837H000458113

Place: Chennai
Date: May 25, 2026

CRITERIA FOR EVALUATION

(as amended on 29th March 2019)

Criteria for evaluation of the Board and non-independent directors at a separate meeting of Independent Directors:

1. **Composition of the Board and availability of multi-disciplinary skills**

   Whether the Board comprises of Directors with sufficient qualifications and experience in diverse fields to make SF a versatile institution.

2. **Commitment to good Corporate Governance Practices**
   a) Whether the company practises high ethical and moral standards.
   b) Whether the company is fair and transparent in all its dealings with the stake holders.

3. **Adherence to Regulatory Compliance**

   Whether the company adheres to the various Government regulations. Local, State and Central, in time.

4. **Track record of financial performance**
   a) Whether the Company has been consistently recording satisfactory and profitable financial performance year on year adding to shareholder value.
   b) Whether the Company is transparent in all its disclosures on financial data.

5. **Grievance redressal mechanism**

   Whether a proper system is in place to attend to the complaints / grievances from the shareholders, depositors, customers, employees and others quickly and fairly.

6. **Existence of Integrated Risk Management System**

   Whether the Company has an integrated risk management system to cover the business risks.

7. **Use of Modern technology**

   Whether the Company has an Integrated IT strategy and whether there is any system for periodical technology upgradation covering both hardware and software.

8. **Commitment to CSR**

   Whether the Company is committed to social causes and CSR and whether there is a system to identify, finance and monitor such social activities.

Criteria for evaluation of Chairman at separate meeting of Independent Directors:

1. Leadership qualities
2. Standard of Integrity
3. Understanding of Macro economic trends and Micro industry trends.
4. Public Relations
5. Future Vision and Innovation

Criteria for evaluation of Independent Directors by the entire Board:

1. Qualifications & Experience
2. Standard of Integrity
3. Attendance in Board Meetings/AGM
4. Understanding of Company's business
5. Value addition in Board Meetings
6. Fulfilment of Independence Criteria

Criteria for evaluation of all Committees by the Board with reference to the respective terms of reference:

1. Qualification & Experience of members
2. Depth of review of various matters, including financial performance
3. Review of regulatory compliance

Annexure - I (iii)

REMUNERATION POLICY OF SUNDARAM FINANCE LIMITED

(as amended on 6th February 2023)

Sundaram Finance Limited (hereinafter referred to as 'the Company') has, since inception, formulated performance based remuneration structures for its employees at all levels, so as to provide ample opportunity for inclusive growth, supported with adequate learning. Accordingly, the remuneration structure is based on the qualification and skill levels at the time of joining the organisation and reviewed on a yearly basis by way of an assessment of their actual performance, through a robust "Performance Management System".

The components forming part of the compensation structure for each grade are designed to reward performance as well as to mitigate some of the location based hardships faced by the employees.

Section 178 (2), (3) and (4) of the Companies Act, 2013 read with the applicable rules thereto and Schedule II Part D of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 provide that the Nomination, Compensation and Remuneration Committee (NCRC) shall identify persons who are qualified to become Directors and shall also recommend to the Board a policy, relating to the remuneration for Directors, Key Managerial Personnel, Senior Management and other employees. Further, the Guidelines on Compensation of Key Managerial Personnel and Senior Management in NBFCs, issued by the Reserve Bank of India, stipulate that the NCRC shall oversee the framing, review and implementation of the compensation policy of the Company to be approved by the Board.

Accordingly, the NCRC recommends the following Remuneration Policy of the Company so as to ensure that:

a) the level and composition of remuneration to non-executive directors is reasonable and appropriate to attract the right talent.

b) relationship of remuneration to performance of the Whole time Directors is clear and meets appropriate performance benchmarks; and

c) remuneration to working directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals. This includes ESOP granted to Eligible Directors / Senior Management.

The following policy shall be hereinafter referred to as "Remuneration Policy of Sundaram Finance Limited".

I Definitions

- **a) "Remuneration"** means any monetary benefit or its equivalent extended to any person for services rendered by him/her and includes perquisites as defined under the Income-tax Act, 1961.
- **b) "Key Managerial Personnel"** means,
  - i) Managing Director, Chief Executive Officer or Manager;
  - ii) Whole-time Director;
  - iii) Chief Financial Officer;
  - iv) Company Secretary.
- **c) "Senior Management",** defined by the Board of Directors and as may be modified from time to time, means
  - i. Chief Financial Officer, Company Secretary, Chief Compliance Officer and Chief Risk Officer;
  - ii. all executives in the grade of Senior Vice President and above; and
  - iii. all executives directly reporting to the Managing Director.
- **d) "Employee"** will mean an employee who has been appointed on the rolls of Sundaram Finance Limited (hereinafter referred to as 'the Company') and has been issued an appointment order by the Company.
- **e) "Employee Stock Option (ESOP)"** means stock options granted under the Sundaram Finance Employee Stock Option Scheme – 2008, which is in line with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

II Board Diversity

It will be the endeavour of the Company to attract people to be on the Board of our Company as Directors from variety of backgrounds which are appropriate to the business interests of the Company. To this end, our Directors over the past decades have come from backgrounds as varied as automobile and allied industry, banking and other financial services including insurance, accounting and legal profession, former Regulators and retired Civil Servants.

III Remuneration Pattern

The NCRC lays down the following remuneration pattern for Non-executive Directors and Independent Directors, Executive Directors, Key Managerial Personnel, Senior Management and other employees under the Remuneration Policy:

1. The remuneration payable to Non-Executive Directors and Independent Directors shall consist of:

   (a) Sitting fees for attending the meetings of the Board and sub-committees of the Board, within the limit prescribed under the Companies Act, 2013;

   (b) Commission for each financial year, within the limits specified under the Companies Act, 2013, as may be decided by the Board of Directors;

   (c) Reimbursement of expenses for attending meetings of the Board and sub-committees of the Board.

2. The remuneration payable to Whole-time Directors, who are appointed based on Shareholders' approval, shall consist of:

   (a) Salary, allowances, commission and perquisites;

   (b) Commission for each financial year, as may be decided by the Board of Directors, based on the recommendations of the NCRC;

   (c) Minimum Remuneration in any financial year, when the Company has no profits or its profits are inadequate, by way of salary, allowances, commission and perquisites not exceeding the limits specified in Part II.Section II of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Government from time to time as minimum remuneration.

   The overall remuneration payable to Directors, including Executive Directors, shall be within the limits prescribed under Section 197 of the Companies Act, 2013 read with Schedule V.

   As provided under the existing regulatory framework, all Directors, except Independent Directors and Promoter Directors, are eligible for ESOP.

3. The remuneration payable to Key Managerial Personnel, Senior Management and other employees of the company shall consist of:

   (a) Salary, allowances, perquisites and variable components reflecting the short and long term performance objectives appropriate to the working of the Company, which are aligned to industry standards.

   (b) ESOPs to "Eligible Employees", as may be selected from time to time by the Managing Director.

   In the event of any violation of the Code of Conduct for Directors and Senior Management or instances of misconduct or breach of any law, the remuneration payable to Key Managerial Personnel and Senior Management shall be subject to such malus/clawback as may be decided by the NCRC and Board of Directors, based on the recommendations of the Managing Director or Executive Vice Chairman.

IV Implementation of the Remuneration Policy

The remuneration payable to Non-executive Directors and Independent Directors shall be determined by the Board of Directors, after taking into account their performance and contribution.

The Remuneration payable to Key Managerial Personnel and Senior Management shall be determined by the NCRC after taking into account their experience, qualification, responsibilities, contributions, performance and industry standards.

The implementation of the Remuneration Policy of the Company, in respect of all other employees, shall be the responsibility of the Managing Director.

The NCRC shall take suitable steps to issue guidelines, procedures and such other steps as may be considered appropriate from time to time, for effective implementation of the Remuneration Policy.

Certificate on Corporate Governance

To,

The Members of SUNDARAM FINANCE LIMITED,

Chennai.

We, M Damodaran & Associates LLP, Practicing Company Secretaries have examined the compliance of the conditions of Corporate Governance by SUNDARAM FINANCE LIMITED (CIN: L65191TN1954PLC002429), for the financial year ended on March 31, 2026, as stipulated under regulations 17 to 27, clauses (b) to (i) and (t) of Regulation 46(2), and paragraphs C, D and E of Schedule V of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Regulations').

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI Regulations for the financial year ended March 31, 2026.

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

For **M DAMODARAN & ASSOCIATES LLP**
M.DAMODARAN
Managing Partner
Membership No.: 5837
COP. No.: 5081
FRN: L2019TN006000
PR 3847/2023
ICSI UDIN: F005837H000458091

Place: Chennai
Date: May 25, 2026

Annexure II (i)

Form No. AOC-2

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

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

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

   All transactions entered into by the Company during the year with related parties were on an arm's length basis.

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

   The transactions entered into by the Company during the year with related parties on an arm's length basis were not material in nature.

Chennai
25th May 2026

S. VIJI
Chairman

Annexure II (ii)

SUNDARAM FINANCE LIMITED

POLICY ON RELATED PARTY TRANSACTIONS

[as per Regulation 23 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

(as amended on 2nd February 2026)

The Company and it's subsidiaries shall enter into transactions with related parties only on an arm's length basis **within the limits approved by the Audit Committee under 'estimated values' and material modification** and supported by appropriate documentation. Deviations, if any, will be subject to necessary compliances under the provisions of the Companies Act, 2013 and / or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For this purpose, transaction(s) with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year exceed the following limits:

Annual Consolidated Turnover (as per the last audited financial statements)	**Threshold**
Upto ₹20,000 cr.	10% of the annual consolidated turnover
More than ₹20,000 cr. and up to ₹40,000 cr.	₹2,000 cr. plus 5% of the annual consolidated turnover above ₹20,000 cr.
More than ₹40,000 cr	₹3,000 cr. plus 2.5% of the annual consolidated turnover above ₹40,000 cr. or ₹5,000 cr., whichever is lower

However, transaction(s) involving payment(s) made to a related party with respect to brand usage or royalty, shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed 5% of the annual consolidated turnover of the company as per the last audited financial statements of the company.

For this purpose, "Material Modification" means any modification, either individually or taken together with any previous modification(s) made to the estimated values originally approved by the Audit Committee, which has the effect of a variation in the approved limits by 25% or more or ₹2 crore, whichever is higher.

Annexure III

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2025-26

1. **A brief outline of the company's CSR policy**

   CSR Policy of the Company is available in our website under the following link:

   https://www.sundaramfinance.in/assets/app_docs/investor-info/corporate_governance/policies/companies_act/csr.pdf?v=1.3

2. **The Composition of the CSR Committee:**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Harsha Viji	Chairperson	2	2
2.	Mr. Ganesh Lakshminarayanan	Member	2	2
3.	Mr. T. T. Srinivasaraghavan	Member	2	2
4.	Mr. Rajiv C. Lochan	Member	2	2
5.	Mr. A.N. Raju	Member	2	2

Besides, CSR contributions were approved by resolutions passed in circulation on 3 occasions

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.**

   - **CSR Policy link:**

     https://www.sundaramfinance.in/assets/app_docs/investor-info/corporate_governance/policies/companies_act/csr.pdf?v=1.3

   - **Composition of CSR Committee:**

     https://sundaramfinance.in/assets/app_docs/investor-info/corporate_governance/composition_of_various_committees_07052026.pdf

   - **CSR Projects approved by the Board:**

     https://sundaramfinance.in/assets/app_docs/investor-info/regulatory_disclosure/impact_assessment_report/2025-2026/csr_projects_2025_26.pdf

4. **Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable**

   https://sundaramfinance.in/assets/app_docs/investor-info/regulatory_disclosure/impact_assessment_report/2025-2026/impact_assessment_report_24062026.pdf

   Executive Summary reports of Impact Assessment of CSR Projects are attached to this report vide Annexure III (i).

(₹ in lakhs)

5.	a.	Average net profit of the company as per sub-section (5) of section 135	1,48,000.00
	b.	Two percent of average net profit of the company as per section 135(5)	2,960.00
	c.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	–
	d.	Amount required to be set off for the financial year, if any	45.67
	e.	Total CSR obligation for the financial year (5b+5c-5d)	2,914.33

(₹ in lakhs)

6.	a.	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) - Annexure III (ii)	2,774.65
	b.	Amount spent in Administrative Overheads	145.72
	c.	Amount spent on Impact Assessment, if applicable	21.83
	d.	Total amount spent for the financial year (6a+6b+6c)	2,942.20

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (₹ in lakhs)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of Section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135.		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
2,942.20	NIL				

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

Sl. No.	Particulars	Amount (₹ in lakhs)
(i)	(a) Two percent of average net profit of the company as per Section 135(5)	2,960.00
	(b) Less: Excess amount set-off for the financial year	45.67
	(c) CSR obligation for the financial year	2,914.33
(ii)	Total amount spent for the financial year	2,942.20
(iii)	Excess amount spent for the financial year [(ii)-(i)(c)]	27.87
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	–
(v)	Amount available for set-off in succeeding financial years [(iii)-(iv)]	27.87

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years

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

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

☐ Yes ☑ No

If Yes, enter the number of Capital assets created / acquired: NIL

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the financial year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity / Authority / beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered Address
NIL							

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of Section 135.

Not applicable

Mr. Rajiv C. Lochan
Managing Director

Mr. Harsha Viji
Chairperson - CSR Committee

Date : 25.05.2026
Place : Chennai

Sundaram Medical Foundation
Social Impact Assessment - Executive Summary

Sundaram Medical Foundation (SMF), a not-for-profit, community-centred multispecialty hospital established in 1990, has evolved into a trusted healthcare institution serving Anna Nagar, Mogappair and neighbouring localities in Chennai. The Social Impact Assessment commissioned by Sundaram Finance for 2024-25 examines how its ₹7.75 crore CSR contribution has strengthened SMF's operations, infrastructure, financial accessibility and overall community impact. The SAN India team conducted site visits and stakeholder interviews with doctors, nurses, administrators and more than sixty patients to understand the depth of services, quality of care and social value created through the hospital's work.

SMF is highly relevant to the healthcare needs of Chennai's urban and peri-urban communities, where rising medical costs and overcrowded public facilities leave many families without timely and affordable care. SMF's model - grounded in ethical practice, transparent pricing, free and subsidised treatment - directly addresses these challenges. With more than 220 beds, advanced ICUs, emergency services and a broad range of specialties spanning cardiology, oncology, orthopaedics, neurology, nephrology, women's and child health, general medicine and critical care, the hospital provides comprehensive treatment under one roof. Its twin-centre structure, with the primary hospital at Anna Nagar and enhanced outpatient and diagnostic services at Mogappair, increases reach, convenience and continuity of care for the local population.

The hospital's approach to affordability is particularly impactful. SMF provides free and subsidised medical treatment to about 30 percent of outpatients and 15 percent of inpatients, easing the burden of out-of-pocket expenditure that remains one of India's most pressing health challenges. Financial support mechanisms, including fee waivers, free care and subsidies, ensure that economically vulnerable patients receive essential diagnostics, consultations and procedures without compromising on quality. The SAN team examined and validated the criteria (using samples of application forms) whereby Sundaram Medical Foundation provides free and discounted medical treatment to underserved communities. Many patients interviewed expressed that SMF's financial accessibility was the decisive factor that allowed them to seek timely care, avoid costly loans and prevent delays in life-saving treatment. Doctors and nurses repeatedly underscored how the not-for-profit ethos influences daily decisions, enabling patient-first care and nurturing trust within the community.

The hospital is effective in delivering high-quality, well-coordinated clinical services. Its robust diagnostic capabilities - including MRI, CT scan, ultrasound, digital X-ray and 24×7 laboratory services - enable early detection and accurate treatment planning. Departments across general surgery, orthopaedics, ENT, obstetrics and gynaecology, emergency medicine and various super specialties collaborate seamlessly, strengthening multidisciplinary decision-making. Patient satisfaction scores between 4.3 and 4.8 out of 5 reflect confidence in SMF's professionalism, communication, safety and treatment outcomes. Many patients described the hospital as dependable, well-organised and reassuring, emphasising the compassion shown by nurses and the clarity with which doctors explain conditions and procedures. Staff interviews similarly reveal high morale, professional pride and a strong sense of purpose anchored in the hospital's community-oriented mission.

Operational efficiency emerges as a core strength. Waiting times in outpatient departments are low, admissions and diagnostics move smoothly, and surgical schedules are managed with precision. Nurses follow well-defined staffing norms, including appropriate nurse-patient ratios in emergency and ward settings, ensuring patient safety and reducing staff burnout. Bed occupancy rates consistently fall between 70 and 80 percent - an indicator of balanced resource utilisation without over-crowding. The hospital's ability to offer services at 20-50 percent lower cost than major corporate hospitals in Chennai - while maintaining advanced technology and clinical excellence - highlights an efficient operational model reinforced by prudent budgeting and disciplined procurement practices.

The sustainability of SMF is reflected in its strong institutional culture, stable workforce and long-term investments in preventive care and community health. The hospital's environmental sustainability efforts include solar installations, energy-saving devices, efficient water recycling and rigorous biomedical waste management. SMF's broader commitment to community wellness is visible in its regular health camps, cancer screenings, school health programmes and preventive health education, which extend the hospital's impact beyond its physical campus. Housing and transport provisions for nurses, many of whom migrate from southern districts, enhance safety, job satisfaction and staff retention, while also enabling young women to pursue professional careers with dignity and security.

The social impact of SMF is multifaceted and far-reaching. For patients, the hospital offers a rare combination of affordability, accessibility and high-quality care, preventing financial distress and improving health outcomes for people who might otherwise delay treatment. For nurses and allied staff, it creates stable livelihoods, skill development pathways and upward social mobility, especially for women from rural backgrounds. For the community at large, SMF acts as a trusted anchor institution that delivers equitable healthcare, promotes awareness and fosters preventive health behaviours. By reducing the burden of disease, supporting families through medical crises and maintaining an inclusive, patient-centred ecosystem, SMF strengthens community resilience and enhances overall well-being.

Sundaram Finance's sustained CSR support has been instrumental in enabling SMF to modernise equipment, upgrade critical services, expand its reach and continue to provide free and subsidised care for economically disadvantaged patients. The funding directly contributes to improved patient safety, increased diagnostic capacity, enhanced infrastructure and the hospital's ability to function as an ethical and socially responsible healthcare provider. SMF is not only clinically competent but socially indispensable, upholding the values of compassionate, equitable and sustainable healthcare. Its alignment with national health priorities and Sustainable Development Goals - particularly those on good health, reduced inequalities, gender empowerment and sustainable urban communities - positions it as a model of community-based healthcare excellence.

Laxmi Charities
Social Impact Assessment - Executive Summary

Laxmi Charities, established in 1973, supports vulnerable communities through education and welfare initiatives, including inclusive scholarships for underprivileged students. This initiative aims to provide financial assistance to underprivileged students in Tamil Nadu, enabling them to access quality education and reduce dropout rates.

Sundaram Finance Ltd engaged the Social Audit Network (SAN) India to evaluate the impact of the Scholarship programme, which supported 3,647 scholars between 2024 and 2025 with an expenditure of ₹10,45,95,000.

The impact assessment was conducted through a combination of group interactions, interviews, and online surveys, the study gathered insights from students, parents, school principals, and partner institutions such as Ramakrishna Mission, P.S. Senior Secondary School, D.A.V. Schools, and Hindu Mission Nursing College.

Distribution of the Scholarship: A total of 3,647 students received scholarships amounting to ₹10,45,95,000. Of the total funds disbursed, 74% was awarded to college students, 17% to school students, and 9% to diploma students.

Profile of Beneficiaries

- 55% of the beneficiaries were girls and 45% were boys
- 81% of the recipients were first-time beneficiaries of the scholarship
- The scholarship amount was raised from ₹10,000 to ₹25,000 to help students meet their education expenses more easily
- 77% of scholarship beneficiaries plan to pursue higher education
- Most students scored between 85% and 94%, reflecting strong academic performance after receiving the scholarship

Key Highlights

- The programme demonstrates strong operational efficiency with zero dropouts
- Enables students to continue their studies and secure better placements
- Supports families in saving for higher education goals such as CA and NEET
- Expands access to formal education pathways, professional courses, and STEM streams

Relevance

The scholarship programme is highly relevant as it supports underprivileged students who face significant financial and social barriers to pursuing higher education. With most parents earning only ₹10,000–20,000 per month and 71.65% of students indicating they would have taken a loan to continue their studies, the programme helps prevent families from incurring debt or pledging assets. By providing financial assistance, guidance, and opportunities for academic growth, it enables students to stay focused, build confidence, and pursue their career goals. Most of the scholarship recipients belong to the underrepresented and economically vulnerable communities.

Effectiveness

The scholarship programme is highly effective in improving both academic performance and financial stability for students. Beyond covering school or college fees, the support also helped many manage tuition and medical expenses, reducing stress and enabling consistent focus on studies. While 52% of students used the amount for partial fees and 46% paid their full fees, most beneficiaries achieved strong academic outcomes, scoring between 85% and 94%. Additionally, 64% felt the scholarship amount was sufficient to meet their needs. By easing economic barriers and providing both academic and personal support, the programme empowers students to pursue their chosen courses and aspire to higher career goals.

"I am in my final year of B.Sc. Dialysis Technology. With my father no longer with us and my mother working as a daily wage labourer, our family income is less than ₹20,000 per month. The scholarship I received last year has significantly reduced my financial burden, allowing me to focus on my studies. This merit-based support motivates me to excel academically and inspires me to pursue higher education with confidence and determination." - Mohana Priya. S

Impact of the Scholarship programme

The Laxmi Charities Scholarship programme has created a strong and measurable impact by enabling students from low-income and socially disadvantaged families to access higher education, professional courses, and STEM pathways that lead to improved employment prospects and long-term economic stability. With zero dropouts and 90% of beneficiaries receiving funds on time, the programme ensures uninterrupted learning and significantly reduces dependence on educational loans.

Students report increased confidence, better focus, and clearer academic and career goals, with 77% planning to pursue higher studies and 19% preparing for employment after their current course. The scholarship also eases financial pressure on households, supports high female participation, and creates a positive ripple effect that inspires peers, strengthens community aspirations, and promotes a culture of sustained educational progress.

Govel Trust (Aravind Eye Hospital)
Social Impact Assessment - Executive Summary

Retinal diseases are a leading cause of preventable blindness globally, and India faces a growing burden due to increasing prevalence of diabetes and an ageing population. Sundaram Finance Limited, as part of its CSR commitment, extended support of INR 80 lakh to Aravind Eye Hospital to procure the Alcon Constellation Vision System. This equipment is considered vital for treating complex vitreoretinal conditions such as diabetic retinopathy, retinal detachment and macular holes, enabling higher surgical precision and better patient outcomes.

As per the agreement, the vitrectomy machine was to be utilised in the newly opened Aravind Eye Hospital in Thanjavur, Tamil Nadu. Due to delays in opening the facility in Thanjavur, it was first utilised in Aravind Eye Hospital, Chennai, from January to June 2025, and transferred to Thanjavur in July 2025, where it has been in use since. The project has benefitted 912 patients between January and August 2025 at both locations.

Sundaram Finance Limited engaged Price Waterhouse Chartered Accountants LLP to conduct an impact assessment of this CSR project.

Methodology

To assess the impact of the project, a qualitative approach was deployed. In-Depth Interviews (IDIs), Small Group Discussions (SGDs) and Key Informant Interview (KII) were conducted with key stakeholders including:

- Chief Medical Officers of Chennai and Thanjavur
- Head Doctor of the Retina Department, Chennai
- Retina Department Manager
- Operation Theatre Staff Nurse
- Project Manager, Aravind Eye Hospital
- Patients

Stakeholder perceptions about the project and key observations and findings were incorporated in the preparation of the impact assessment report.

Key Findings

While there was already a vitrectomy machine in the Chennai hospital, the availability of an additional machine from January to June 2025 helped eliminate waiting time for patients and allowed the hospital to double the number of surgeries performed.

The project enhanced affordable treatment for patients. In Chennai, 30% of the surgeries were done free of charge because Aravind Eye Hospital, Chennai, is empanelled under the Chief Minister's Comprehensive Health Insurance Scheme. In Thanjavur, the hospital itself offered 51% of the patients free of charge surgery. In both locations, around 20% of the patients received subsidised treatment from the hospital, paying between INR 5,000-10,000.

The availability of a vitrectomy machine in Thanjavur resulted in patients from that region being able to save INR 6,000-8,000 on travel expenses. Further, as the new hospital was within 40-50 kilometres of their villages, they could easily find caregivers who could support them post-surgery. This allowed them to seek treatment without delay and follow-up systematically post-surgery, improving outcomes.

Compared to indigenous machines, surgeons reported that better outcomes could be achieved as this vitrectomy machine is an advanced model. Faster cut rates resulted in higher precision and accuracy. This translated into less pain and quicker recovery and mobility post-surgery.

The sophisticated features of this machine reduce the duration of surgery by 20-30 minutes which contributes towards higher number of surgeries performed daily. The increased volume of surgeries has helped generate more material for research and publication.

Ashoka Trust for Research in Ecology and the Environment (ATREE) Social Impact Assessment - Executive Summary

The Ashoka Trust for Research in Ecology and the Environment (ATREE), established in 1996 in Bengaluru, is a leading environmental research institution in India, dedicated to promoting sustainable development and conservation through science, policy, and community action. Its Agasthyamalai Community Conservation Centre (ACCC), set up in 2009, focuses on long-term ecological research, community engagement, and restoration of grasslands, forests, wetlands, riparian zones, and temple gardens in the Agasthyamalai region, Tamil Nadu. The BEALIVE initiative of ATREE promotes sustainable livelihoods, ecosystem restoration, and community-based conservation, while also conducting environmental education, research on local flora and fauna, and policy advocacy to foster harmony between nature and people in the region.

Distribution of the Fund: Sundaram Finance partnered with ATREE to support the BEALIVE project in Tirunelveli. Under its CSR initiative, the company contributed a grant of ₹50 lakh during FY 2024-25, enabling the restoration of grasslands, wetlands, and temple gardens and promoting community-based conservation efforts in the region.

Profile of Beneficiaries

- The wetland restoration project in Ayan Singampatti village helped 3,700 villagers
- The project's direct and indirect beneficiaries total around 5,000 people
- Around 6,500 villagers benefited from the Nandavanam restoration initiative
- 3,273 students and teachers benefited from the education and outreach programme

Key Highlights

- Local communities benefit from improved livelihoods, income stability, food and water security, and the preservation of traditional knowledge
- Strong community participation, youth engagement, and volunteer involvement
- Improving livestock health and productivity (milk and meat)

Relevance

BEALIVE is highly relevant to the ecological and socio-economic challenges of the region. Communities face encroachment of common lands, declining grasslands, polluted stretches of the Thamirabarani River, erratic rainfall, invasive species, and diminishing traditional ecological practices. Past engineering-led solutions such as concrete bunds or mechanised river management have often failed, whereas BEALIVE's nature-based methods - native planting, riparian restoration, controlled grazing, and natural regeneration - are needed to address the ecological challenges. The project responds to the urgent need for restoring ecosystem services such as clean water, fertile soil and stable microclimates, which are fundamental to the livelihoods of herders, farmers, and riverine communities.

Effectiveness

The project's effectiveness is visible in concrete ecological improvements and strengthened community stewardship. Grasslands in Nanguneri are regenerating through fencing, native species reintroduction and grazing management, directly supporting pastoral livelihoods. Riparian stretches along the Thamirabarani show reduced erosion, healthier vegetation and renewed community interest in river protection. Wetland restoration in villages such as Ayan Singampatti has improved water availability for nearly 3,700 residents. Temple Nandavanams have been revived as biodiverse sacred groves, reconnecting cultural heritage with environmental responsibility. Research on bats, owls, harriers, moths, phenology and treefall patterns provides vital evidence for conservation planning, while long-term ecological monitoring shapes management decisions of local forest authorities. Schools across Tamil Nadu, including those in Chennai, Erode, Madurai and Tirunelveli, have integrated regular field visits into their academic calendars, and hundreds of students now participate annually in biodiversity walks, bird counts and ecological camps. These experiences are reshaping career aspirations, building scientific curiosity and nurturing a generation of young conservation ambassadors.

> **"The nandavanam at our temple has become a living classroom. Children now ask about the names of trees mentioned in our Thevaram songs."**
>
> **— Temple Trustee, Tirunelveli**

Impact of the Study

The BEALIVE project creates ecological, economic, cultural and educational impact. Communities report improved water availability, grazing resources, soil stability and biodiversity. Revived grasslands and wetlands support predictable livelihoods for farmers, herders and fishers. Women and youth gain confidence through climate workshops, audits and restoration drives. Village and temple leaders value restored Nandavanams and community forests as cultural anchors. Teachers note shifts in students' curiosity, empathy and environmental responsibility through nature-based learning. Volunteers and NGO workers describe personal transformation and adoption of sustainable practices. Policymakers benefit from scientific evidence for conservation planning.

BEALIVE bridges science and society, revives human - nature relationships, strengthens livelihoods and nurtures conservation-minded youth. With Sundaram Finance's CSR support, it offers a replicable model of ecological stewardship aligned with all 17 Sustainable Development Goals, demonstrating how research, community wisdom and inclusive governance can restore fragile ecosystems.

Schizophrenia Research Foundation (SCARF)
Social Impact Assessment - Executive Summary

The Schizophrenia Research Foundation (SCARF), established in 1984 in Chennai, is a leading non-profit focused on mental health care, rehabilitation, research, and education. It provides psychiatric services, residential care, community programme, and telepsychiatry, along with research and professional training, including PhD's. SCARF's DEMCARES initiative delivers comprehensive, person-centred dementia care through assessments, inpatient services, counselling, and community outreach.

SCARF is actively involved in cutting-edge research, including collaborations with institutions like Johns Hopkins University and AIIMS. It is recognized globally as a collaborating center for mental health research and training by the World Health Organization.

During FY 2024-25, Sundaram Finance's support to SCARF DEMCARES created a significant, multi-dimensional impact. The assessment used qualitative, participatory, and evidence-based approaches, including field observations, document reviews, stakeholder consultations, and in-depth interviews.

Distribution of Donation: Sundaram Finance contributed ₹40,00,000 to support the DEMCARES programme was spent towards operational expenses and to set up the in-house Pharmacy.

Profile Beneficiaries

- In 2024–2025, the DEMCARES Centre provided 725 days of free dementia care to 20 elderly people from low-income families.
- 45% of the patients required 25-45 days of treatment, while 30% stayed for nearly 60 days.

Key highlights of the project

- The patients benefit from counselling, caregiver training (DAC, START modules), emotional support, and respite care
- The programme also supports front line nursing staff through steady employment and skill development
- Caregivers reported lower stress, better understanding, and greater relief after admitting their family member at DEMCARES
- Day-care (short-stay, structured routine), and inpatient/ residential care (24-hour support) is also offered
- In-house Pharmacy provides medicine with a 5% discount on MRI

Relevance

DEMCARES provides structured, affordable services for older adults (60+) with a confirmed dementia diagnosis. Earlier, dementia in Tamil Nadu was often mistaken for normal ageing or treated as a general neurological issue, leading to inadequate care at home. By insisting on clinical diagnosis, the programme ensures medically appropriate and ethical support. It addresses major community gaps by offering dementia-specific facilities, safe and respectful care environments, and specialised services that were previously unavailable or inaccessible. Supported through CSR, DEMCARES aligns with SCARF's mission and Sundaram Finance's priorities, providing safe, respectful, and responsive dementia care while addressing caregiver distress through counselling and home support.

Effectivenss

DEMCARES shows strong effectiveness through individualized care plans developed after comprehensive assessments, addressing medication, nutrition, mobility, and behavioral needs. Progress is continually tracked and updated. Structured daily routines - physiotherapy, exercises, music, and purposeful household tasks - enhance dignity, stability, and cognition. Within the first few weeks, over 70% of residents show calmer behaviour and improved sleep patterns. Families receive hands-on training and complete DAC and START modules before discharge. A coordinated clinical team of psychiatrists, psychologists, nurses, dietitians, and physiotherapists ensures holistic care.

> **"Before coming here, he was shouting all night and I was breaking down. Now he eats, he sleeps, and he even smiles at me. I got my husband back."**
>
> **— Mrs Lakshmi, Caregiver**

Impact of the programme

DEMCARES has redefined dementia care in Tamil Nadu - from isolation to inclusion, from burnout to resilience, and from fear to dignity. The ripple effects extend beyond its walls - transforming patients, empowering women caregivers, and inspiring communities to view aging and mental health through the lens of compassion. The programme provides transformative support for older adults with dementia, their families, and the broader care ecosystem. 70% of the residents experience calmer behaviour, and emotional stability within weeks. Families report reduced stress and increased confidence through counselling, training, and respite support. DEMCARES builds a skilled caregiving workforce, emphasizing empathy, safe handling, and effective communication, while its home-like, person-centred environment preserves dignity and strengthens family bonds. Offering outpatient, day-care, and residential services, it delivers ethical, affordable, and replicable dementia care that combines medical expertise with compassion.

Swami Vivekananda Rural Development Society (Single Teacher School) Social Impact Assessment - Executive Summary

Single Teacher School (STS), founded in 2006 by Sri S. Vedantam, provides supplementary primary education to rural children in remote villages of Tamil Nadu. The programme focuses on academics, values, discipline, cultural learning, and creating a safe learning space for first-generation learners. The program operates in the evenings, typically from 5:30 PM to 8:30 PM, providing supplementary education to children aged 3 to 15. Classes are held in accessible community spaces like temples or halls, ensuring children can easily attend.

The SAN team visited 26 centers in Tiruvallur and 4 centers in Ranipet districts to understand the impact the STS centers had on the rural children. During the visit, team interacted with students, parents, Acharyas, and Sanchalaks. They conducted FGDs with students (Classes 1–3 and 4–8), gave feedback forms to Acharyas, interviewed Sanchalaks, and held parent discussions to assess learning levels and programme impact.

Distribution of the Donation: The donation of ₹35,00,000/- was used to provide operational expenses and essential learning materials and supplies for the smooth functioning of STS centers:

- **For Centers:** Mats, Attendance registers, Teacher's long notebook, Library books (Thirukural, Dictionary, Vazhkai Kalvi Kuriedu), First-aid kit, Blackboard with stand, Educational charts, Chalk and duster, and Small writing tables (optional).
- **For Students:** Notebooks (cursive, 2-line, checked), T-shirt, School bag, Geometry box, Crayon box, Birthday gift, and Uniform.

Profile of Beneficiaries:

- STS operates 843 learning centers across five districts of Tamil Nadu, reaching over 25,290 rural children during the year 2024–25
- 60% of the students enrolled are girls
- 352 students (82.24%) now consistently pass exams.139 students (32.47%) who earlier failed are now passing. Only 11.21% still below pass level but improved

Key Highlights

- After joining the Single Teacher School (STS), 428 students were assessed to track their learning progress and interest in different subjects
- Writing improved for 70% of students, and reading and language skills improved for over 59%
- 83% of them were working with STS for over 5 years
- Students have learnt to recognize letters and numbers, read fluently, write accurately, and solve simple mathematical problems with confidence
- 98% of the parents confirmed noticeable improvement in their children's talents

Relevance

The STS programme is highly relevant as it serves rural, remote, and disadvantaged communities with limited access to quality education. Most parents work irregular jobs, with 80% earning below ₹15,000 and 83% relying on a single income. Children often face risks of dropout due to poverty, low academic performance, and lack of support at home. STS provides essential supplementary education, bridging learning gaps and ensuring continuity. Notably, without STS, 40% of parents would not seek any learning support for their children.

Effectiveness

The STS programme shows strong academic gains: 70.24% of students improved writing accuracy, 59%+ improved reading and language skills, 61.69% gained exam confidence, and 56.78% improved concentration. 46.92% showed progress in subject-related models. Students rated the centers highly, with 81% reporting higher marks, 75% asking doubts confidently, 78% passing exams, 70% overcoming subject fear, and 83% learning in a happy environment. Holistic development also improved: drawing (24% → 68% good), colouring (23% → 69%), language skills (23% → 82%), and self-expression (20% → 76%). With 60%

girls enrolled and all teachers being women, STS strongly promotes gender equity and continuity in education.

> **My son is studying in 4th standard. After he joined the Single Teacher School, he started studying well. In the school where my son studies, other parents ask me: "Which tuition does your son attend?"**
>
> **- Ms. Sathya Somasundaram**

Impact of the STS Programme

The STS programme has created strong academic and social impact in rural communities. Over 70% of students improved in writing, reading, exam confidence, and concentration, with 81% scoring higher marks and 78% performing better in exams. Creative and language skills also rose sharply, with drawing improving from 24% to 68%, and language skills from 23% to 82%. 98% of the parents confirmed noticeable improvement in their children's talents. Through arts, sports, celebrations, and community events, children have expressed creativity, and built their confidence. 90% of students benefited from peer-supported multi-grade learning. The programme also empowers women teachers through training and leadership opportunities and ensures 60% girls access safe, quality education, reducing dropouts and strengthening community participation.

The STS programme promotes holistic child development, empowers local women teachers, and provides safe, inclusive learning spaces. With strong community ownership and efficient resources, it bridges rural–urban education gaps. Support from Sundaram Finance enables more rural children to learn with dignity, build confidence, and grow into capable, future-ready individuals.

Annexure III (ii)

Details of CSR Amount Spent for both Ongoing Project and Other Than Ongoing Projects for the Financial Year 2025-26

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Purpose	Local area (Yes/No)	Location of the Project.		Amount spent for the Project (₹in Lakhs)	Mode of Implementation	Mode of implementation - Through implementing agency	
					State	District		Direct (Yes/No)	Name	CSR Registration Number
1	Promoting preventive and general health care	Health Care	To provide cost-effective, high-quality healthcare under the CANNEST initiative, as well as support the refurbishment of the hospital's in-patient facilities. This has been treated as an on-going project and it is likely to be completed by 31st March 2027.	Yes	Tamil Nadu	Chennai	900.00	No	Sundaram Medical Foundation	CSR00018426
		Health Care	To acquire medical equipment, which will play a vital role in strengthening the Institute's diagnostic precision and treatment capabilities, particularly in advanced cancer therapies.	Yes	Tamil Nadu	Chennai	167.00	No	Cancer Institute (WIA)	CSR00007235
		Health Care	To procure Bio-Medical equipment for developing Health services for the hospital to provide world class health care for children.	Yes	Tamil Nadu	Chennai	72.00	No	Kanchi Kamakoti CHILDS Trust Hospital (The CHILDS Trust)	CSR00002494
		Health Care	To conduct rural community mental health programmes for 1100 people with mental illness, in 10 blocks of Tiruvallur.	No	Karnataka	Bangalore	40.00	No	The Live Love Laugh Foundation	CSR00012198
		Health Care	To meet the expenses incurred towards the payment of salaries for nurses and drivers, dementia care for individuals from poor socio-economic backgrounds, and appointment of a research assistant.	Yes	Tamil Nadu	Chennai	40.00	No	Schizophrenia Research Foundation (SCARF)	CSR00000884
		Health Care	To expand their hospital with an additional building to meet the growing demand and address the critical shortage of hospital beds in Ranipet district.	Yes	Tamil Nadu	Ranipet	30.00	No	Thirumalai Charity Trust	CSR00000287
		Health Care	To meet the expenses incurred in connection with cancer treatment of poor children.	Yes	Tamil Nadu	Chennai	30.00	No	Sri Ramachandra Educational and Health Trust	CSR00001622
		Health Care	Acquisition of medical equipment for their Chittoor Campus.	Yes	Tamil Nadu	Vellore	26.49	No	Christian Medical College	CSR00001924
		Health Care	To acquire an Optos California RGB, an ultra-widefield (UWF) retinal imaging system.	Yes	Tamil Nadu	Chennai	25.00	No	Medical Research Foundation (Sankara Nethralaya)	CSR00002623
		Health Care	Patient care subsidies and cost of essential medications/ treatments/therapies.	Yes	Tamil Nadu	Chennai	25.00	No	The Voluntary Health Services	CSR00003444
		Health Care and Education	To support poor and needy patients in receiving medical treatment.	Yes	Tamil Nadu	Madurai	25.00	No	Velammal Educational Trust	CSR00040925
		Health Care	Providing dialysis support to the under privileged patients.	Yes	Tamil Nadu	Chennai	20.00	No	Tamilnad Kidney Research Foundation (TANKER)	CSR00001422

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Purpose	Local area (Yes/No)	Location of the Project.		Amount spent for the Project (₹in Lakhs)	Mode of Implementation	Mode of implementation - Through implementing agency	
					State	District		Direct (Yes/No)	Name	CSR Registration Number
		Health Care	To purchase orthopaedic power tools.	Yes	Tamil Nadu	Chennai	16.30	No	Public Health and Welfare Society	CSR00017062
		Health Care	To support and upgrade their Trauma Intensive Care Unit.	Yes	Tamil Nadu	Chennai	15.00	No	Hindu Mission Hospital, Tambaram	CSR00005035
		Health Care	To purchase a 360-degree Oral Dental Machine.	Yes	Tamil Nadu	Chennai	15.00	No	Hindu Mission Health Services (Nanganallur)	CSR00012258
		Health Care	To meet the expenses incurred towards maintenance of their medical facilities.	Yes	Tamil Nadu	Dindigul	15.00	No	Kodaikanal Health and Medical Services	CSR00090998
		Health care	Pain and Palliative Care.	Yes	Tamil Nadu	Chennai	10.00	No	RMD Pain & Palliative Care Trust	CSR00000406
		Health Care	To meet the expenses to be incurred towards construction of their Nellai Cancer hospital.	Yes	Tamil Nadu	Chennai	10.00	No	Udhavum Ullangal Public Charitable Trust	CSR00000897
		Health Care and Social / Public Welfare	To repair and maintain the public sanitation facility at T. Nagar, Chennai.	Yes	Tamil Nadu	Chennai	7.65	No	Rotary Club of Madras Charitable Trust	CSR00000997
		Health Care	To develop a Rose Garden Park for cancer patients - a peaceful healing space to relax during treatment.	Yes	Tamil Nadu	Chennai	7.16	No	Sundaram Medical Foundation - CAN-STOP	CSR00018426
		Health Care	Construction of a new hospice in Coimbatore, along with its management and administration.	Yes	Tamil Nadu	Dindigul	7.00	No	Light for the Blind India	CSR00046749
		Health Care & Education	To meet the expenses incurred towards running their medical center and supporting students with their educational needs.	Yes	Tamil Nadu	Chennai	5.00	No	Srinivasa Youngmen's Association (SYMA)	CSR00006343
		Health Care	To support the children with congenital heart defects.	Yes	Tamil Nadu	Coimbatore	5.00	No	The Kuppuswamy Naidu Charity Trust for Education and Medical Relief	CSR00007900
		Health Care	Palliative healthcare services for the fragile elderly adults and children suffering from advanced, critical, life-limited illnesses.	Yes	Tamil Nadu	Chennai	5.00	No	Dean Foundation	CSR00000401
		Health Care	To conduct yoga practices for school children in Corporation schools.	Yes	Tamil Nadu	Chennai	5.00	No	Yoga Vahini Foundation	CSR00029676
		Health Care & Education	To meet the operational expenditure and maintain the infrastructure facilities of their medical care and educational centres.	Yes	Tamil Nadu	Chennai	2.00	No	Arvind Foundation	CSR00003559
SUB TOTAL							**1525.60**			

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Purpose	Local area (Yes/No)	Location of the Project.		Amount spent for the Project (₹in Lakhs)	Mode of Implementation	Mode of implementation - Through implementing agency	
					State	District		Direct (Yes/No)	Name	CSR Registration Number
2	Promoting Education by providing financial assistance to deserving and meritorious students and also educational institutions which work for this cause	Education	To provide educational scholarships to meritorious students belonging to the economically weaker sections of the society.	Yes	Tamil Nadu	Chennai	275.00	No	Laxmi Charities	CSR00005940
		Education	To meet the expenses incurred towards establishment of the Semi-Conductor Packaging and Testing Facility.	Yes	Tamil Nadu	Thanjavur	75.00	No	Shanmugha Arts, Science, Technology & Research Academy (SASTRA)	CSR00001064
		Education	Expenses to be incurred towards payment of salaries to teachers/ non-teaching staff, as well as food, accommodation and educational requirements of the students.	Yes	Tamil Nadu	Chennai	40.00	No	Ramakrishna Mission Students' Home	CSR00006101
		Education & Social Welfare	To provide quality education and to meet their ongoing projects.	Yes	Tamil Nadu	Chennai	35.00	No	Swami Vivekananda Rural Development Society, Chennai (STS)	CSR00001905
		Education & Heritage and Culture	Regular preservation and maintenance of library books, along with undertaking projects on Indian Knowledge Systems and publishing a special Yoga-focused journal.	Yes	Tamil Nadu	Chennai	30.00	No	The Kuppuswami Sastri Research Institute	CSR00008155
		Education	To meet their operational costs and the need to expand their outreach to meet the rising demand for supporting needy rural students pursuing Sanskrit and Vedic education.	Yes	Tamil Nadu	Tiruchirapalli	30.00	No	Sri Ranganatha Paduka Vidyala Trust (Srimad Andavan Arts & Science College)	CSR00056033
		Education	To construct the Shyam Kothari Centenary Building, to be used for liberal arts.	Yes	Tamil Nadu	Chennai	25.00	No	Loyola College Society	CSR00011426
		Education	To construct a multi-dimensional barrier-free building for the training and rehabilitation of the differently abled.	No	Maharashtra	Nashik	25.00	No	Udit Rehabilitation Foundation	CSR00070194
		Education	To meet the expenses in connection with the Fellowship Program at Chennai.	No	Maharashtra	Mumbai Suburban	15.00	No	Teach to Lead	CSR00002271
		Education	To meet the expenses to be incurred towards the CMCA Clubs programme, an experiential learning initiative for children.	No	Karnataka	Bangalore	15.00	No	Children's Movement for Civic Awareness (CMCA)	CSR00000784
		Education	To construct additional classrooms for their coaching classes.	Yes	Tamil Nadu	Tiruchirappalli	15.00	No	Sri Vedantha Ramanuja Seva Trust (Sri Vageesha Vidhyashram Senior Secondary School)	CSR00080896
		Education	To support Art for Play, through which they will build innovative, art inspired playgrounds.	Yes	Tamil Nadu	Chennai	10.00	No	RainbowFish Educational Trust - IADEA	CSR00008660
		Education & Health Care	To support their 150 evening tuition and learning centres and 5 mobile medical units.	Yes	Tamil Nadu	Chennai	10.00	No	Sevabharathi Tamilnadu	CSR00004180

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Purpose	Local area (Yes/No)	Location of the Project.		Amount spent for the Project (₹in Lakhs)	Mode of Implementation	Mode of implementation - Through implementing agency	
					State	District		Direct (Yes/No)	Name	CSR Registration Number
		Education	To financially support deserving poor students to pursue their education.	Yes	Tamil Nadu	Chennai	10.00	No	Om Charitable Trust	CSR00002768
		Education	To Provide free online courses, developing multimedia educational products and creating mobile apps for global accessibility.	No	Karnataka	Bangalore	10.00	No	Vyoma Linguistic Labs Foundation	CSR00025464
		Education	To install UPS systems for smart panels in all classrooms, payment of salaries to teachers handling Language, Commerce and Science subjects and setting up a new computer lab.	Yes	Tamil Nadu	Chennai	10.00	No	P.S. Educational Society	CSR00027626
		Education	To support the educational activities of Anandalaya at Madhya Pradesh.	Yes	Tamil Nadu	Kanyakumari	10.00	No	Vivekananda Kendra	CSR00005526
		Education	Purchase of new buses for rural students, and smartboard, desktop computers, laptops, and necessary accessories to enhance digital learning.	Yes	Tamil Nadu	Chennai	10.00	No	Vivekananda Educational Trust	CSR00015140
		Education	To enhance the learning and holistic growth of government school children, through initiatives such as supporting teachers, neighbourhood learning centers, school health education, and Thiramai Thiruvizha, a talent development programme.	Yes	Tamil Nadu	Perambalur	8.00	No	Payir Trust	CSR00027212
		Education	To meet the operational and maintenance costs of the school.	No	Kerala	Wayanad	8.00	No	Wayanad Girijana Seva Trust	CSR00011224
		Education	To support the Catch Them Young (CTY) programme, as well as for conducting tally and graphic designing classes for deserving students.	Yes	Tamil Nadu	Chennai	6.00	No	Vivekananda Cultural Centre (Ramakrishna Math)	CSR00002806
		Education	Annual maintenance expenses and the construction of additional classrooms.	Yes	Tamil Nadu	Thiruvallur	5.00	No	Bhagawan Sri Sathya Sai Education Trust	CSR00013155
		Education	To rebuild a school under the Chinmaya Amara Sabai project in Sundarbans, West Bengal, to support the education for underserved children.	No	Kolkata	West Bengal	5.00	No	Amara Sabai	CSR00011958
		Education, Healthcare and Women Empowerment	To empower rural women through livelihood initiatives and support government school girls in Tamil Nadu with STEM education and after-school tuition centres.	Yes	Tamil Nadu	Chennai	5.00	No	Ashwini Seetha Foundation	CSR00002955

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Purpose	Local area (Yes/ No)	Location of the Project.		Amount spent for the Project (₹in Lakhs)	Mode of Imple-menta-tion	Mode of implementation - Through implementing agency	
					State	District		Direct (Yes/No)	Name	CSR Registration Number
		Education	To support additional schools, including the initial infrastructure investment and annual operational costs.	Yes	Tamil Nadu	Chennai	5.00	No	Local Community Exchange Empowerment Trust	CSR00100970
		Education	Education of underprivileged girl children.	Yes	Tamil Nadu	Chennai	5.00	No	All India Movement for Seva	CSR00003273
		Education	Reproductive health and hygiene management education.	Yes	Tamil Nadu	Chennai	5.00	No	Iniya Udayam Charitable Trust	CSR00004181
		Education & Social / Public Welfare	To support youth under their programmes, Unnati and UNXT.	No	Karnataka	Bangalore	5.00	No	Shree Guruvayurappan Bhajan Samaj Trust (Unnati)	CSR00011765
		Education	To improve the infrastructure facility of their High School.	No	Maharashtra	Mumbai	5.00	No	Shree Ram Welfare Society	CSR00018139
		Education	To provide students with scholarships, skill development initiatives and career readiness programmes.	Yes	Tamil Nadu	Viluppuram	5.00	No	Swami Vivekananda Rural Community College	CSR00009350
		Education	To support the educational expenses of 93 school students who are located in two of their campuses in Dindigul district of Tamilnadu.	No	Karnataka	Chikkaballapur	3.00	No	Each One Educate One Foundation (Prashanthi Bala Mandira Trust)	CSR00000226
		Education	To support students through innovative and impactful learning experiences.	Yes	Tamil Nadu	Chennai	3.00	No	Sri Ramakrishna Math Vivekananda Centenary Girls Higher Sec.School (A Unit of Ramakrishna Math)	CSR00002806
		Education	To construct a students hostel in Mysore.	No	Karnataka	Bangalore	3.00	No	Vishva Madhva Maha Parishat	CSR00066090
		Education	To support the Kalvi Shakti initiative, which has been enabled to bring meaningful academic support to rural government school students across Tamil Nadu.	Yes	Tamil Nadu	Chennai	3.00	No	Open Mentor Trust	CSR00021428
		Education	To support Vedic students by providing stipends and to assist Vedic scholars in preserving the oral tradition and recitation of the Vedas.	Yes	Tamil Nadu	Kanchipuram	2.00	No	Perumalkoil Veda Patasala Trust	CSR00004155
		Education, Health Care & Women Empowerment	To support their day-care centre and the tailoring courses for women.	Yes	Tamil Nadu	Chennai	2.00	No	Social Service Trust	CSR00022242
		Education	To meet the operational and maintenance costs of the Veda Patasala.	Yes	Tamil Nadu	Madurai	2.00	No	Sri Narayana Jana Seva Trust	CSR00023947
		Education	To meet the expenses incurred towards the maintenance of their school.	Yes	Tamil Nadu	Cuddalore	1.00	No	Sri Lakshmi Hayagriva Trust	CSR00008372
SUB TOTAL							**736.00**			

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Purpose	Local area (Yes/ No)	Location of the Project.		Amount spent for the Project (₹in Lakhs)	Mode of Imple-menta-tion	Mode of implementation - Through implementing agency	
					State	District		Direct (Yes/No)	Name	CSR Registration Number
3	Environmental Sustainability , Ecological Balance, Conservation of Natural Resources	Ecology / Environment	To support the expenses incurred for carrying out the activities of the Centre for Island Sustainability (CIS) at ANET.	No	Karnataka	Bangalore	50.00	No	Dakshin Foundation	CSR00007867
		Ecology / Environment	Restoration of grasslands, wetlands & temple Nandavanams and to continue with their educational programmes.	No	Karnataka	Bangalore	50.00	No	Ashoka Trust for Research in Ecology and the Environment (ATREE)	CSR00004694
		Ecology / Environment	Lake Restoration Project.	Yes	Tamil Nadu	Chennai	49.00	No	Rotary Club of Madras Charitable Trust	CSR00000997
		Ecology / Environment	Programs on wildlife - Wild Shaale and Wild Surakshe.	No	Karnataka	Bangalore	30.00	No	Centre for Wildlife Studies	CSR00002135
		Environment Sustainability	To conduct an international conference, "Evergreen Revolution - The Pathway for Bio happiness", from 7th to 9th August 2025.	Yes	Tamil Nadu	Chennai	10.00	No	M.S. Swaminathan Research Foundation	CSR00000470
		Ecology / Environment	To support water management with recharge wells and rainwater piping at Chennai High School, Mylapore and Chennai Primary School, Karapakkam.	Yes	Tamil Nadu	Chennai	3.30	No	Rotary Club of Madras Charitable Trust	CSR00000997
		Ecology / Environment	Green Task Force - an employee engagement initiative to create awareness on consumption patterns and environmental impact.	Yes	Tamil Nadu	Chennai	2.12	No	Environmentalist Foundation of India (E.F.I)	CSR00002310
SUB TOTAL							**194.42**			
4	Protection of National Heritage, Art and Culture	Culture and Heritage	Promotion of Vedic Education.	Yes	Tamil Nadu	Chennai	30.00	No	Sundaram Charities	CSR00006397
		Culture and Heritage & Education	To publish books and resources to explore Indian crafts, both past and present, including textbooks for school curricula, scholarly works, and documentation of various craft traditions.	Yes	Tamil Nadu	Chennai	30.00	No	The Crafts Council of India	CSR00007118
		Art and Culture	To meet the expenses associated with conducting the forthcoming 6th edition of the Kochi-Muziris Biennale (KMB).	No	Kerala	Ernakulam	25.00	No	Kochi Biennale Foundation	CSR00011284
		Art and Culture	To support their project, "The States of Architecture in India 2026".	No	Maharashtra	Mumbai	20.00	No	Architecture Foundation (Site Lines)	CSR00025293
		Culture and Heritage	To carry out the construction and restoration activities of the Vedanta Desikar Temple premises.	Yes	Tamil Nadu	Chennai	20.00	No	Sri Vedantha Desikar Devasthanam	CSR00057138

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Purpose	Local area (Yes/No)	Location of the Project.		Amount spent for the Project (₹in Lakhs)	Mode of Implementation	Mode of implementation - Through implementing agency	
					State	District		Direct (Yes/No)	Name	CSR Registration Number
		Art and Culture	Livelihood of stage performance artists - Kattai Koothu.	Yes	Tamil Nadu	Tiruvannamalai	6.00	Yes	Arulmigu Shree Mandaveli Amman Nadaga Mandram	Direct
		Art and Culture	Livelihood of stage performance artists - Kattai Koothu.	Yes	Tamil Nadu	Tiruvannamalai	6.00	Yes	Shree Renugambal Kattaikoothu Nadaga Mandram	Direct
		Art and Culture	To promote art and culture by organizing the 7th edition of Mumbai Margazhi Mahotsavam for the benefit of the community.	No	Maharashtra	Mumbai	5.00	No	Tender Roots Academy - Marghazhi Utsavam (Banyan Tree)	CSR00000141
		Art and Culture	To promote art and culture by supporting the 6th edition of the 'Dance for Dance' initiative.	Yes	Tamil Nadu	Chennai	5.00	No	Kalavaahini	CSR00053685
		Art and Culture	To promote art and culture by organizing the 'Dance Unbound' event for the benefit of the community.	Yes	Tamil Nadu	Chennai	5.00	No	Chidambaram Trust	CSR00071301
		Art and Culture	To empower individuals, especially those with differing abilities, through the transformative power of the arts.	Yes	Tamil Nadu	Chennai	5.00	No	Ramana Sunritya Aalaya Trust	CSR00004975
		Culture and Heritage	To support the revival of Nitya Pooja and Annadanam in various abandoned temples in Tamil Nadu.	Yes	Tamil Nadu	Chennai	5.00	No	Tamilnadu Seva Foundation	CSR00093682
		Art and Culture	To support for the cause of divine art forms.	Yes	Tamil Nadu	Thanjavur	1.00	No	Bhagavata Mela Natya Nataka Sangam	CSR00029877
		Art and Culture	To meet the expenses to be incurred towards theatre performance.	Yes	Tamil Nadu	Chennai	1.00	No	Arangham Trust	CSR00012202
		Culture and Heritage	To support education for the Vidyarthis of Padasalai.	Yes	Tamil Nadu	Mayiladuthurai	1.00	No	Smt Jayanthi Janakiraman Ninaivu Dravida Veda Agama Padasalai	CSR00001514
SUB TOTAL							**165.00**			
5	Social / Public Welfare	Social / Public Welfare and Women Empowerment	To meet the expenses to be incurred towards supporting the Khadi and Village Industries.	Yes	Tamil Nadu	Dindigul	60.00	No	Gandhigram Trust	CSR00004575
		Social / Public Welfare and Education	To construct a new school building for Madan Mohan Malaviya Vidya Kendram Trust, Tirunelveli.	Yes	Tamil Nadu	Chennai	25.00	No	Rotary Club of Chennai, Thiruvanmiyur	CSR00004086
		Social / Public Welfare	To support more than 1,800 children in 19 districts through their kinship care program.	Yes	Tamil Nadu	Chennai	15.00	No	Bala Mandir Kamaraj Trust	CSR00008002

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Purpose	Local area (Yes/ No)	Location of the Project.		Amount spent for the Project (₹in Lakhs)	Mode of Implementation	Mode of implementation - Through implementing agency	
					State	District		Direct (Yes/No)	Name	CSR Registration Number
		Social / Public Welfare	To provide holistic development to underprivileged and orphaned children, especially those from tribal and economically weaker communities.	No	Rajasthan	Jaipur	5.00	No	Bal Sambal Bal Vikas Anusandhan Sansthan	CSR00018045
		Social / Public Welfare	To acquire a new steamer to cook food for their Anna Dana Programme.	No	Delhi	New Delhi	5.00	No	Gowd Saraswath Samaj	CSR00015224
		Social / Public Welfare	To support destitute senior citizens, underprivileged children and low-income families through a range of impactful initiatives in elder care, education, healthcare, and disability support.	Yes	Tamil Nadu	Chennai	5.00	No	Anandam	CSR00000963
		Social / Public Welfare and Education	To support the destitute and vulnerable children through their Child Care Fund (CCF).	No	Kolkata	West Bengal	5.00	No	Society for Indian Children's Welfare	CSR00010258
		Social / Public Welfare	Sundara Sparsham, an employee engagement initiative for celebration of Onam at old age homes.	No	Kerala	Kannur	2.63	Yes	Dharmabharathi Charitable Trust	Direct
		Social / Public Welfare	To support people with hearing disabilities by providing educational facilities, promoting social and cultural awareness, and working towards barrier-free communication.	Yes	Tamil Nadu	Chennai	2.00	No	Deaf Enabled Foundation	CSR00003268
		Social / Public Welfare	To support their day care centre for people with dementia.	Yes	Tamil Nadu	Chennai	1.00	No	Dignity Foundation	CSR00008328
SUB TOTAL							**125.63**			
6	Sports Development	Sports	Training of Athletes and Para Athletes supported by OGQ for Paris Olympics and Paralympics.	No	Maharashtra	Bhandara	15.00	No	Foundation for Promotion of Sports and Games (OGQ)	CSR00001100
SUB TOTAL							**15.00**			
7	Animal Welfare	Animal Welfare	To maintain their Goshala.	Yes	Tamil Nadu	Chengalput	5.00	No	Chengalput Gosamrakshana Trust	CSR00068142
		Animal Welfare	To support their animal welfare activities.	No	Maharashtra	Mumbai	5.00	No	Utkarsh Global Foundation	CSR00003183
		Animal Welfare	To meet the operational expenses incurred for the rescue, treatment and rehabilitation of injured / abandoned animals.	Yes	Tamil Nadu	Chennai	3.00	No	LARA Animal Rights Trust	CSR00045298
SUB TOTAL							**13.00**			
GRAND TOTAL							**2774.65**			

*On 02.02.2026, the CSR Committee and Board of Directors have accorded their approval for utilization of contributions of ₹13.50 cr. and ₹7.75 cr. made to Sundaram Medical Foundation during FY 2022-23 and FY 2024-25 respectively towards acquisition of land for construction of a nurses' hostel, for a modified purpose, viz., free and discounted treatment provided by SMF to needy and deserving patients during the financial years from 2022-23 to 2025-26, since SMF was unable to acquire a suitable property either through outright purchase or long-term lease, owing to reasons beyond their control, despite their best efforts.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I Details of the Listed Entity

1.	Corporate Identity Number (CIN)	L65191TN1954PLC002429
2.	Name of the Listed Entity	Sundaram Finance Limited
3.	Year of Incorporation	1954
4.	Registered Office address	21, Patullos Road, Chennai 600 002
5.	Corporate Address	21, Patullos Road, Chennai 600 002
6.	E-mail id	investorservices@sundaramfinance.in
7.	Telephone	044-28881207
8.	Website	www.sundaramfinance.in
9.	Financial Year reported	1st April 2025 to 31st March 2026
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited (NSE)
11.	Paid up capital	₹ 111.10 Cr.
12.	Name and contact details of the person who may be contacted in case of any queries on the BRSR report.	P. N. Srikant, CCO & Company Secretary Tel-044-28881207 E-mail Id: pnsrik@sundaramfinance.in
13.	Reporting boundary	Disclosures made in this report are on a standalone basis.
14.	Name of assurance Provider	M/s Sundaram and Srinivasan, Chartered Accountants, Chennai
15.	Type of Assurance obtained	Reasonable Assurance for the 9 Core attributes BRSR

II Products / Services

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

Sl. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Financial and Insurance Service Main Product / service: Interest Income on Hypothecation Loan / Hire Purchase	Financial and Credit Leasing Activity	96.19

17. Products/services sold by the entity (accounting for 90% of the turnover):

Sl. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Providing finance for commercial vehicles, cars, multi-utility vehicles, construction equipment, tractors, working capital finance, Leasing, SME financing and NBFC funding.	As per National Industrial Classification – 2008: Section K - Financial and Insurance Activities Division 64 – Financial service activities, except insurance and pension funding.	96.19

III Operations

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

Location	Number of plants	Number of offices	Total
National	NA	763	763
International	Not applicable		

19. Markets served by the entity:

a. No of locations:

Locations	Total
National (No of states)	21
International (No of countries)	Nil

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

Not applicable

c. A brief on types of customers

The products offered by the Company are availed by a broad range of customers including individuals, educational institutions, SMEs, and corporates, who fall under the following categories:

- Transport Operators
- Fleet Operators
- Farmers
- Construction Equipment Operators
- Automobile Dealers
- MSME Sector
- Entrepreneurs
- Self-employed Professionals
- Salaried Individuals
- Educational Institutions
- Corporate Borrowers
- Depositors

IV Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sl. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B / A)	No. C	% (C / A)
	Employees					
1.	Permanent (D)	5,344	4,925	92.16%	419	7.84%
2.	Other than Permanent (E)	1,934	1,815	93.85%	119	6.15%
3.	Total (D + E)	7,278	6,740	92.60%	538	7.40%
	Workers					
4.	Permanent (F)	–	–	–	–	–
5.	Other than Permanent (G)	–	–	–	–	–
6.	Total (F + G)	–	–	–	–	–

SFL is engaged in financial services business which does not require services of workers.

b. Differently abled Employees and workers:

Sl.No	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B / A)	No. C	% (C / A)
	Differently abled Employees					
1.	Permanent (D)	6	5	83%	1	17%
2.	Other than Permanent (E)	–	–	–	–	–
3.	Total (D + E)	6	5	83%	1	17%
	Differently abled Workers					
4.	Permanent (F)	–	–	–	–	–
5.	Other than Permanent (G)	–	–	–	–	–
6.	Total (F + G)	–	–	–	–	–

21. Participation/Inclusion/Representation of women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	12	3	25%
Key Managerial Personnel	2	0	–

22. Turnover rate for permanent employees and workers:

	2025-26			2024-25			2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	5.2%	12.1%	5.7%	7.8%	10.5%	8.0%	8.41%	0.63%	9.04%
Permanent Workers	–	–	–	–	–	–	–	–	–

V Holding, Subsidiary and Associate Companies (including Joint Ventures)

23. Names of holding / subsidiary / associate companies / joint ventures:

Sl. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Sundaram Home Finance Limited	Subsidiary	100.00	No
2	Sundaram Asset Management Limited	Subsidiary	100.00	No
3	Sundaram Trustee Company Limited	Subsidiary	100.00	No
4	Sundaram Fund Services Limited	Subsidiary	100.00	No
5	LGF Services Limited	Subsidiary	100.00	No
6	Royal Sundaram General Insurance Co. Ltd	Joint Venture	50.00	No

VI CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013 : Yes

(ii) Turnover (₹ In Cr.) : 7,682.96

(iii) Net worth (₹ In Cr.) : 12,715.39

VII Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redressal policy)	2025-26			2024-25		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	No	–	–	–	–	–	–
Investors (other than shareholders)	Yes	–	–	–	–	–	–
Shareholders	Yes	1	0	–	3	0	–
Employees and workers	Yes	–	–	–	–	–	–

Customers	Yes	1,736	101	The figures mentioned under complaints pending at the end of the year relate to complaints that were received during March 2026 and were redressed during April 2026, well within the stipulated period of 30 days	1,640	36	The figures mentioned under complaints pending at the end of the year relate to complaints that were received during March 2025 and were redressed during April 2025, well within the stipulated period of 30 days
Value Chain Partners	No	–	–	–	–	–	–
Others (please specify)	NA	–	–	–	–	–	–

Please refer Policy on BRSR - https://sundaramfinance.in/assets/app_docs/investor-info/corporate_governance/policies/sebi/policies_on_brsr.pdf

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

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

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Corporate Governance	O	The Company continues to maintain the highest standards of integrity and transparency in operations, excellence in service to all stakeholders and strong Corporate Governance standards.	–	Positive Implication
2	Customer Service with focus on Financial Inclusion	O	Since inception, the Company has set an exemplary standard in delivering the Sundaram Experience to all its customers, staff, partners and other stakeholders. The Company's focus has always been on ensuring that the financially underserved small Indian entrepreneur is able to meet his/her needs in a sustainable manner, with fair pricing, transparent repayment terms and access to quality services delivered courteously.	–	Positive Implication

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Employee Well Being	O	The Company has taken a number of steps to ensure that its strong and loyal employee workforce is consistently provided with opportunities for empowerment, growth and an environment of well-being.	–	Positive Implication
4	Corporate Social Responsibility	O	CSR is one of the key areas through which the Company endeavours to give back to society. The core focus areas under CSR include health care, education, ecology, and art & culture.	–	Positive Implication
5	Digital Initiatives	O	In keeping with the age of AI, the Company has embarked on a number of initiatives to support its customers and other stakeholders digitally.	–	Positive Implication
6	Regulatory Compliance	R/O	**Risks:** Regulatory Compliance occupies a crucial position in determining the Company's responsibility towards its stakeholders. Any lapse in regulatory compliance can affect the reputation of the Company negatively. The Company has always focused on ensuring that it is fully compliant with all laws and regulatory provisions relating to its operations, which has enabled it to earn the respect of all stakeholders. **Opportunities:** With over seven decades of track record of impeccable compliance, often embracing prudence well ahead of regulatory directions, the Company has an opportunity to strengthen its reputation by continuing to remain an exemplary role model to other institutions in the financial ecosystem. Ongoing dialogue with the regulators, sharing of practices with peers and continuous education of employees and customers will be required to sustain this record.	Adequate steps have been taken to identify, assess, manage and report all instances of compliance risk across the various levels in the Company. The Compliance Team, with the guidance of Senior Management, plays a crucial role in effective compliance risk management.	Positive Implication

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	Data Security / Privacy	R	All the services being rendered by the Company are fully dependant on technology, which exposes the Company to a high degree of cyber / information security risk.	The Company has set up a robust cyber security management framework which is monitored by the Information Security Committee, IT Strategy Committee, Risk Management Committee and Audit Committee. All IT security related matters are subjected to periodic Information Systems Security Audit and Internal Audit. All employees of the Company are regularly sensitised and educated on matters relating to cyber security, data privacy etc.	Negative Implication
8	Climate Change	R / O	**Risks:** Climate change impacts the business of the Company in different ways, viz., increased credit risk, disruption to operations, safety and well-being of customers and employees etc. Transitional risk comes from the potentially higher business costs from new policies, laws and other regulations designed to address climate change. **Opportunities:** The National priorities towards sustainability and carbon neutrality have unleashed a range of new clean fuel powered automotive technologies. These represent new opportunities for the Company in providing financing solutions to our sustainability sensitive customers.	In order to address the risks associated with climate change the Company has adopted measures like high degree of investment in solar, funding in the alternative fuel space and financing electric vehicles.	R - Negative Implication O - Positive Implication

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

Disclosure Questions		Ethics & Transparency	Product Responsibility	Human Resources	Responsiveness to Stakeholders	Respect for Human Rights	Environment Protection	Public Policy Advocacy	Inclusive Growth	Customer Engagement
		P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes										
1.	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	N	Y	Y	Y	Y	Y	Y	Y
	b. Has the policy been approved by the Board? (Yes/No)	Y	N	Y	Y	Y	Y	Y	Y	Y
	c. Web Link of the Policies, if available	https://sundaramfinance.in/assets/app_docs/investor-info/corporate_governance/policies/sebi/policies_on_brsr.pdf								
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Yes (to the extent applicable)								
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	N	Y	Y	Y	N	Y	N	Y
4.	Name of the national and international Codes / certifications / labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Not applicable								
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	1. Financial access and inclusion: The Company is committed to its founding purpose of providing financial products, services and solutions to the underserved Indian small entrepreneur – small road transport operator, small construction equipment operator, small farmer, MSME owner – at a fair pricing and transparent repayment terms while embracing its founding values of prudence, honesty and fairness. 2. Social responsibility: Focussing all available resources on contributing to marginalised and under-privileged citizens in the communities, the Company operates through its Corporate Social Responsibility initiatives with emphasis on healthcare, education, ecology and preservation of India's culture and heritage.								

		3. Sustainability: The Company is committed to financing clean fuel vehicles and will endeavour to remain ahead of the curve on this front, especially in the commercial vehicle space. In addition, the Company will continue to pursue clean energy options for internal energy requirements.
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Recognising its role towards all stakeholders at large, the Company has proactively taken the following steps: a) Periodic engagement with different categories of customers, business partners and other value chain partners to ensure timely and fair financial access, as well as meaningful inclusion. The Company conducts regular training and awareness programs for employees to educate them on the importance of healthy customer relationship. Further, the Company conducts periodic awareness programs for customers as part of RBI's customer awareness initiatives. 80 – 90% of financing is targeted towards the underserved Indian small entrepreneur. Additionally, the Company engages periodically with depositors and shareholders in connection with unclaimed deposits, unclaimed dividends / shares, dematerialisation, nomination, electronic transfer option for receipt of dividends etc. b) Contribution towards the sustenance of healthcare, education, environmental sustainability, ecological balance, heritage, art & culture, disaster relief, women empowerment, and rural development, so as to reach out to the vulnerable sections of the society across the country. Periodic health awareness programmes are conducted for employees and customers, with special focus on the marginalised and vulnerable segments like drivers, women, etc. During FY2026, the Company's spending in respect of its CSR outlay included 55% towards healthcare, 27% towards education, 7% towards environment and ecology, and the balance 11% towards other focus areas. The Company carried out an impact assessment of the contributions made to six institutions, including four assessments on voluntary basis, through independent agencies. c) Increased focus on funding in alternative fuel space, windmills, etc., high degree of investment in solar energy, prudence in the day-to-day consumption of energy, water etc., responsible waste management and increased thrust on preservation of ecological balance under CSR. Nearly ₹2500 cr. of disbursements in FY2026 were towards financing clean fuel vehicles (EV, CNG, LNG, etc.).

Governance, leadership, and oversight		
7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure) Sundaram Finance has, over the past 72 years, provided access to finance to small road transport operators, small construction equipment operators, small farmers and aspirational MSME entrepreneurs. The founding purpose of the Company has been to provide these underserved stakeholders finance at fair rates & transparent repayment terms coupled with renowned "Sundaram experience," an unswerving commitment to outstanding customer service. Indeed, the present-day thrust on "financial inclusion" has served as our driving force over the past 72 years. The Company has a long history of adhering to the highest standards of governance, fairness and transparency, often leading the industry in adopting regulatory and policy dispensations well ahead of timelines set by respective authorities. The founder Chairman's initiative to move an act of Parliament and amend the SBI Act to enable bank financing to NBFCs exemplifies these standards the Company has striven to hold. The Company also has an equally long track record in contributing to the communities that we live and operate in, with the focus being largely in the areas of healthcare, education, ecology and conservation of India's rich culture & heritage. Consequently, the more contemporary ESG considerations have been an integral part of the complexion of the Company for decades now. The Company has always taken a long-term view and believes that Sustainability objectives are an integral part of its core purpose. The Company has increased its focus on financing clean fuel vehicles and in its endeavour to reduce its carbon footprint, has ensured that nearly all branches, regional offices and its corporate head office have embraced solar power. Its social contributions extend pan-India and encompass support to over 100 beneficiaries. The Company believes that high standards of governance are a necessary imperative for serving all its stakeholders responsibly and to promote sustainability. The Company's considered view is that ESG responsibilities and deliverables should be measured by how wide and deep ESG parameters are integrated into the Company's processes, operational decisions & priorities, and not so much by "outcome" metrics.	
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	**Mr. Rajiv C. Lochan** Managing Director DIN: 05309534
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Same as point no. 8
10.	**Details of Review of NGRBCs by the Company**	

Subject for review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly / Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action.	Director									M/Q/A	-	P^	P^	M/Q/ A	-	M	-	P^
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Director									M/Q/A	-	P^	P^	M/Q/A	-	M	-	P^

P^ - the engagement with employees and customers is done on a day-to-day basis

11.	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
		No. However, the policies and processes are reviewed on a periodic basis by the internal audit team, risk management team, compliance team and Senior Management on a regular basis, with the support and participation of the regional / functional heads. Wherever applicable, the policies are also assessed and evaluated by the statutory auditors, the Board of Directors, and its committees.								
12.	If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:									
	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	1. The entity does not consider the principles material to its business (Yes/No)	-	-	-	-	-	-	-	-	-
	2. The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	-	-	-	-	-	-	-	-	-
	3. The entity does not have the financial or/human and technical resources available for the task (Yes/No)	-	-	-	-	-	-	-	-	-
	4. It is planned to be done in the next financial year (Yes/No)	-	-	-	-	-	-	-	-	-
	5. Any other reason (please specify)	-	NA	-	-	-	NA	-	NA	-

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

Principle 1: Businesses should Conduct and govern themselves with Integrity,

and in a manner that is Ethical, Transparent, and Accountable.

ESSENTIAL INDICATORS

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

<table>
<tr><th>Segment</th><th>Total number of training and awareness programmes held</th><th>Topics / principles covered under the training and its impact</th><th>%age of persons in respective category covered by the awareness programmes</th></tr>
<tr><td>Board of Directors</td><td rowspan="2">6</td><td><u>Topics / Principles covered:</u>
• Overall business performance
• Customer focus
• Stakeholder interests
• Market and environment
• Business prospects
• Corporate Governance
• Regulatory Compliance
• CSR initiatives
• Employee performance management
• Employee engagement
• IT and Cyber Security</td><td rowspan="2">100</td></tr>
<tr><td>Key Managerial Personnel</td><td><u>Impact:</u>
All the programmes were highly informative and resourceful for the Directors, KMP and other functional heads, who also participated actively in the programmes.</td></tr>
<tr><td>Employees other than BoD and KMPs</td><td>22</td><td>Senior level employees are trained on various aspects of leadership capabilities through various tailor-made leadership programmes.
Other employees are put through various training programmes relating to domain knowledge and soft skills as part of the initiatives undertaken by Sundaram Learning. All employees of the Company are also covered under various other programmes like, induction, values socialisation, risk awareness, IT and cyber security, health awareness, etc. Additionally, employees are also trained on various business and social aspects through the online Learning Management System.</td><td>100</td></tr>
<tr><td>Workers</td><td colspan="3">NA</td></tr>
</table>

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format:**

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies / Judicial Institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred?
Penalty/Fine	1	Maharashtra – Deputy Commissioner – AY 2021-22 - Core Vertical	3,41,340	Demand raised for Tax on Petro cards interest income.	Appeal Filed
Penalty/Fine	1	Tamil Nadu – Assistant Commissioner – AY 2021-22 - Lease Vertical	30,000	Demand raised as previous year credit note not considered - Disallowed as not reported in GSTR9	Appeal Filed
Penalty/Fine	1	Delhi - Assistant Commissioner – AY 2021-22 - Lease Vertical	30,000	Demand raised as Previous Year Invoice for claim of ITC - Disallowed	Appeal Filed
Penalty/Fine	1	Delhi - Assistant Commissioner – AY 2018-19 - Core Vertical	75,000	Demand raised - Borrower (Sanjay Transport) claimed ITC - Registration cancelled - Penalty levied on supplier.	Appeal Filed
Penalty/Fine	1	The Secretary, Municipality, Kerala; PT officer Surat Municipality; Labour Officer, Telangana; Licensing Officer, Andra Pradesh.	27,250	Various Fines and penalties under Labour law, Professional tax, licensing fee for the states Kerala, Andhra Pradesh, Gujarat, Telangana.	–
Settlement	–	–	–	–	–
Compounding Fee	–	–	–	–	–

Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies / Judicial Institutions	Brief of the Case	Has an appeal been preferred?
Imprisonment	Nil			
Punishment				

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

Case details	Name of the regulatory/enforcement agencies/judicial institutions
In terms of the instances wherein appeal has been filed, the details have been disclosed in question 2 above.	

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

No

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

Category	2025-26	2024-25
Board of Directors	Nil	
KMPs		
Employees		
Workers		

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

Description	2025-26		2024-25	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil		Nil	
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

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

Nil

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

	2025-26	2024-25
Number of days of accounts payable	7.74	13.48

9. Openness of business

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

<table>
<tr><th>Parameter</th><th>Metrics</th><th>2025-26</th><th>2024-25</th></tr>
<tr><td rowspan="3">Concentration of Purchases</td><td>a. Purchase from trading houses as % of total purchases</td><td rowspan="8" colspan="2">Not applicable</td></tr>
<tr><td>b. No. of trading houses where purchases are made from</td></tr>
<tr><td>c. Purchases from top 10 trading houses as % of total purchases from trading houses</td></tr>
<tr><td rowspan="3">Concentration of sales</td><td>a. Sales to dealers / distributors as % of total sales</td></tr>
<tr><td>b. Number of dealers / distributors as % of total sales</td></tr>
<tr><td>c. Number of dealers / distributors as % of total sales</td></tr>
<tr><td rowspan="4">Share of RPTs in</td><td>a. Purchases (Purchases with related parties/ Total Purchase)</td></tr>
<tr><td>b. Sales (Sales with related parties/ Total Sales)</td></tr>
<tr><td>c. Loans & Advances (Loans & Advances given to related parties / Total Loans & Advances</td><td>0.0002%</td><td>0.001%</td></tr>
<tr><td>d. Investments (Investments in related parties/ Total Investments made)</td><td>37.19%</td><td>48.96%</td></tr>
</table>

LEADERSHIP INDICATORS

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

Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
The Company engages with dealers, service providers, technology partners, oil marketing companies, MSMEs, etc., on an on-going basis and conducts awareness programmes on the values systems, standards of integrity and transparency and service excellence.		

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

Yes.

The Board of Directors has approved and adopted a Code of Conduct (the Code) for all the Directors which inter alia include suitable clauses to ensure effective management of conflict of interest. All the Directors affirm compliance with the Code on an annual basis to the Board.

Principle 2: Businesses should provide Goods and Services in a manner that is Sustainable and Safe

ESSENTIAL INDICATORS

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

	2025-26	2024-25	Details of improvements in environmental and social impacts
R&D	Not Applicable		
Capex	Not Applicable		

The Company is engaged in financial services. Its revenue and capital expenditure that contribute to environmental and social impact primarily relate to investments in information technology, enabling end-to-end digital operations and reducing paper usage.

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

   Yes

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

   Negligible

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

Although, this Principle has limited or no applicability to the Company, the following steps are effectively implemented to ensure appropriate handling of e-waste:

1. All the End-of-Life IT Assets are identified by the respective functions and details are shared with the IT Team for scraping.
2. The items are then bifurcated into reusable and disposable category.
3. In respect of storage devices to be disposed of, hard disks are degaussed.
4. Disposal of all e-waste in the Company is done only through a pre-approved e-waste management agency, with whom the Company has a valid contract.
5. After examining the details of the devices to be disposed, the IT team co-ordinates with the approved e-waste management agency and takes suitable steps to dispose the devices at the agreed scrap value.
6. E-waste disposal is done by the Company once in every three months, or at such shorter intervals as may be required.

The Company makes very limited use of plastic mineral water bottles and stationery items made of plastic. The Company ensures that all such plastic waste is disposed of on a monthly basis or such other shorter frequency as may be considered necessary, in a responsible manner, through vendors who are authorised to recycle the same. All other bio-degradable waste is disposed of in a responsible manner through the Municipal Corporation and authorised vendors. The Company does not produce any hazardous waste.

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

Not applicable

LEADERSHIP INDICATORS

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

NIC Code	Name of Product/ Service	% of total turnover contributed	Boundary for which the life cycle perspective / assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
Not Applicable					

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

Name of Product/Service	Description of the risk/concern	Action Taken
Not Applicable		

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

Indicate Input Material	Re-cycled or re-used input material to total material	
	2025-26	2024-25
Not Applicable		

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

	2025-26			2024-25		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	Not Applicable					
E-waste						
Hazardous waste						
Other waste						

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

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable	

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

ESSENTIAL INDICATORS

1. A. Details of measures for the well-being of employees

Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	4,925	4,925	100%	4,925	100%	–	–	4,925	100%	–	–
Female	419	419	100%	419	100%	419	100%	–	–	–	–
Total	5,344	5,344	100%	5,344	100%	419	100%	4,925	100%	–	–
Other than Permanent Employees											
Male	1,815	1,815	100%	1,727	95%	–	–	1,815	100%	–	–
Female	119	119	100%	111	93%	119	100%	–	–	–	–
Total	1,934	1,934	100%	1,838	95%	119	100%	1,815	100%	–	–

B. Details of measures for the well-being of workers

Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day care facilities	
% of workers covered by											
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Male	NA										
Female											
Total											
Other than permanent employees											
Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Male	NA										
Female											
Total											

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

	2025-26	2024-25
Cost incurred on well- being measures as a % of total revenue of the company	19%	21%

2. **Details of retirement benefits, for Current financial year and Previous financial year**

	2025-26			2024-25		
Benefits	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	NA	Y	100%	NA	Y
Gratuity	98.6%	NA	Y	75.17%	NA	Y
ESI	20%	NA	Y	22.27%	NA	Y
Others - please specify	–	–	–	–	–	–

3. **Accessibility of workplaces**

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

Yes, the Company premises/offices are accessible to differently abled employees and workers.

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

The Company, since inception, has always followed the principle of providing equal opportunities to all persons irrespective of their physiological condition. The Company has never believed in any form of discrimination between persons who are physically fit and those with physiological challenges. Hence, the need to frame an equal opportunity policy has not been felt necessary.

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

	Permanent Employees		Permanent Workers	
Gender	Return to work rate	Retention Rate	Return to work rate	Retention rate
Male	100%	96%	NA	
Female	100%	89%		
Total	100%	92%		

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

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers	Not Applicable
Other than Permanent Workers	
Permanent employees	Yes. The employees of the Company have been provided with the facility to raise their grievances through a Helpdesk portal on the Human Resource Management System [HRMS]. The grievances raised by the employees on the HRMS are usually redressed within a period of three working days, and the redressal process is monitored by the management and subjected to Internal Audit.
Other than Permanent Employees	Not Applicable

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

Category	2025-26			2024-25		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)
Total Permanent Employees						
-Male	4,925	553	11.23%	4,758	792	16.65%
-Female	419	36	8.60%	374	25	6.68%
Total Permanent Workers						
Male	Not Applicable					
Female						

8. **Details of training given to employees and workers:**

Category	2025-26					2024-25				
	Total	On health and safety measures		On skill upgradation		Total	On health and safety measures		On skill upgradation	
	(A)	No. (B)	% (B/A)	No. (C)	% (C/A)	(D)	No. (E)	% (E/A)	No. (F)	% (F/A)
Male	4,925	4,925	100%	3,321	67%	4,758	4,758	100%	3,357	70.55%
Female	419	419	100%	221	53%	374	374	100%	181	48.40%
Total	5,344	5,344	100%	3,542	66%	5,132	5,132	100%	3,538	68.94%
Other than permanent employees										
Male	–	–	–	–	–	–	–	–	–	–
Female	–	–	–	–	–	–	–	–	–	–
Total	–	–	–	–	–	–	–	–	–	–

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

Category	2025-26			2024-25		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	4,772	4,772	100%	4,603	4,603	100%
Female	405	405	100%	350	350	100%
Total	5,177	5,177	100%	4,953	4,953	100%
Workers						
Male	NA					
Female						
Total						

Note: The percentage has been computed on the eligible employees due for annual performance review.

10. Health and safety management system:

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

Yes. Regular online training programs on occupational health are conducted, with monthly webcast by a medical professional on the related subject and online / Offline Yoga classes etc.

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

The employees of the Company have limited exposure to work related hazards, which is restricted to accidents during travel by two-wheelers or cars. Though such accidents have been very few in number, the Company has proactively taken effective steps to identify the risk of such a hazard and ensured mitigation of the same through programmes such as educating the employees on the importance of wearing a helmet while riding a two-wheeler or wearing the seat belt while driving a car, frequent eye check-ups and need based eye treatments for drivers, etc. The internal audit function of the Company annually audits all departments on adherence to these norms.

c) Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks?

Please refer response to Point No. 10 (b)

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

Yes. All employees of the Company are covered under Group Mediclaim Insurance, Graded Life Cover and Group Personal Accident Insurance from the date of joining. All female employees of the Company are being supported with maternity leave with pay in accordance with the applicable statutory provisions.

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

Safety Incident/Number	Category	2025-26	2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	–	–
	Workers	NA	NA
Total recordable work-related injuries	Employees	–	–
	Workers	NA	NA
No. of fatalities	Employees	–	–
	Workers	NA	NA
High consequence work-related injury or ill-health (excluding fatalities)	Employees	–	–
	Workers	NA	NA

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

The workplace is designed with the primary objective of having safe workstations. At least 2 representatives from each department are given training on fire safety & first aid. This is done every year and each of them designated as Emergency Response Team.

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

	2025-26			2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working conditions	Nil					
Health & Safety						

14. **Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and Safety Practices	Refer Note Below
Working Conditions	

Note: The Company strives to keep the workplace environment safe, hygienic, and humane, upholding the dignity of the employees. Offices across the group are internally assessed periodically through internal assessments for various aspects of health and safety measures, and related working conditions.

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

Not applicable

LEADERSHIP INDICATORS

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

The Company provides Graded Life Insurance Coverage for all employees from the date of their joining. Additionally, the Company extends the following types of support in the event of the death of an employee:

a. A Compassionate Allowance is paid to the family to support them in managing the incidental expenses that are likely to arise immediately upon the death of the employee, as well as meeting their livelihood.

b. Reimbursement of the school/college fees for a maximum of two children in accordance with the policy of the Company.

c. Providing employment in the Company/Group to the spouse or adult child.

(B) Workers (Y/N)

Not Applicable

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

Verifying the dues by checking the payment challans provided by them and also on the portal.

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

Category	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	2025-26	2024-25	2025-26	2024-25
Employees	NA		NA	
Workers				

Even though the employees of the Company have not suffered any high consequence work-related injury/ill health/fatalities, in the unfortunate event of an injury resulting in permanent disability or the death of an employee, the Company's long-standing approach is to provide a job opportunity to the spouse or adult child of the employee concerned, in addition to the financial support mentioned under Point No. 1 (A) of the Leadership Indicators.

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

No

5. Details on assessment of value chain partners

Benefits	% of value chain partners (by value of business done with such partners) that were assessed
Health & Safety Practices	Nil
Working conditions	Nil

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

Nil

Principle 4 : Businesses should respect the interests of and be responsive to all their stakeholders

ESSENTIAL INDICATORS

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

   The Company actively interacts with individuals across different sectors involved in its business operations, focusing on nurturing and upholding one of its fundamental principles: fostering strong relationships. These regular interactions serve as the primary means through which the Company identifies all key stakeholder groups.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually / Half yearly / Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	1. Customer meetings 2. Road shows 3. In-person engagement 4. Social media / Online platforms 5. E-mails / SMS 6. Website 7. Postal communication 8. SF Customer Portal 9. SF Next App 10. SF Customer Grievance Redressal Portal.	Periodic	1. Service 2. Relationship 3. Financial inclusion 4. Information about subsisting contract 5. New product / service updates 6. Customer satisfaction 7. Grievance Redressal Awareness 8. Regulatory / Statutory awareness
Business Partners	No	1. Business conclaves 2. In-person engagement 3. Website 4. Social media 5. E-mails	Periodic	1. Relationship 2. Customer Service / Satisfaction / Benefits 3. Financing arrangements 4. Technological solutions for business processes and customer solutions 5. New product / service updates
Employees	No	1. Town Hall Meetings 2. Focus Group Discussions 3. Trainings 4. Team Meetings 5. Family Meets 6. Special Event Gatherings 7. Intranet / Other online platforms 8. E-mails 9. Notice Board	Periodic	1. Company performance updates 2. Training 3. Employee policy communication 4. Employee engagement programmes 5. Health and safety related awareness programmes 6. Family socialisation and interaction 7. Statutory communication

Shareholders and other Investors	No	1. Email 2. Stock Exchange disclosures 3. Website 4. Institutional investor meetings 5. Press releases 6. Postal Communication 7. Newspaper advertisement 8. Telephonic communication	Periodic	1. Performance updates 2. Dividend / interest related intimation 3. Unclaimed dividend follow-up 4. Dematerialisation follow-up 5. Regulatory disclosures 6. General meetings / postal ballot notices 7. Other services
Depositors	Yes	1. Email 2. Social media / Online platforms 3. Website 4. Newspaper advertisement 5. Postal Communication 6. Telephonic communication	Periodic	1. Service 2. Relationship 3. Interest Rate revisions 4. Statutory communication 5. Tax related communication 6. Other services
Bankers	No	1. Consortium meeting 2. Meetings with individual bankers 3. E-mails 4. Postal communication	Periodic	1. Service 2. Relationship 3. Performance updates 4. Funding proposals
Regulatory Authorities	No	1. Portals of respective regulators 2. Website 3. E-mails 4. Newspaper advertisements	Monthly / Quarterly / Annually	Regulatory disclosures
Communities	Yes	CSR initiatives	Periodic	1. Promoting healthcare 2. Promoting education 3. Environmental sustainability and ecological balance 4. Heritage, Art and Culture 5. Empowerment of women and children from weak socio-economical background 6. Disaster Relief

LEADERSHIP INDICATORS

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

The consultation on economic, environmental, and social topics with stakeholders is done by the members of the Senior Management and regional / functional heads, and the feedback from such consultations is provided to the Board by the Executive Vice Chairman, Managing Director, Joint Managing Director and Chief Financial Officer.

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

Yes.

Activity	Stakeholder(s)	Type of Consultation/ Inputs	Activity Undertaken	Impact
Breast Cancer Awareness and Women's Health	• Women participants • Employees • Healthcare • Advocacy Groups • Wider Community	• Societal and stakeholder focus on preventive healthcare and womens' well being; • Engagement with event organisers and participants, highlighting the need for awareness and solidarity initiatives.	The Company supported the Pink Marathon, a breast cancer awareness run with participation from nearly 3,000 women, as Title Sponsor. Employees actively participated in the run to demonstrate the organisational commitment.	Enhanced awareness on womens' health, visible support for preventive healthcare and strengthened employee engagement in social causes.
Environmental Awareness and Behavioural Change	• Employees • Environmental NGO Partner	• Employee engagement forums and internal discussions highlighting the need for greater awareness on individual environmental responsibility; • Inputs from NGO partner on effective engagement methodologies	Under the Green Task Force initiative, a Conservation Café was organised for Head Office employees on World Earth Day, in collaboration with the Environmental Foundation of India (EFI). The session used a gamified approach centred on Individual Social Responsibility.	Improved employee awareness on sustainable consumption patterns and environmental impact, contributing to stronger internal sustainability consciousness.
Ecological Restoration and Biodiversity Conservation	• Local Community • Environmental NGO Partner • Employees	• Inputs from environmental partners and community stakeholders on ecological restoration needs and biodiversity enhancement	Employees created approximately 3,000 seed balls that were dispersed along lake bunds. The Company also provided financial support for the renovation of Chakkili Lake, Chennai and employees planted 100 Neem saplings along the bunds.	Restoration of a degraded water body into a flood resilient wetland and green corridor, improved local biodiversity, and strengthened employee participation in environmental conservation.
Waste Management and Cleanliness Drives	• Local Community • Civic Authorities • Employees	• Community and civic feedback on waste accumulation and need for coastal cleanliness initiatives	A beach clean up drive was conducted at Ashtalakshmi Beach, Chennai, where employee volunteers collected 220 kg of waste, which was handed over to the Greater Chennai Corporation for recycling.	Improved coastal cleanliness, responsible waste disposal, and increased awareness on waste management among employees and the local community.
Region specific Environmental and Plastic use Reduction Initiatives	• Local Community • Devotees • Employees • Regional Environmental Groups	• Region specific community engagement highlighting local environmental concerns and cultural contexts	• In Bhopal, employees prepared 3000 seed balls to use it along lake bunds in Bhopal and Vidisha. • In Pandharpur, during the Ashada Ekadashi Warkari procession, 3,000 cloth bags were distributed to discourage plastic usage, along with 100 Neem sapling plantation near the Indian Bustard Bird Sanctuary. • In Kerala, cloth bags were distributed during Onam, and beach clean up drives were conducted across 10 locations.	Reduction in single use plastic awareness, promotion of environmentally responsible practices, and community level engagement tailored to regional and cultural contexts

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

-

Principle 5: Businesses should respect and promote human rights

ESSENTIAL INDICATORS

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

Category	2025-26			2024-25		
	Total (A)	No. of employees covered (B)	% (B/A)	Total (C)	No. of employees covered (D)	% (D/C)
EMPLOYEES						
Permanent	5,344	5,344	100%	5,132	5,132	100%
Other than Permanent	–	–	–	–	–	–
Total Employees	5,344	5,344	100%	5,132	5,132	100%
WORKERS						
Not applicable						

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

Category	2025-26					2024-25				
	Total	Equal to Minimum Wage		More than Minimum Wage		Total	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
EMPLOYEES										
Permanent										
Male	4,925	–	–	4,925	100%	4,758	26	0.55%	4,732	99.45%
Female	419	–	–	419	100%	374	14	3.74%	360	96.26%
Other than Permanent										
Male	1,815	258	14%	1,557	86%	1,702	222	13.04%	1,480	86.96%
Female	119	31	26%	88	74%	59	16	27.12%	43	72.88%
WORKERS										
Not applicable										

3. Details of remuneration / salary / wages

a. Median remuneration / wages

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (₹ in Lakhs)	Number	Remuneration/ salary/ wages of respective category (₹ in Lakhs)
Board of Directors (BoD) (Whole-time directors)	3	729.14	–	–
Key Managerial Personnel (other than BoD)	2	211.43	–	–
Employees other than BoD and KMP*	4,920	7.6	419	5.72
Workers	–	–	–	–

* Non Whole-time Directors are paid only Commission and Sitting Fees, details of which have been provided in the Corporate Governance Report.

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

	2025-26	2024-25
Gross wages paid to females as % of total wages*	5.96%	5.35%

** Gross wages are calculated based on the employee's CTC (Cost to Company). For employees who have joined or exited during the period, the CTC is prorated according to the actual number of working days.*

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

Yes.

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

The mechanism to redress grievances related to human rights issues are in accordance with policies such as the POSH Policy, Whistle Blower Policy, Code of Conduct for employees, etc. The grievances, if any, raised by the employees under the POSH Policy are evaluated by the Internal Complaints Committee and in other cases, by the Head – HR, who escalates the matter to the senior management, if considered necessary. Thereafter, steps are taken to redress the grievance through appropriate corrective and preventive measures.

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

	2025-26			2024-25		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	Nil		NA	1	0	NA
Discrimination at workplace	Nil		NA	Nil		NA
Child Labour	Nil		NA	Nil		NA
Forced Labour/ Involuntary Labour	Nil		NA	Nil		NA
Wages	Nil		NA	Nil		NA
Other human rights related issues	Nil		NA	Nil		NA

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

	2025-26	2024-25
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	1
Complaints on POSH as a % of female employee/ workers	Nil	0.23%
Complaints on POSH upheld	Nil	0

8. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**
The Senior Management, along with the Head – HR, Compliance Officer and Head – Internal Audit, ensures that complainants/whistle blowers, if any, are adequately protected and not subjected to any form of adverse consequences for the complaint raised by them. Further, the Senior Management has ensured that any attempt to victimise a complainant is dealt with appropriate disciplinary action.

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

No.

10. **Assessments for the year:**

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100%
Forced / Involuntary Labour	
Sexual Harassment	
Discrimination at Workplace	
Wages	
Others - please specify	

11. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**
Not applicable

LEADERSHIP INDICATORS

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**
No

2. **Details of the scope and coverage of any Human rights due diligence conducted.**
No

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

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

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

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

Principle 6: Businesses should respect and make efforts to protect and restore the environment

ESSENTIAL INDICATORS

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

Parameter	2025-26	2024-25
From renewable sources		
Total electricity consumption (A) (Giga Joules)	8,384.10	5,224.19
Total fuel consumption (B) (Giga Joules)	–	–
Energy consumption through other sources (C) (Giga Joules)	–	–
Total energy consumption (A+B+C) (Giga Joules) (A+B+C)	8,384.10	5,224.19
From non-renewable sources		
Total electricity consumption (D)	14,999.61	20,883.98
Total fuel consumption (E)	51,197.37	46,570.10
Energy consumption through other sources (F)		
Total energy consumed from non-renewable sources (D+E+F)	66,196.98	67,454.08
Total energy consumed (A+B+C+D+E+F)	74,581.08	72,678.27
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.00000086	0.0000010
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	175.25	231.73
Energy intensity in terms of physical output		
Energy intensity (optional) – the relevant metric may be selected by the entity	–	–

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

Yes, M/s Sundaram and Srinivasan, Chartered Accountants, Chennai.

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

Not applicable

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

Parameter	2025-26	2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	–	–
(ii) Groundwater	91,047.78	89,333.28
(iii) Third party water	–	–
(iv) Seawater / desalinated water	–	–
(v) Others	–	–
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	91,047.78	89,333.28
Total volume of water consumption (in kilolitres)	91,047.78	89,333.28
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	0.0000012	0.0000014
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	241.12	306.89
Water intensity in term of Physical Output		
Water intensity (optional)–the relevant metric may be selected by the entity	–	–

Note on calculation for water consumption

** The quantity of water (in litres) per employee derived from the available data is in line with "National Building Code (NBC) – Bureau of Indian Standards (BIS), 2016 - Estimation of Water Requirement for Drinking and Domestic Use" which provides for "45 litres per person per working day".

Total water consumption is derived considering total head count at the end of the year, total working days and water requirement per person per working day as specified above.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

Yes - by M/s Sundaram and Srinivasan, Chartered Accountants, Chennai.

4. Provide the following details related to water discharged:

Parameter	2025-26	2024-25
Water discharge by destination and level of treatment (in kilolitres)		-
(i) To surface water	–	–
- No treatment	–	–
- With treatment – Please specify level of treatment	–	–
(ii) To Groundwater	–	–
- No treatment	91,047.78	89,333.28
- With treatment – Please specify level of treatment	–	–
(iii) To Seawater	–	–
- No treatment	–	–
- With treatment – Please specify level of treatment	–	–
(iv) Sent to third–parties	–	–
- No treatment	–	–
- With treatment – Please specify level of treatment	–	–
(v) Others	–	–
- No treatment	–	–
- With treatment – Please specify level of treatment	–	–
Total water discharged (in kilolitres)	91,047.78	89,333.28

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

Yes - by M/s Sundaram and Srinivasan, Chartered Accountants, Chennai.

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

   Not applicable

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

Parameter	Please specify unit	2025-26	2024-25
NOx	Kg/Year	112.18	160.84
Sox	Kg/Year	37.39	53.61
Particulate matter (PM)	Kg/Year	7.48	10.72
Persistent organic pollutants (POP)	–	–	–
Volatile organic compounds (VOC)	–	–	–
Hazardous air pollutants (HAP)	–	–	–
Others – please specify	–	–	–

* Air emissions are estimated based on the diesel consumed in DG sets at the Company's premises using CPCB-prescribed emission factors. No direct stack monitoring was conducted. Other air pollutants are not applicable as the Company does not operate manufacturing or combustion-intensive processes.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

Yes - by M/s Sundaram and Srinivasan, Chartered Accountants, Chennai.

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

Parameter	Unit	2025-26	2024-25
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	2,616.91	2,387.83
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	2,983.26	4,153.59
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)		0.000000073	0.0000001
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		14.83	22.47
Total Scope 1 and Scope 2 emission intensity in terms of physical output		–	
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		–	

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

Yes, M/s Sundaram and Srinivasan, Chartered Accountants, Chennai.

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

Not Applicable

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

Parameter	2025-26	2024-25
Total Waste generated (in metric tonnes)		
Plastic waste (A)	–	–
E-waste (B)	14.54	8.64
Bio-medical waste (C)	–	–
Construction and demolition waste (D)	–	–
Battery waste (E)	–	–
Radioactive waste (F)	–	–
Other Hazardous waste. Please specify, if any. (G)	–	–
Other Non-hazardous waste generated (H). Please specify, if any. (Carton, White Paper, Colour Paper, Newspaper, cloth cover)	20.88	40.54
Total (A+B + C + D + E + F + G+ H)	**35.42**	**49.18**
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.00000000054	0.000000001
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.12	0.17
Waste intensity in terms of physical output	–	–
Waste intensity (optional) – the relevant metric may be selected by the entity	–	–
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	35.42	49.184
(ii) Re-used	–	–
(iii) Other recovery operations	–	–
Total	35.42	49.184
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	Not Applicable	
(ii) Landfilling		
(iii) Other disposal operations		
Total		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

Yes, M/s Sundaram and Srinivasan, Chartered Accountants, Chennai.

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

The Company does not manufacture anything and therefore, the question of using hazardous and toxic chemicals in products and processes does not arise. As regards waste management practises of the Company, please refer the response to Essential Indicator No. 3 under Principle 2.

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

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not applicable			

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

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

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

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

LEADERSHIP INDICATORS

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

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

(i) Name of the area

(ii) Nature of operations

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

Parameter	2025-26	2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	–	–
(ii) Groundwater	–	–
(iii) Third party water	–	–
(iv) Seawater / desalinated water	–	–
(v) Others	–	–
Total volume of water withdrawal (in kilolitres)	–	–
Total volume of water consumption (in kilolitres)	–	–
Water intensity per rupee of turnover *(Water consumed / turnover)*	–	–
Water intensity *(optional)* – the relevant metric may be selected by the entity	–	–
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	–	–
- No treatment	–	–
- With treatment – please specify level of treatment	–	–
(ii) To Groundwater	–	–
- No treatment	–	–
- With treatment – please specify level of treatment	–	–
(iii) To Seawater	–	–
- No treatment	–	–
- With treatment – please specify level of treatment	–	–
(iv) Sent to third parties	–	–
- No treatment	–	–
- With treatment – please specify level of treatment	–	–
(v) Others	–	–
- No treatment	–	–
- With treatment – please specify level of treatment	–	–
Total water discharged (in kilolitres)	–	–

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

Yes, by M/s Sundaram and Srinivasan, Chartered Accountants, Chennai

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

Parameter	Unit	2025-26	2024-25
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO2 equivalent	–	–
Total Scope 3 emissions per rupee of turnover		–	–
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		–	–

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, by M/s. Sundaram and Srinivasan, Chartered Accountants, Chennai.

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

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

Sl. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
–	–	–	–

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

Yes, the Company has a robust and effective business continuity and disaster management plan. Adequate safety measures are in place to handle unforeseen hazards such as fires, flood, earthquakes, etc at the Head Office and branches. As regards the IT Infrastructure, the Company has a state-of-the-art Data Centre and a Disaster Recovery Site with near real-time data replication. The Company has a 24x7 Security Operations Centre for real-time cyber threat monitoring and alerting. The Company has also built secure and scalable IT Infrastructure for remote working (Work From Home) to ensure smooth business operations and customer services during adversities like the COVID-19 pandemic.

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

Nil

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

Nil

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

a. By the listed entity

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

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

ESSENTIAL INDICATORS

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

   Seven (7)

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

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Finance Companies' Association (India)	National
2	Finance Industry Development Council (FIDC)	National
3	International Financial and Leasing Association	International
4	Madras Chamber of Commerce & Industry	State
5	Madras Management Association	State
6	Madras School of Economics	State
7	South India Hire Purchase Association	State

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

Name of authority	Brief of the case	Corrective action plan
Not applicable		

LEADERSHIP INDICATORS

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

S. No.	Public Policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually / Half Yearly/ Quarterly/ Others -please specify)	Web link, if available

Our Company has been representing on various initiatives, on its own and through FIDC, where we are an active participant.

1. We have taken up an issue concerning the entire industry before the Hon'ble High Courts of Kerala, Madras, Delhi and Rajasthan challenging the dismissal of thousands of Execution Petitions by the Executing Courts on the ground of unilateral appointment of arbitrator, though the arbitrator was appointed by an institution agreed between the parties. We were able to establish before High Courts that appointment of an arbitrator through an arbitral institution as per agreement between the parties did not amount to unilateral appointment of an arbitrator. The High Courts upheld our stand, by which the entire industry benefitted and started filing execution petitions.
2. We got a favourable Order for the entire finance industry from the Hon'ble High Court of Madras challenging the Order of the Principal District Judge, Tiruppur, appointing an Advocate Commissioner (for remuneration) for execution of the attachment of immovable property instead of the court appointed bailiff. Madras High Court agreed with our plea that appointing an Advocate Commissioner for immovable property attachment would escalate the cost and was not in line with the dictum laid down by the Madras High Court in Sundaram Finance Ltd. Vs. Sakthivel. This has benefitted the industry in substantial cost savings while executing the attachment orders.

Principle 8: Businesses should promote inclusive growth and equitable development.

ESSENTIAL INDICATORS

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

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

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

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

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

The Company's operations do not have any adverse impact on any section of the community and hence, the question of the community having grievances does not arise. However, the Company is sensitive and alert to the requirements of the Community, and it endeavours to fulfil these requirements through its CSR initiatives.

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

	2025-26	2024-25
Directly sourced from MSMEs/small producers	1.16%	1.06%
Sourced directly from within the district and neighbouring districts	100%	100%

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

Location	2025-26	2024-25
Rural	0.56%	0.38%
Semi-urban	9.22%	9.00%
Urban	33.93%	34.58%
Metropolitan	56.30%	56.04%

(Places have been categorized as per RBI Classification System based on the population from census 2011 – rural/ semi-urban/ urban/ metropolitan)

LEADERSHIP INDICATORS

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

Details of negative social impact identified	Corrective action taken
Not Applicable	

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

S. No	State	Aspirational District	Amount spent (In INR)
1	Wayanad Girijana Seva Trust (Kerala)	Wayanad	8,00,000

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No) - Not applicable
   (b) From which marginalized /vulnerable groups do you procure? - Not applicable
   (c) What percentage of total procurement (by value) does it constitute? - Not applicable

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

S. No	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

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

Name of authority	Brief of the case	Corrective action taken
Not Applicable		

6. **Details of beneficiaries of CSR Projects:**

S. No	CSR Project	No of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalized groups
1	Anandam	110	100%
2	The Live Love Laugh Foundation		
	Beneficiary - Theni	300	100%
	Beneficiary - Madurai	600	100%

S. No	CSR Project	No of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalized groups
3	Ramakrishna Mission Students' Home	225	100%
4	Swami Vivekananda Rural Community College (Single Teacher School)	1900 Students and 70 Teachers	23%
5	Children Movement for Civic Awareness	4648 children benefitted from 10 schools	100%
6	Hindu Mission Hospital, Tambaram	700 Patients	30%
7	Swami Vivekananda Rural Community College	35	75%
8	RMD Pain and Palliative Care Trust	24	55%
9	Wayanad Girijana Seva Trust	157 Children	100%
10	Sri Ramachandra Educational and Health Trust	76	100%

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner.

ESSENTIAL INDICATORS

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback customer grievances/ complaints lodged with the Company, and which shall be acted upon by the company:**

   a) All customer grievances / complaints are redressed by the Company in accordance with the Fair Practices Code (Code) and Customer Grievances Redressal Policy (Policy) framed in compliance with regulatory guidelines of the Reserve Bank of Indian (RBI) and approved and adopted by the Board of Directors.

   b) All customer complaints are received by the Company through the Customer Voice Portal set up for the said purpose.

   c) The centralised Customer Service and Management Team (CSMT) receives and responds to all the complaints received on the Customer Voice Portal, in coordination with the branches and other functions at head office, well within the timelines laid down for the said purpose.

   d) Customer complaints are monitored on a regular basis by the Grievance Officers, Principal Nodal Officer, and other Nodal Officers, who coordinate with the CSMT to ensure that all customer grievances are redressed within a reasonable time.

   e) The Company has appointed an Internal Ombudsman (IO) in compliance with the RBI Guidelines for escalation of customer complaints that are partially resolved or wholly rejected by the Company.

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

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

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

	2025-26		Remarks	2024-25		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil					
Advertising						
Cyber - security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						

	2025-26		Remarks	2024-25		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Others	1,736	101	The figures mentioned under complaints pending at the end of the year relate to complaints that were received during March 2026 and were redressed during April 2026, well within the stipulated period of 30 days.	1,640	36	The figures mentioned under complaints pending at the end of the year relate to complaints that were received during March 2025 and were redressed during April 2025, well within the stipulated period of 30 days

4. **Details of instances of product recalls on account of safety issues:** Not applicable

	Number	Reasons for recall
Voluntary recalls	Not Applicable	

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

   Yes – https://sundaramfinance.in/privacy-policy

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re–occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

   Not applicable

7. **Provide the following information relating to data breaches:**

   a. Number of instances of data breaches – Nil

   b. Percentage of data breaches involving personally identifiable information of customers – Nil

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

LEADERSHIP INDICATORS

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

   https://www.sundaramfinance.in/

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

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

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No) -** NA

INDEPENDENT PRACTITIONER'S REASONABLE ASSURANCE REPORT ON IDENTIFIED SUSTAINABILITY INFORMATION ("BRSR")

To the Board of Directors of Sundaram Finance Limited

We have undertaken to perform a reasonable assurance engagement, for Sundaram Finance Limited ("the company/"SFL") vide engagement letter dated 01st March 2026 in respect of the agreed Sustainability Information listed below (the "Identified Sustainability Information") in accordance with the criteria stated below. This Sustainability Information is as included in the BRSR of the Company for the year ended March 31, 2026.

Identified Sustainability Information

The Identified Sustainability Information as specified in Annexure 1 to SEBI Circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023, for the year ended March 31, 2026 is summarized below:

Sr. No	Attribute/Parameter	Measurement	Reference to BRSR
1	**Green-house gas (GHG) footprint –** **Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)**	GHG (CO2e) Emission in Mn MT / KT / MT Direct emissions from organization's owned or controlled sources	Principle 6, Question 7 of Essential Indicators
	Green-house gas (GHG) footprint – Total Scope 2 emissions (Break-up of the GHG (CO2e) into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	GHG (CO2e) Emission in Mn MT / KT / MT Indirect emissions from the generation of energy that is purchased from a utility provider	Principle 6, Question 7 of Essential Indicators
	Green-house gas (GHG) footprint – GHG Emission Intensity (Scope 1 +2)	Total Scope 1 and Scope 2 emissions (MT) / Total Revenue from Operations adjusted for PPP Total Scope 1 and Scope 2 emissions (MT) / Total Output of Product or Services	Principle 6, Question 7 of Essential Indicators
2	**Water footprint -** Total water consumption	Mn Lt or KL	Principle 6, Question 3 of Essential Indicators
	Water footprint – Water consumption intensity	a. Mn Lt or KL / Rupee adjusted for PPP b. Mn Lt or KL / Product or Service	Principle 6, Question 3 of Essential Indicators
	Water footprint – Water Discharge by destination and levels of Treatment	Mn Lt or KL	Principle 6, Question 4 of Essential Indicators

3	**Energy footprint –** Total energy consumed. % of energy consumed from renewable sources	In Joules or multiples In % terms	Principle 6, Question 1 of Essential Indicators
	Energy footprint – Energy intensity	Joules or multiples / Rupee adjusted for PPP Joules or multiples / Product or Service	Principle 6, Question 1 of Essential Indicators
4	**Embracing circularity - details related to waste management by the entity** Plastic waste (A) E-waste (B) Bio-medical waste (C) Construction and demolition waste (D) Battery waste (E) Radioactive waste (F) Other Hazardous waste. Please specify, if any. (G) Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector) Total waste generated ((A+B + C + D + E + F + G + H)	Kg / MT Kg / MT	Principle 6, Question 9 of Essential Indicators
	Embracing circularity - details related to waste management by the entity – Waste intensity	Kg or MT / Rupee adjusted for PPP Kg or MT / Unit of Product or Service	Principle 6, Question 9 of Essential Indicators
	Embracing circularity - details related to waste management by the entity – Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations	Kg or MT Intensity	Principle 6, Question 9 of Essential Indicators

5	**Enhancing Employee Wellbeing and Safety** Spending on measures towards well-being of employees and workers – cost incurred as a % of total revenue of the company	In % terms	Principle 3, Question 1(c) of Essential Indicators
	Enhancing Employee Wellbeing and Safety Details of safety-related incidents for employees and workers (including contract-workforce e.g. workers in the company's construction sites)	Number of Permanent Disabilities Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) No. of fatalities	Principle 3, Question 11 of Essential Indicators
6	**Enabling Gender Diversity in Business** Gross wages paid to females as % of wages paid.	In % terms	Principle 5, Question 3(b) of Essential Indicators
	Enabling Gender Diversity in Business Complaints on POSH	Total Complaints on Sexual Harassment (POSH) reported. Complaints on POSH as a % of female employees / workers. Complaints on POSH upheld	Principle 5, Question 7 of Essential Indicators
7	**Enabling Inclusive Development** a. Input material sourced from following sources as % of total purchases – Directly sourced from MSMEs/ small producers and from within India	In % terms – As % of total purchases by value	Principle 8, Question 4 of Essential Indicators
	Enabling Inclusive Development b. Job creation in smaller towns – Wages paid to persons employed in smaller towns (permanent or non- permanent /on contract) as % of total wage cost	In % terms – As % of total wage cost	Principle 8, Question 5 of Essential Indicators
8	**Fairness in Engaging with Customers and Suppliers-** a. Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events	In % terms	Principle 9, Question 7 of Essential Indicators

	Fairness in Engaging with Customers and Suppliers - b. Number of days of accounts payable	(Accounts payable *365) / Cost of goods/services procured	Principle 1, Question 8 of Essential Indicators
9	**Open-ness of business** Concentration of purchases & sales done with trading houses, dealers, and related parties Loans and advances & investments with related parties	- Purchases from trading houses as % of total purchases - Number of trading houses where purchases are made from - Purchases from top 10 trading houses as % of total purchases from trading houses - Sales to dealers / distributors as % of total sales - Number of dealers / distributors to whom sales are made - Sales to top 10 dealers / distributors as % of total sales to dealers / distributors Share of RPTs (as respective %age) in - - Purchases - Sales - Loans & advances - Investments	Principle 1, Question 9 of Essential Indicators

Our reasonable assurance engagement was with respect to the year ended March 31, 2026 information only unless otherwise stated and we have not performed any procedures with respect to earlier periods or any other elements included in the **BRSR** and, therefore, do not express any conclusion thereon.

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

Criteria

The criteria used by the company to prepare the Identified Sustainability Information is based on the International Framework, Global Reporting Initiative ("GRI") Standards, Greenhouse Gas (GHG) protocol and National Guidelines on Responsible Business Conduct ("NGRBC"). In addition, Business Responsibility and Sustainability Reporting (BRSR) as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 was also considered while developing this Report.

Reporting Period: April 1, 2025 to March 31, 2026

Boundary

Boundary of the report covers 's the Company's operations in India.

Management's Responsibility

The Company's management is responsible for selecting or establishing suitable criteria for preparing the Sustainability Information, taking into account applicable laws and regulations, if any, related to reporting on the Sustainability Information, Identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes design, implementation and maintenance of internal control relevant to the preparation of the BRSR and the measurement of Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error.

Inherent limitations

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India and have the required competencies and experience to conduct this assurance engagement.

The firm applies Standard on Quality Control (SQC) 1, "Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements", and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express a reasonable assurance conclusion on the Identified Sustainability Information based on the procedures we have performed and evidence we have obtained.

We conducted our engagement in accordance with the Standard on Sustainability Assurance Engagements (SSAE) 3000, "Assurance Engagements on Sustainability Information", issued by the Sustainability Reporting Standards Board of the Institute of Chartered Accountants of India. This standard requires that we plan and perform our engagement to obtain reasonable assurance about whether the Identified Sustainability Information is prepared, in all material respects, in accordance with the Criteria. A reasonable assurance engagement involves assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, analytical procedures and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, we:

(i) Reviewed the approach to stakeholder engagement and materiality determination process and its outcomes as brought out in the Report.

(ii) Conducted interviews with selected representatives responsible for management of sustainability issues and implementation of the NGRBC Principles and carried out reviews of selected evidence to support topics and claims disclosed in the Report. We were free to choose interviewees and interviewed those with overall responsibility to deliver Company's overall sustainability objectives

(iii) Carried out Onsite verification of sustainability performance data and sample evidence related to the sampled offices of the Company to review the processes and systems for aggregating site-level sustainability information, as well as overall aggregation and consolidation of data from sites by the sustainability team at the Corporate Office at Chennai in Tamil Nadu.

(iv) Reviewed the process of reporting on BRSR requirements including Section A: General Disclosures, Section B: Management and Process Disclosures, and Section C: Principle-wise Performance Disclosures.

(v) Carried out an assessment of the processes for gathering and consolidating performance data related to the NGRBC Principles and, for sample, checked the processes of data consolidation to assess the Reliability and Accuracy of performance disclosures reported based on BRSR requirements.

(vi) An independent assessment of the reports of non-financial information against the requirements of BRSR and the guidance notes.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our reasonable assurance conclusions.

Exclusions:

Our assurance scope excludes the following and therefore we do not express a conclusion on the same:

- Operations of the Company other than those mentioned in the Identified Sustainability Information.
- Aspects of the BRSR and the data/information (qualitative or quantitative) other than the Identified Sustainability Information.
- Data and information outside the defined reporting period i.e. March 31, 2026
- The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Company.
- Mapping of the Report with reporting frameworks other than those mentioned in Criteria above

While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls.

Opinion

Based on the procedures performed as above , and the evidences obtained, and the information and explanations given to us along with the representation provided by the management and subject to inherent limitations outlined elsewhere in this report, in our opinion the Identified Sustainability Information for the year ended March 31, 2026 (as stated under "Identified Sustainability Information") are prepared in all material respects, in accordance with the criteria.

Restriction on use

Our Reasonable Assurance report has been prepared and addressed to the Board of Directors of the company at the request of the company solely, to assist the company in reporting on Company's sustainability performance and activities. Accordingly, we accept no liability to anyone other than the company. Our Deliverables should not be used for any other purpose or by any person other than the addresses of our Deliverables. The firm neither accepts nor assumes any duty of care or liability for any other purpose or to any other party to whom our Deliverables are shown or into whose hands it may come without our prior consent in writing.

For Sundaram & Srinivasan
Chartered Accountants
FRN 004207S

S Usha
Partner

Date: 25th May 2026
Place: Chennai

Membership Number 211785
UDIN: 26211785PXITLV6753

Form No. MR-3

Secretarial Audit Report for the Financial Year ended 31.03.2026

[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 and Regulation 24A(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To.

The Members,

SUNDARAM FINANCE LIMITED

(CIN: L65191TN1954PLC002429)

21, Patullos Road, Chennai - 600002.

We, M Damodaran & Associates LLP, Practicing Company Secretaries, Chennai have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. SUNDARAM 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 has, during the audit period covering the financial year ended on March 31, 2026 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(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') including amendment/ re-enactment made thereto; (to the extent applicable):-

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

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

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

   (d) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

   (e) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act, dealing with client and ESOP;

   (f) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR');

   (g) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(h) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

(i) Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993;

(vi) Reserve Bank of India Act, 1934 and RBI Directions and Guidelines as applicable to the NBFCs.

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

i. Listing Agreements entered into by the Company with the National Stock Exchange of India Limited (NSE) under SEBI LODR; and

ii. Secretarial Standards (SS-1) for Board Meeting and Secretarial Standards (SS-2) for General Meeting issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Circulars, Notifications, Guidelines, Secretarial Standards, etc. mentioned above and there are no specific observations requiring any qualification on non-compliances.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive and Independent Directors. There was no change in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board & Committee Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice with the consent of all the Directors, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. As per the minutes of the meetings duly recorded and signed by the respective Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

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

We further report that during the audit period, the board of directors of the Company, inter alia, has;

i. granted, at its meeting held on May 26, 2025, 10,922 Stock Options under the Sundaram Finance Employee Stock Option Scheme – 2008 to the eligible employees.

ii. revised, at its meeting held on February 02, 2026, the limit for raising funds from ₹13,000 crores to ₹16,000 crores by issuance of Non-Convertible Debentures on private placement basis in one or more tranches during the financial year 2025-26,.

iii. approved, at its meeting held on March 27, 2026, the proposal to raise funds up to ₹17,000 crores, during the financial year 2026-27, by issuance of Non-Convertible Debentures on private placement basis, in one or more tranches.

We further report that during the audit period, the shareholders of the Company, inter alia, have passed following resolutions at the Annual General Meeting held on July 23, 2025;

a) special resolution under sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, and pursuant to regulation 16(1)(b), 17, 25 and other applicable provisions of the SEBI LODR and Master Direction – Reserve Bank of India (NBFCs – Scale Based Regulation) Directions, 2023, for re-appointment of Mr. Ganesh Lakshminarayan (DIN: 00012583) as an Independent Director of the Company for a further term of five (5) consecutive years from August 12, 2025 to August 11, 2030, not liable to retire by rotation, notwithstanding that he would be attaining the age of seventy five years during the continuity of his term.

b) ordinary resolution under sections 179, 204 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, and pursuant to Regulation 24A and other applicable provisions of the SEBI LODR, for appointment of M/s. M Damodaran & Associates LLP., Practicing Company Secretaries, Chennai (Firm Registration No.L2019TN006000) (Peer review Certificate No.3847/2023) as the Secretarial Auditors of the Company for a term of five (5) consecutive years, commencing from 1st April 2025 to 31st March 2030.

c) special resolution under section 180(1)(c) and all other applicable provisions of the Companies Act, 2013 for increasing the borrowing limit of the Company up to ₹70,000 crores.

We further report that during the audit period, the shareholders of the Company, inter alia, have passed following resolutions through postal ballot on March 13, 2026;

a) ordinary resolution under sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the rules made thereunder and applicable provisions of the SEBI LODR and Master Direction – Reserve Bank of India (NBFCs – Governance) Directions, 2025 for re-appointment of Mr. Harsha Viji (DIN: 00602484) as the Executive Vice Chairman, for a term of five (5) consecutive years with effect from April 01, 2026 and for the remuneration payable to him.

b) ordinary resolution under sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the rules made thereunder and applicable provisions of the SEBI LODR and Master Direction – Reserve Bank of India (NBFCs – Governance) Directions, 2025 for re-appointment of Mr. Rajiv C. Lochan (DIN: 05309534) as the Managing Director, for a term of five (5) consecutive years with effect from April 01, 2026 and for the remuneration payable to him.

c) special resolution under sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the rules made thereunder and applicable provisions of the SEBI LODR and Master Direction – Reserve Bank of India (NBFCs – Governance) Directions, 2025 for re-appointment of Mr. A. N. Raju (DIN: 00036201) for a term of four (4) consecutive years with effect from April 01, 2026 and his elevation as Joint Managing Director, notwithstanding that he would be attaining the age of seventy years during the continuity of his term, and for the remuneration payable to him.

We further report that during the audit period, the company has;

a) issued redeemable non-convertible debentures on various dates on private placement basis.

b) redeemed the redeemable non-convertible debentures on various dates.

c) issued and redeemed commercial papers on various dates.

For **M DAMODARAN & ASSOCIATES LLP**
M. DAMODARAN
Managing Partner
Membership No.: 5837
COP. No.: 5081
FRN: L2019TN006000
PR 3847/2023
ICSI UDIN:F005837H000457970

Place: Chennai
Date: May 25, 2026

(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

Disclaimer Certificate

To,

The Members,

SUNDARAM FINANCE LIMITED

(CIN: L65191TN1954PLC002429)

21, Patullos Road,

Chennai – 600 002

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on the audit conducted by us.

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 a test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

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 procedures on the test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **M DAMODARAN & ASSOCIATES LLP**
M. DAMODARAN
Managing Partner
Membership No.: 5837
COP. No.: 5081
FRN: L2019TN006000
PR 3847/2023
ICSI UDIN:F005837H000457970

Place: Chennai
Date: May 25, 2026

SECRETARIAL COMPLIANCE REPORT OF SUNDARAM FINANCE LIMITED FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

Pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026)

We, M Damodaran & Associates LLP Practicing Company Secretaries, Chennai have examined:

a) all the documents and records made available to us and explanation provided by SUNDARAM FINANCE LIMITED ("the listed entity"),

b) the filings/ submissions made by the listed entity to the stock exchanges,

c) website of the listed entity,

d) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended March 31, 2026 ("Review Period") in respect of compliance with the provisions of:

   i. the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the regulations, circulars, guidelines issued there under; and

   ii. the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made there under and the regulations, circulars, guidelines issued there under by the Securities and Exchange Board of India ("SEBI");

The specific regulations prescribed under the SEBI Act whose provisions and the circulars/guidelines issued thereunder, (wherever applicable), have been examined, include:-

a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR');

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

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

d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

e) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

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

g) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client and ESOP;

h) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

i) Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993; and based on the above examination, We hereby report that, during the review period:

   a) The listed entity has complied with the provisions of the above regulations and circulars/ guidelines issued thereunder.

   b) The listed entity was not required to take any actions as there were no observations made by the Secretarial Auditor in previous reports.

   c) We hereby report that, during the review period the compliance status of the listed entity with the following requirements:

Sr. No.	Particulars	Compliance Status (Yes/No/ NA)	Observations/ Remarks by PCS
1.	**Secretarial Standards:** The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI).	Yes	–
2.	**Adoption and timely updation of the Policies:** • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entity • All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated, as per the amended regulations/ circulars/ guidelines issued by SEBI.	Yes Yes	– –

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/ Remarks by PCS
3.	**Maintenance and disclosures on Website:** • The listed entity is maintaining a functional website. • Timely dissemination of the documents/ information under a separate section on the website. • Web-links provided in annual corporate governance reports under Regulation 27(2) of SEBI LODR are accurate and specific which re-directs to the relevant document(s)/ section of the website.	 Yes Yes Yes	 – – –
4.	**Disqualification of Director:** None of the Director(s) of the listed entity are disqualified under Section 164 of Companies Act, 2013.	Yes	–
5.	**Details related to Subsidiaries of the listed entity:** (a) Identification of material subsidiary companies. (b) Requirements with respect to disclosure of material as well as other subsidiaries.	 Yes Yes	 – –
6.	**Preservation of Documents:** The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per the Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR.	Yes	–
7.	**Performance Evaluation:** The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations.	Yes	–
8.	**Related Party Transactions:** (a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; (b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ ratified/rejected by the Audit Committee.	 Yes Not Applicable	 – All transactions with related parties were entered after obtaining prior approval of Audit Committee
9.	**Disclosure of events or information:** The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR within the time limits prescribed thereunder.	Yes	–
10.	**Prohibition of Insider Trading:** The listed entity is in compliance with Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	–

Sr. No.	Particulars	Compliance Status (Yes/No/ NA)	Observations/ Remarks by PCS
11.	**Actions taken by SEBI or Stock Exchange(s), if any:** No actions has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by the SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the SEBI Regulations and circulars/ guidelines issued thereunder.	Yes	–
12.	**Resignation of statutory auditors from the listed entity or its material subsidiaries:** In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the SEBI Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026 in compliance with the provisions of the SEBI LODR Regulations by the listed entities.	Not Applicable	No resignation of the statutory auditor during the review period
13.	**Disclosure of Employee Benefit Scheme Documents:** The listed entity has complied with the requirements for disclosure of Employee Benefit Scheme Documents in terms of regulation 46(2)(za) of the SEBI LODR as mentioned in Clause 11 of Section VI-L of SEBI Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026.	Yes	–
14.	**No additional non-compliances observed:** No additional non-compliance observed under any of the SEBI regulations/circulars/ guidance notes etc.	Yes	–

Assumptions & limitation of scope and review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial records and books of account of the listed entity.
4. This report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (LODR) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For **M DAMODARAN & ASSOCIATES LLP**
M. DAMODARAN
Managing Partner
Membership No.: 5837
COP. No.: 5081
FRN: L2019TN006000
PR 3847/2023
ICSI UDIN:F005837H000457959

Place: Chennai
Date: May 25, 2026

Disclosure pursuant to Rule 5 of Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) & (ii) The ratio of the remuneration of each Director to the median and mean remuneration of the employees of the company for the financial year and the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Names of the Directors / Key Managerial Personnel	Ratio to Median Remuneration (times)	Ratio to Mean Remuneration (times)	Inc / Dec in Remuneration
Mr. S.Viji, Chairman	5.18	3.51	20.62%
Mr. T.T. Srinivasaraghavan	4.84	3.28	30.25%
Mr. Srivats Ram	3.44	2.33	20.93%
Dr. R. Raghuttama Rao	4.33	2.94	31.99%
Mr. L. Ganesh	3.89	2.63	28.95%
Mrs. Bhavani Balasubramanian	6.13	4.16	31.26%
Dr. Kshama Fernandes	4.86	3.30	46.61%
Mr. R. Venkatraman	4.18	2.83	39.82%
Ms. Anuradha Rao	3.70	2.51	22.54%
Mr. Harsha Viji, Executive Vice Chairman	124.10	84.15	17.59%
Mr. Rajiv C. Lochan, Managing Director	93.39	63.33	12.90%
Mr. A.N. Raju, Joint Managing Director *	68.94	46.75	14.43%
Mr. M. Ramaswamy, Chief Financial Officer	44.77	30.36	23.91%
Mr. P. N. Srikant, CCO & Company Secretary	10.71	7.26	13.15%

* Deputy Managing Director upto 31.03.2026

(iii) The percentage increase in the median remuneration of employees in the financial year: 9.28%

(iv) The number of permanent employees on the rolls of the Company: 5,344

(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average increase in salaries of employees other than managerial personnel in 2025-26 was 9.05%. Percentage increase in the managerial remuneration for the year was 10.19%.

(vi) Affirmation that the remuneration is as per the remuneration policy of the company.

The Company affirms that remuneration is as per the remuneration policy of the Company.

(vii) **Names of top ten employees in terms of remuneration drawn during the year 2025-26**

Sl. No	Name of the Employee	Designation	Remu-neration (₹ in cr)	Nature of Employement	Qualification and Experience	Date of Commencement of Employment	Date of Birth	Age	Last employment	% of equity shares	Relative of any director
1	Mr. Harsha Viji	Executive Vice Chairman	9.39	Contractual	B.Com, ACA, MBA (Ann Arbor, Michigan) Has nearly 3 decades of experience in areas of specialisation particularly, strategy formulation, joint venture negotiations, new business development.	14-11-2005	28-08-1975	50	McKinsey & Company and Price WaterHouse.	1.63	Son of Mr. S. Viji, Chairman
2	Mr. Rajiv C. Lochan	Managing Director	7.07	Contractual	B.Tech. (IIT), MS (MIT), MBA (Columbia Business School) Has 3 decades of experience in the field of management especially in the areas of finance, social sector, and public health. Formerly MD & CEO of The Hindu Group and Partner at McKinsey & Company.	03-06-2020	23-07-1971	54	Kasturi and Sons Ltd., publishers of The Hindu	0.01	–
3	Mr. A.N. Raju	Joint Managing Director*	5.22	Contractual	B.Sc (Engineering), MBA Has 4 decades of experience in the Automobile, Engineering, Finance and General Management.	02-07-1997	15-05-1959	67	G.E. Capital Services India Limited	0.04	–
4	Mr. M. Ramaswamy	Chief Financial Officer	3.39	Others	B.Sc. Statistics, ACA Has 4 decades of experience in accounts, taxation and treasury in finance services Industry.	07-06-1986	28-07-1961	64	Brahmayya & Co.	0.03	–
5	Mr. Sudheer Warrier	Chief Technology & Digital Officer	1.87	Others	B.E. (Computer Science) Has 3 decades of experince in Information & Technology Industry.	03-01-2022	20-05-1967	59	Tata Consultancy Services	–	–
6	Mr. Rajesh Venkat	Senior Vice President & Head – Tamil Nadu Region & Analytics	1.72	Others	B.A. (Economics), MBA Has more than 2 decades of experience in financial services industry.	01-07-2017	27-08-1974	51	Sundaram Business Services Limited	–	–

* Deputy Managing Director upto 31.03.2026

Sl. No	Name of the Employee	Designation	Remu-neration (₹ in cr)	Nature of Employement	Qualification and Experience	Date of Commencement of Employment	Date of Birth	Age	Last employment	% of equity shares	Relative of any director
7	Ms. Bama Balakrishnan	Senior Vice President - Finance	1.57	Others	B.Com, ICWA, PGDM(IIM Ahmedabad), Awarded CFA charter, Member of CFA Institute and CFA Society India. Has more than 2 decades of experience in banking and financial services industry.	07-10-2024	28-11-1975	50	Northern Arc Capital Limited	–	–
8	Mr. Moahan Ananda Venkatesan$	Senior Vice President & Head – HO Operations	1.32	Others	B. Com, ACA, CPA (Australia), Certified Internal Auditor (Institute of Internal Auditors, Australia) Has nearly 4 decades of experience in Banking and Finance Industry.	01-04-2021	02-10-1962	63	Sundaram Home Finance Limited	0.30	–
9	Mr. N. Ramachandran	Executive Director	1.21	Others	M.Com Has over 4 decades of experience in Automobile & Financial industry.	01-12-1980	23-05-1957	69	–	–	–
10	Mr. M.J. Kulkarni	National Head - MH & CE	1.09	Others	B.Com., PGDMM Has 4 decades of experience in Automobile & Financial industry.	11-09-1985	08-03-1960	66	M G Automobiles	–	–

$ Retired on 31.03.2026

Disclosure under Rule 12 (9) of the Companies (Share Capital and Debentures) Rules, 2014 read with Clause 14 of the SEBI (Share Based Employee Benefits) Regulations, 2021

"The Sundaram Finance Employee Stock Options Scheme-2008 (the "SCHEME") came into existence with effect from 24th July 2008, pursuant to the approval obtained from the shareholders. The scheme was framed with the object of granting equity stock options not exceeding 1% of the paid-up capital of the Company (adjusted for corporate actions, if any) in one or more tranches, to eligible employees and Directors of the Company and its subsidiaries. The Scheme is being administered by the Nomination, Compensation and Remuneration Committee (NCRC), through the Sundaram Finance Employees Welfare Trust. On 28th May 2021, based on the recommendations of the NCRC, the Board of Directors modified the "SCHEME" by introducing "Stock Appreciation Rights" (SARs).

Accordingly, the Board of Directors grants Stock Options / SARs to the eligible employees / Directors of the Company and its subsidiaries based on the recommendations of the NCRC.

Sl. No	Particulars	Sundaram Finance Employee Stock Option Scheme - 2008
(a)	Options Granted from the introduction of the Scheme	3,03,429
	Stock Appreciation Rights (SARs) from the introduction of SARs #	4,918
(b)	Exercise Price	₹10/- per share (at par)
(c)	Options vested	2,39,931
	SAR Vested	4,752
(d)	Options exercised	2,35,621
	SARs paid	4,752
(e)	The total number of shares arising as a result of exercise of Option	2,35,621
(f)	Options lapsed/cancelled*	4,521
	SAR lapsed/cancelled**	166
(g)	Variation of terms of Options	Not Applicable
(h)	Money realized by exercise of Option (Amount `)	23,56,210
(i)	Total number of Options in force	63,287
(j)	Total number of SAR in force	–

Sl. No	Particulars		Sundaram Finance Employee Stock Option Scheme - 2008
(k)	**Employee-wise details of Options / SARs granted on 26th May 2025 (Grant 17) & 25th May 2026 (Grant 18)**		
			Options
	i) Key Managerial Personnel	1. Mr. Rajiv C. Lochan, Managing Director	3,278
		2. Mr. A.N. Raju, Joint Managing Director[@]	1,171
		3. Mr. M. Ramaswamy, Chief Financial Officer	1,097
		4. Mr. P.N. Srikant, CCO & Company Secretary	147
	ii) Any other employee who receives a grant in any one year of Option amounting to 5% or more of Option granted during that year/s:	Not Applicable	
	iii) Identified employees who were granted Option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Not Applicable	

[#] SARs granted as per Scheme

*Details of Options Cancelled before Vesting

Financial Year	No. of Options	Remarks
2020-21	750	As per the advice of the Regulator
2021-22	400	As per the terms of the Scheme
2022-23	218	
2023-24	779	
2024-25	1500	
2025-26	874	

**Details of SARs Cancelled before Vesting

Financial Year	No. of SARs	Remarks
2022-23	54	As per the terms of the Scheme
2023-24	88	
2024-25	24	

[@] Deputy Managing Director upto 31.03.2026

Other details relating to stock Options granted have been furnished vide Note No. 41 forming part of the Notes to the Accounts.

Financial Highlights

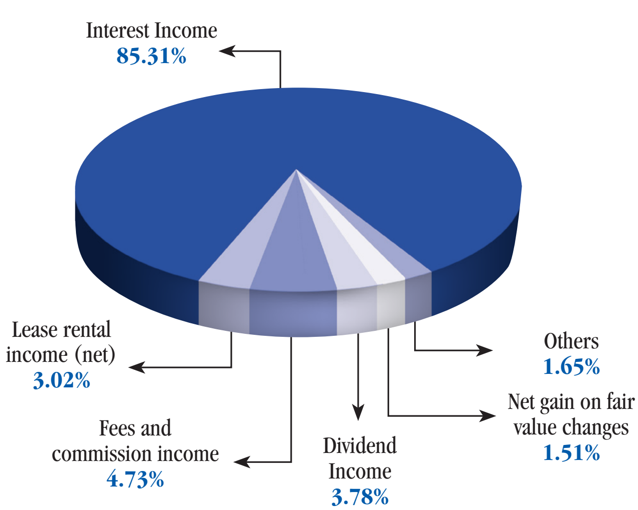
(₹ in cr.)

Year	Paid-up Capital	Reserves	Deposits	Borrowings	Total Receivables	PBDT	PAT	Dividend %	Dividend Amount
1954	0.02		0.10	0.10	0.10				
1972	1.00	0.58	8.35	8.37	9.86	0.73	0.30	16.00	0.16
1976	1.50	0.99	13.57	14.44	19.87	1.78	0.67	16.00	0.24
1978	2.00	1.37	14.65	19.47	27.18	2.01	0.77	18.00	0.36
1982	3.00	3.00	45.20	58.42	76.60	4.28	1.58	20.00	0.60
1986	6.00	6.59	104.10	125.60	184.66	10.35	2.67	16.00	0.96
1990-91	12.00	30.24	201.02	334.29	483.21	34.69	12.01	25.00	3.00
1995-96	24.00	204.31	550.44	1,138.69	1,637.05	127.50	64.92	35.00	8.40
2004-05	27.78	655.22	740.25	3,806.38	4,488.30	144.55	75.99	75.00	21.87
2008-09	55.55	1,097.12	940.06	6,275.77	9,203.53	257.47	150.73	65.00	36.11
2012-13	111.10	1,974.72	1,476.99	11,487.36	17,644.58	674.11	410.11	90.00	99.99
2021-22	111.10	6,781.99	4,103.19	27,887.81	33,774.00	1,249.54	903.41	200.00	222.21
2022-23	111.10	7,626.30	4,709.17	32,815.35	39,950.00	1,513.50	1,088.31	270.00	299.98
2023-24	111.10	9,360.59	5,584.93	40,925.11	51,385.00	1,962.27	1,454.01*	300.00	333.30
2024-25	111.10	11,028.00	6,094.08	47,385.25	60,290.00	2,229.80	1,542.65	350.00	388.86
2025-26	111.10	12,604.29	6,216.24	54,641.97	70,137.00	2,557.83	1,834.17	400.00	444.42

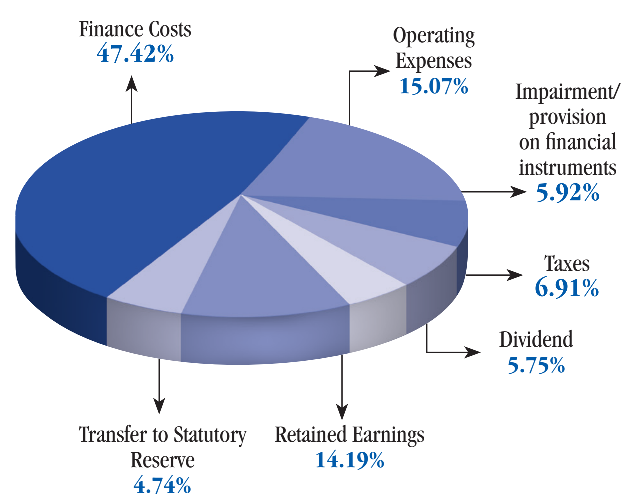
* includes an amount of ₹120.45 cr. towards exceptional income on account of sale of shares in TSF Investments Limited (formerly known as Sundaram Finance Holdings Limited).

Sources and Distribution of Income (2025-26)
₹7,734.48 cr.

SOURCES



DISTRIBUTION



INDEPENDENT AUDITORS' REPORT

To the Members of Sundaram Finance Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Sundaram Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and notes to Financial Statements including summary of Material Accounting Policies and other explanatory information ("Standalone 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 prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its profit and total comprehensive income, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditors' 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 ("ICAI") 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1	**Information Technology (IT)**	
	Evaluation of Company's IT systems and Controls: The Company's key financial accounting and reporting processes are dependent on Information Technology Systems. High volume of transactions are processed and recorded on single or multiple applications. Appropriate IT general controls including application controls are required to ensure applications process the data as expected which is essential for reliability in Financial Reporting. We have considered this to be a Key Audit Matter taking into account the significance of the IT environment and related controls in processing large number of transactions on a daily basis across multiple modules.	As part of our audit procedures with respect to this matter, we: • Obtained an understanding of the Company's revised IT policy, IT environment & infrastructure and the controls in place; • Evaluated the reports of the independent Information Systems Auditor, pertaining to IT general controls including application controls, as well as the adequacy of the management's actions to address the observations, if any. • Tested the design and operating effectiveness of IT general controls and application controls, change management controls, password management, user access management and data backup management.
2	**Impairment Loss Allowance / ECL on Loans**	
	Under Ind AS 109, "Financial Instruments", allowance for loan losses is determined using Expected Credit Loss ('ECL') estimation model. During the year, the Company has reviewed and refined its ECL model as a part of its continuous evaluation of the model. The estimation of ECL on financial instruments requires management judgement and estimates, and include the following elements to be considered. • Variables - The key variables which are involved in the computation of ECL include staging, exposure at default, forecasting, probability of default ("PD") and loss given default ("LGD"), which need to be verified for their correctness and basis of estimation. • Data inputs - The application of ECL model requires complete and accurate data inputs from the loan books of the Company as well as the business environment. • Quantitative Factors – The PD and LGD of each loan depends on both the Company's ECL policy as well as certain quantitative factors such as level of security, geography, credit information, arrears and other macro-economic factors as well. We have considered this to be a Key Audit Matter on account of the level of judgment and estimation involved, extensiveness of the Company's ECL model, updates made to the model from time to time and overall importance of ECL in Financial reporting and compliance.	Our audit procedures were focussed on assessing the appropriateness of the management's judgement and estimates used in the impairment analysis, as well as verifying the completeness and accuracy of the data involved. As part of these audit procedures, we: • Evaluated the Company's refined ECL methodology. • Assessed the design, implementation and operating effectiveness of controls over accuracy and completeness of the source data, stage-wise classification of loans, identification of NPA accounts and measurement of provision; • Tested the relevance and reasonableness of the economic forecasts, weights, and model assumptions applied, while determining the Probability of Default (PD) and Loss Given Default (LGD); • Ensured that changes to the model have been appropriately given effect to while computing the ECL amount; • Re-performed the ECL computation, to the extent feasible; • Ensured adequacy of disclosures made with respect to impairment of loans in the Financial Statements; and • Assessed as to whether the disclosures on key judgements, assumptions, qualitative and quantitative data including relevant regulatory compliance and disclosures with respect to impairment of loans in the Financial Statements are adequate, and obtained written management representations as appropriate.

Information Other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the financial highlights, Board's report, corporate governance report, but does not include the Standalone Financial Statements and our Auditors' Report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is 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 financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards 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 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.

In preparing the Standalone Financial Statements, the Board of Directors is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the audit of the 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, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- 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.

- Obtain an understanding of internal financial 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 in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of 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 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.

- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

  Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

  We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

  We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

  From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current year 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 (Auditor's Report) Order, 2020("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in "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.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

   (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows 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 Indian Accounting Standards specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors, taken on record by the Board of Directors, none of the directors are 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.

   (g) In our opinion and according to the information and 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 read with Schedule V to the Act.

   (h) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 43.03 to the Standalone Financial Statements.

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. During the year, there were two instances of delays in transfer of part of unclaimed dividend to Investor Education and Protection Fund (IEPF) amounting to ₹ 2.73 lakhs which were transferred prior to 31st March 2026.

iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf 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 have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures that we 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 (a) and (b) above contain any material misstatement.

v. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Companies Act 2013. As stated in Note 43.13 to the Standalone Financial Statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software.

Further, during the course of our audit, we did not come across any instance of the audit trail (edit log) feature being tampered with. Additionally, the audit trail (edit log) has been preserved by the Company as per the statutory requirements for record retention.

For **Brahmayya & Co.**
Chartered Accountants
Firm Registration Number – 000511S

L. Ravi Sankar
Partner
Membership Number: 025929
UDIN: 26025929JQYYQT7464

For **R.G.N. Price & Co**
Chartered Accountants
Firm Registration Number – 002785S

K. Venkatakrishnan
Partner
Membership No. 208591
UDIN: 26208591SKUCDK9479

Place: Chennai
Date: 25th May 2026

Annexure A to the Independent Auditors' report on the Standalone Financial Statements of Sundaram Finance Limited for the year ended 31 March 2026

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act and as per the information and explanation provided to us, we give a statement on the matters Specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of its property, plant and equipment, asset held for sale and right of use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of its property, plant and equipment and investment properties by which the property, plant and equipment, investment properties, assets held for sale and Right of Use assets are verified by the management according to a phased programme designed to cover all the items over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its property, plant and equipment and investment properties. In accordance with the programme, the Company has physically verified certain property, plant and equipment, asset held for sale, Right of Use assets and investment properties during the year and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable property (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not revalued its property, plant and equipment (including Right of Use assets) or intangible assets during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated against the Company for holding Benami property under the "Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder.

(ii) (a) The Company is in the business of providing loans and does not have any physical inventories. Accordingly, the provision of clause 3(ii)(a) of the Order is not applicable to it.

(b) Based on the information and explanations given to us, and as disclosed in Note no. 20, the Company has been sanctioned working capital limits from banks in excess of ₹5 crores in aggregate, on the basis of security of book debts during the year. The periodic statements filed by the Company with such banks are in agreement with the books of accounts.

(iii) (a) Since the Company's principal business is to give loans, the provisions of clause 3(iii)(a) of the Order are not applicable to it.

(b) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the terms and conditions of the grant of all loans & advances and investments made are not observed to be prejudicial to the Company's interest.

(c) & (d) The company, being a Non-Banking Financial Company ('NBFC'), registered under provisions of the Reserve Bank of India Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors repayments of principal and payment of interest by its borrowers as stipulated. In cases where repayment of principal or payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting.

(e) Since the Company's principal business is to give loans, the provisions of clause 3(iii)(e) of the Order are not applicable to it.

(f) According to the information and explanations given to us, the Company has not granted any loans or advances in the nature of loans to Promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013 either repayable on demand or without specifying any terms or period of repayment.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act, with respect to loans granted, guarantees provided and investments made by the Company. The Company has not provided any security during the year to the parties covered under Sections 185 and 186 of the Act.

(v) In our opinion, the Company had complied with the directive issued by the Reserve Bank of India with regards to the deposits accepted and amounts deemed to be deposits during the year. According to the information and explanation given to us, the provisions of Section 73 to 76 and any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules 2014 (as amended) are not applicable to the Company being a Non-Banking Financial Company registered with the RBI. We are informed by the Management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.

(vi) The Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Act for any of the services rendered by the Company. Accordingly, the provision of the clause (vi) of the Order is not applicable.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records provided to us, the Company is generally regular in depositing amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Employees' Provident Fund, Income tax, value added tax , Service tax, Goods and Services Tax, Cess and other material statutory dues applicable, with the appropriate authorities. There are no undisputed statutory dues payable in respect to the above statutes, outstanding as at March 31, 2026, for a period of more than six months from the date they became payable. Sales tax, duty of customs and duty of excise are not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, it did not have dues which have not been deposited as on March 31, 2026, on account of any disputes, except the following:

Name of the statute	Nature of dues	Amount ₹ Crores	Period to which the amount relates	Forum where dispute is pending
Income Tax Act 1961	Income Tax	2.40	2023-24	Commissioner of Income Tax (Appeals)
Income Tax Act 1961	Income Tax	17.25	2021-22	ITAT, Chennai
Value Added Tax	Value Added Tax – Repossesed Assets	0.18	2010-11 to 2012-13, 2014-15 and 2015-16	Joint Commissioner
Value Added Tax	Value Added Tax – Repossesed Assets	2.41	2006-07 to 2014-15	Appellate Tribunal
Value Added Tax	Value Added Tax	2.50	2005-06 & 2006-07 & 2014-15 to 2017-18	High Court
Service Tax	Service Tax	18.26	2001-02 to 2010-11	High Court
Service Tax	Service Tax	3.52	2010-11 to 2015-16	CESTAT
Goods & Service Tax	Goods & Service Tax	7.27	2017-18 & 2018-19 & 2019-20 & 2020-21 & 2021-22	Joint Commissioner of GST(Appeals)
Goods & Service Tax	Goods & Service Tax	0.04	2018-19 & 2021-22	Deputy Commissioner of GST (Appeals)

(viii) According to the information and explanations given to us, there are no transactions in the nature of undisclosed income or income surrendered during the year in the tax assessments under the Income-tax Act, 1961 which needs to be accounted in the books of accounts. Accordingly, the reporting under Clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) As represented, the Company has not been declared as a wilful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company we report that no funds raised on short-term basis have been utilised for long-term purposes.

(e) According to the information and explanations given to us and on an overall examination of the 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 subsidiaries or joint venture.

(f) According to the information and explanations given to us and based on the audit procedures performed by us, we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries or joint venture company. Accordingly, the reporting under Clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer/ further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting under Clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any material fraud on the Company noticed or reported during the year, nor have we been informed of any such case by the management.

(b) There has been no report filed by us under sub-section (12) of Section 143 of the Act in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaint received and resolved by the Company during the year while determining the nature, timing and extent of audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under Clause 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS Financial Statements as required under applicable Ind AS.

(xiv) (a) In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.

(b) We have considered, during the course of our audit, the reports of the Internal Auditor(s) for the period under audit in accordance with the guidance provided in SA 610 "Using the work of Internal Auditors".

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, it has not entered into non-cash transactions with Directors or persons connected with them.

(xvi) (a) In our opinion, the Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained valid registration under the said section of the said Act.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clauses 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations given to us and the audit procedures performed by us, we report that the Group has eight unregistered Core Investment Companies.

(xvii) In our opinion and according to the information and explanations given to us, the Company has not incurred cash loss during this financial year as well as in the immediately preceding financial year.

(xviii) There has been no resignation of the Statutory Auditors as referred under Section 140(2) of the Act during the year.

(xix) In our opinion and according to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, along with details provided in Note 44.04 to the Ind AS Financial statements which describe the maturity analysis of assets & liabilities and other information accompanying the Ind AS Financial Statements and also our knowledge of the plans of Board of Directors and of Management, we are of the opinion that no material uncertainty exists as on the date of the audit report and that the company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) According to the information and explanations given to us, the Company has no unspent amount that needs to be transferred to a Fund specified in Schedule VII to the Act in compliance with second proviso to sub-section (5) of Section 135 of the Act.

(b) According to the information and explanations given to us, the Company has no unspent amount which needs to be transferred to a special account in compliance with sub-section (6) of Section 135 of the Act.

For **Brahmayya & Co.**
Chartered Accountants
Firm Registration Number – 000511S

L. Ravi Sankar
Partner
Membership Number: 025929
UDIN: 26025929JQYYQT7464

For **R.G.N. Price & Co**
Chartered Accountants
Firm Registration Number – 002785S

K. Venkatakrishnan
Partner
Membership No. 208591
UDIN: 26208591SKUCDK9479

Place: Chennai
Date: 25th May 2026

Annexure B to the Independent Auditors' report on the Standalone Financial Statements of Sundaram Finance Limited for the year ended 31 March 2026

(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 the Standalone Financial Statements of Sundaram Finance Limited ("the Company") as at 31 March 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 is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing("SA"), 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 SAs and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the 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 system with reference to the Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Financial Statements included obtaining an understanding of internal financial controls with reference to the 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 auditors' judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to the Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to the Standalone Financial Statements

A Company's internal financial controls with reference to the Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the Standalone Financial Statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to the Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to the 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 the Standalone Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2026, based on the criteria for internal financial controls with reference to Standalone Financial Statements 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.

For **Brahmayya & Co.**
Chartered Accountants
Firm Registration Number – 000511S

L. Ravi Sankar
Partner
Membership Number: 025929
UDIN: 26025929JQYYQT7464

For **R.G.N. Price & Co**
Chartered Accountants
Firm Registration Number – 002785S

K. Venkatakrishnan
Partner
Membership No. 208591
UDIN: 26208591SKUCDK9479

Place: Chennai
Date: 25th May 2026

Standalone Balance Sheet

as at 31st March, 2026

(₹ in crores)

Particulars	Note	March 31, 2026	March 31, 2025
ASSETS			
Financial Assets			
Cash and cash equivalents	5	345.24	208.42
Bank Balances	6	952.88	1,766.11
Derivative financial instruments (net)	7	27.60	–
Receivables	8		
(I) Trade receivables		25.10	19.29
(II) Other receivables		30.60	38.56
Loans	9	56,529.51	49,373.96
Investments	10	9,408.27	6,862.59
Other Financial Assets	11	18.24	17.88
Non-Financial Assets			
Current tax assets (Net)	12	–	43.41
Investment Property	13	71.12	74.66
Assets held for sale	13	11.44	19.48
Property, Plant and Equipment	14	576.26	555.36
Right-of-use assets	15	107.44	85.16
Intangible assets under development	16	3.52	0.45
Other intangible assets	16	14.41	15.44
Other non-financial assets	17	102.98	134.03
Total Assets		**68,224.61**	**59,214.80**
LIABILITIES AND EQUITY			
Liabilities			
Financial Liabilities			
Derivative financial instruments (net)	7	–	26.13
Payables	18		
(I) Trade Payables			
(i) Total outstanding dues of micro enterprises and small enterprises		2.49	2.42
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		128.80	173.87
(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		20.52	15.94
Debt securities	19	20,591.65	16,245.96
Borrowings (Other than debt securities)	20	24,986.62	22,131.48
Deposits	21	6,470.11	6,358.22
Subordinated liabilities	22	2,542.00	2,584.45
Other financial liabilities	23	502.99	419.84
Non-Financial Liabilities			
Provisions	24	99.59	51.01
Other non-financial liabilities	25	51.79	43.05
Current tax Liabilities (Net)	12	86.65	–
Deferred tax liabilities (Net)	12	26.01	23.33
Equity			
Equity share capital	26	111.10	111.10
Other equity*	26	12,604.29	11,028.00
Total Liabilities and Equity		**68,224.61**	**59,214.80**

Material Accounting policies and Notes to the Standalone Financial Statements 1-47

* Refer Statement of Changes in Equity

As per our report of even date attached
For **Brahmayya & Co.,**
Chartered Accountants
Firm Regd. No. 000511S
L Ravi Sankar
Partner
Membership No. 025929
For **R.G.N. Price & Co.,**
Chartered Accountants
Firm Regd. No. 002785S
K Venkatakrishnan
Partner
Membership No. 208591
Place : Chennai
Date : May 25, 2026

S. Viji
Chairman
DIN: 00139043

Harsha Viji
Executive Vice Chairman
DIN: 00602484

Bhavani Balasubramanian
Director
DIN: 09194973

Rajiv C. Lochan
Managing Director
DIN: 05309534

A.N. Raju
Joint Managing Director
DIN:00036201

M. Ramaswamy
Chief Financial Officer
ACA: 024937

P.N. Srikant
CCO & Company Secretary
ACS: 17154

Statement of Standalone Profit and Loss

for the year ended 31st March, 2026

(₹ in crores)

Particulars	Note	2025-26	2024-25
Revenue from operations			
Interest Income	27	6,597.98	5,648.15
Lease Rental income (Net)		233.45	205.80
Fees and Commission Income	28	365.66	336.88
Dividend Income		292.61	168.08
Income from other Services		22.48	14.87
Recovery of Bad debts		50.85	43.27
Net gain on fair value changes	29	116.72	103.39
Net gain on derecognition of financial instruments under amortised cost category		3.21	–
Total Revenue from operations		**7,682.96**	**6,520.44**
Other Income	30	51.52	75.63
Total Income		**7,734.48**	**6,596.07**
Expenses			
Finance cost	31	3,668.01	3,253.95
Employee benefit expenses	32	723.12	643.04
Administrative & other expenses	33	253.10	227.77
Depreciation & amortisation		189.18	168.12
Impairment/Provisions on financial instruments	34	457.67	241.51
Total expenses		**5,291.08**	**4,534.39**
Profit/(loss) before exceptional items and tax		**2,443.40**	**2,061.68**
Exceptional item-Impact of new Labour Codes	35	74.75	–
Profit/(loss) before tax		**2,368.65**	**2,061.68**
Tax expense	12	**534.48**	**519.03**
Current tax		564.19	470.87
Deferred tax		(29.71)	48.16
Profit/(loss) after tax for the year		**1,834.17**	**1,542.65**
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss :			
Fair value change on Equity / Preference shares		131.91	472.43
Remeasurements of the defined benefit plans		(7.16)	(6.02)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(17.06)	4.61
Sub-total (A)		**107.69**	**471.02**
B (i) Items that will be reclassified to profit or loss:			
Fair value change on cashflow hedge		53.73	(26.13)
(ii) Income tax relating to items that will be reclassified to profit or loss		(13.52)	6.58
Sub-total (B)		**40.21**	**(19.55)**
Other Comprehensive Income (A + B)		**147.90**	**451.47**
Total Comprehensive Income for the year		**1,982.07**	**1,994.12**
Earnings per equity share of ₹10/- each			
Basic & diluted (₹)		165.09	138.85

Material Accounting policies and Notes to the Standalone Financial Statements 1-47

As per our report of even date attached
For **Brahmayya & Co.,**
Chartered Accountants
Firm Regd. No. 000511S
L Ravi Sankar
Partner
Membership No. 025929
For **R.G.N. Price & Co.,**
Chartered Accountants
Firm Regd. No. 002785S
K Venkatakrishnan
Partner
Membership No. 208591
Place : Chennai
Date : May 25, 2026

S. Viji
Chairman
DIN: 00139043

Harsha Viji
Executive Vice Chairman
DIN: 00602484

Bhavani Balasubramanian
Director
DIN: 09194973

Rajiv C. Lochan
Managing Director
DIN: 05309534

A.N. Raju
Joint Managing Director
DIN:00036201

M. Ramaswamy
Chief Financial Officer
ACA: 024937

P.N. Srikant
CCO & Company Secretary
ACS: 17154

Statement of Changes in Equity for the year ended 31st March, 2026

a) Equity Share Capital (₹ in crores)

Particulars	Amount
Balance as at 31st March, 2024	**111.10**
Changes in equity share capital during the year	–
Balance as at 31st March, 2025	**111.10**
Changes in equity share capital during the year	–
Balance as at 31st March, 2026	**111.10**

b) Other equity (₹ in crores)

Particulars	Reserves and Surplus					Other Comprehensive Income		Total
	Capital Reserve	Share Options Outstanding Account	Statutory Reserve	General Reserve	Retained Earnings	Equity / Preference shares through OCI	Effective portion of cash flow hedge	
Balance as at 31st March 2024	**6.60**	**6.83**	**2,217.43**	**3,507.60**	**3,018.66**	**603.47**	**–**	**9,360.59**
Changes in accounting policy or prior period errors	–	–	–	–	–	–	–	–
Restated balance as at 31st March 2024	**6.60**	**6.83**	**2,217.43**	**3,507.60**	**3,018.66**	**603.47**	**–**	**9,360.59**
(A) Profit After tax for the year	–	–	–	–	1,542.65	–	–	1,542.65
(B) Other comprehensive income:								
Remeasurements of the defined benefit plans	–	–	–	–	(4.50)	–	–	(4.50)
Fair value change on Equity / Preference shares	–	–	–	–	–	475.55	–	475.55
Fair value change on cashflow hedge	–	–	–	–	–	–	(19.55)	(19.55)
Total Comprehensive income for the year (A)+(B)	–	–	–	–	**1,538.15**	**475.55**	**(19.55)**	**1,994.15**
Dividend payout (Final) – FY 23-24	–	–	–	–	(177.77)	–	–	(177.77)
Dividend payout (Interim) – FY 24-25	–	–	–	–	(155.56)	–	–	(155.56)
Options Granted during the year	–	6.43	–	–	–	–	–	6.43
Cost of shares transferred on exercise of option	–	(0.02)	–	–	–	–	–	(0.02)
Shares Forfeited	–	(0.38)	–	–	–	–	–	(0.38)
Deferred Employee Compensation Cost	–	0.54	–	–	–	–	–	0.54
Movement on account of Share Options	–	(1.22)	–	1.22	–	–	–	–
Transfer to Statutory reserve	–	–	–	–	(308.53)	–	–	(308.53)
Transfer from Retained earnings	–	–	308.53	–	–	–	–	308.53
Balance as at 31st March 2025	**6.60**	**12.18**	**2,525.96**	**3,508.82**	**3,914.95**	**1,079.02**	**(19.55)**	**11,028.00**

Statement of Changes in Equity for the year ended 31st March 2026

(₹ in crores)

Particulars	Reserves and Surplus					Other Comprehensive Income		Total
	Capital Reserve	Share Options Outstanding Account	Statutory Reserve	General Reserve	Retained Earnings	Equity / Preference shares through OCI	Effective portion of cash flow hedge	
Balance as at 31st March, 2025	**6.60**	**12.18**	**2,525.96**	**3,508.82**	**3,914.95**	**1,079.02**	**(19.55)**	**11,028.00**
Changes in accounting policy or prior period errors	–	–	–	–	–	–	–	-
Restated balance as at 31st March, 2025	**6.60**	**12.18**	**2,525.96**	**3,508.82**	**3,914.95**	**1,079.02**	**(19.55)**	**11,028.00**
(A) Profit After tax for the year	–	–	–	–	1,834.17	–	–	1,834.17
(B) Other comprehensive income:								
Remeasurements of the defined benefit plans	–	–	–	–	(5.35)	–	–	(5.35)
Fair value change on Equity / Preference shares	–	–	–	–	–	113.04	–	113.04
Fair value change on cashflow hedge	–	–	–	–	–	–	40.21	40.21
Total Comprehensive income for the year (A)+(B)	**–**	**–**	**–**	**–**	**1,828.82**	**113.04**	**40.21**	**1,982.07**
Dividend payout (Final) – FY 24–25	–	–	–	–	(233.32)	–	–	(233.32)
Dividend payout (Interim) – FY 25–26	–	–	–	–	(177.77)	–	–	(177.77)
Options Granted during the year	–	5.13	–	–	–	–	–	5.13
Cost of shares transferred on exercise of option	–	(0.02)	–	–	–	–	–	(0.02)
Shares Forfeited	–	(0.47)	–	–	–	–	–	(0.47)
Deferred Employee Compensation Cost	–	0.67	–	–	–	–	–	0.67
Movement on account of Share Options	–	(0.83)	–	0.83	–	–	–	–
Transfer to Statutory reserve	–	–	–	–	(366.83)	–	–	(366.83)
Transfer from Retained earnings	–	–	366.83	–	–	–	–	366.83
Balance as at 31st March, 2026	**6.60**	**16.68**	**2,892.79**	**3,509.65**	**4,965.85**	**1,192.06**	**20.66**	**12,604.29**

Description of nature and purpose of other equity:

a) Capital Reserve: Represents reserve created on account of amalgamations and arrangements.

b) Share Options Outstanding Account: Represents reserve on grant of option to employees of the company / group company under Employee Stock option Scheme.

c) Statutory reserve: Represents reserve created as per Section 45-IC of the Reserve Bank of India Act, 1934.

d) General reserve: Represents amount appropriated from retained earnings.

e) OCI Reserve : Equity/ Preference : represents the cumulative gains / losses arising on the fair valuation of equity / preference instruments measured at fair value through Other Comprehensive Income.

f) OCI Reserve : Cash flow hedge : Effective portion of cash flow hedges represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges.

As per our report of even date attached
For **Brahmayya & Co.,**
Chartered Accountants
Firm Regd. No. 000511S

L Ravi Sankar
Partner
Membership No. 025929

For **R.G.N. Price & Co.,**
Chartered Accountants
Firm Regd. No. 002785S

K Venkatakrishnan
Partner
Membership No. 208591

Place : Chennai
Date : May 25, 2026

S. Viji
Chairman
DIN: 00139043

Rajiv C. Lochan
Managing Director
DIN: 05309534

Harsha Viji
Executive Vice Chairman
DIN: 00602484

A.N. Raju
Joint Managing Director
DIN:00036201

Bhavani Balasubramanian
Director
DIN: 09194973

M. Ramaswamy
Chief Financial Officer
ACA: 024937

P.N. Srikant
CCO & Company Secretary
ACS: 17154

Cash Flow Statement for the year ended 31st March, 2026

(₹ in crores)

Particulars	2025-26		2024-25	
A. CASH FLOW FROM OPERATING ACTIVITIES:				
Profit before tax	2,368.65		2,061.68	
Add: Finance costs	3,668.01	6,036.66	3,253.95	5,315.63
Depreciation and Amortisation expense		189.18		168.12
Impairment/Provisions on financial instruments		457.67		241.51
(Gain)/loss on sale of property, plant and equipment		12.52		(28.59)
Share-based payment expense		4.49		5.16
Interest income from Investments		(345.36)		(239.88)
Net gain on fair value changes		(116.72)		(103.39)
Net gain on derecognition of financial instruments under amortised cost category		(3.21)		–
Dividend income		(292.61)		(168.08)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		**5,942.62**		**5,190.48**
(Increase)/Decrease in Leased assets - net of sales	(161.39)		(205.20)	
(Increase)/Decrease in Bank deposits	814.04		(781.27)	
(Increase)/Decrease in SLR Investments (net)	(598.98)		(633.10)	
(Increase)/ Decrease in trade and other receivables	28.25		(12.64)	
(Increase)/ Decrease in Loans	(7,611.54)		(7,608.48)	
(Increase)/ Decrease in Other financial assets	(0.65)		(0.12)	
(Increase)/ Decrease in Non financial assets	(188.00)		(219.09)	
Increase/ (Decrease) in trade and other payables	(40.42)		52.16	
Increase/(Decrease) in financial liabilities	46.21		30.76	
Increase/(Decrease) in other non-financial liabilities and provisions	48.96	(7,663.52)	10.66	(9,366.32)
Cash generated from / (used in) Operations		(1,720.90)		(4,175.84)
Financial costs	(3,069.93)		(2,785.36)	
Income Taxes Paid	(213.84)	(3,283.77)	(89.07)	(2,874.43)
NET CASH FROM / (USED IN) OPERATING ACTIVITIES (A)		**(5,004.67)**		**(7,050.27)**

(₹ in crores)

Particulars	2025-26		2024-25	
B. CASH FLOW FROM INVESTING ACTIVITIES:				
Payment for purchase and construction of property, plant and equipment		(35.59)		(25.77)
Payment for purchase and generation of intangible assets/ movement in Intangibles under development		(7.53)		(9.96)
Purchase of other investments		(42,861.72)		(27,019.68)
Sale of other investments		41,189.94		27,785.15
Proceeds from sale of property, plant and equipment, intangible assets and investment property		14.40		43.23
Interest received from Investments		295.94		178.55
Dividend income		292.61		168.08
NET CASH FROM / (USED IN) INVESTING ACTIVITIES (B)		**(1,111.95)**		**1,119.60**
C. CASH FLOW FROM FINANCING ACTIVITIES:				
Payment of Lease liability		(26.70)		(21.54)
Debt securities, deposits, sub-ordinated liabilities and other borrowings :				
Availment		39,509.51		34,793.12
Repayment		(32,818.28)		(28,821.38)
Dividend Paid		(411.09)		(333.33)
NET CASH FROM / (USED IN) FINANCING ACTIVITIES (C)		**6,253.44**		**5,616.87**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A)+(B)+(C)		**136.82**		**(313.80)**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		208.42		522.22
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		**345.24**		**208.42**
COMPONENTS OF CASH AND CASH EQUIVALENTS				
AT THE END OF THE YEAR				
Cash, Cheques & drafts on hand		41.67		61.36
Balances with Banks		303.57		147.06
		345.24		**208.42**

As per our report of even date attached
For **Brahmayya & Co.,**
Chartered Accountants
Firm Regd. No. 000511S
L Ravi Sankar
Partner
Membership No. 025929
For **R.G.N. Price & Co.,**
Chartered Accountants
Firm Regd. No. 002785S
K Venkatakrishnan
Partner
Membership No. 208591
Place : Chennai
Date : May 25, 2026

S. Viji
Chairman
DIN: 00139043

Harsha Viji
Executive Vice Chairman
DIN: 00602484

Bhavani Balasubramanian
Director
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A.N. Raju
Joint Managing Director
DIN:00036201

M. Ramaswamy
Chief Financial Officer
ACA: 024937

P.N. Srikant
CCO & Company Secretary
ACS: 17154

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

General information:

Sundaram Finance Limited ('the Company') is a Public Limited Company incorporated in India, having Corporate Identification Number (CIN) - L65191TN1954PLC002429 with its registered office located at No.21, Patullos Road, Chennai – 600 002. The Company is registered as a Non-Banking Finance Company (Deposit taking) with Reserve Bank of India and is primarily engaged in the business of financing of Commercial vehicles, Cars, construction equipment and other vehicles in the retail segment.

The equity shares of the Company are listed on the National Stock Exchange of India Limited.

1. BASIS OF PREPARATION AND PRESENTATION

1.1 Statement of Compliance

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Companies Act, 2013 (the "Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The Balance Sheet, Statement of Profit and Loss, Statement of Cash Flow and Statement of Changes in Equity are together referred as the financial statement of the Company.

The financial statements have been prepared as a going concern in accordance with the Indian Accounting Standard ('Ind AS'), notified under section 133 of the Companies Act, 2013 read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) amendments Rules, 2016 issued by the Ministry of Corporate Affairs (MCA). Any directions issued by the RBI or other regulators are implemented as and when they become applicable.

In addition, the guidance notes and announcement issued by the Institute of Chartered Accountants of India are also applied, except where the compliance with other statutory provisions requires different treatment.

The accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

All the amounts included in Standalone Financial Statements are reported in Indian Rupees (₹) and all values are rounded off to the nearest Crores except where otherwise indicated.

1.2 Accounting Convention

The Financial Statements have been prepared under the historical cost convention except for certain financial instruments that are measured at fair values at the end of each reporting period.

2. Material Accounting policies

2.1 Revenue recognition

A) Interest Income

As per Ind AS 109, Financial Instruments, Interest income from financial assets is recognised on an accrual basis using effective interest rate method (EIR). Fee and commission income and expense that are integral to the effective interest rate on a financial asset or liability are included in the effective interest rate. The effective interest rate method is the rate that exactly discounts estimated future cash receipts (including all fees, transaction costs and other premiums or discounts paid or received) through the expected life of the financial instrument to the carrying amount on initial recognition.

B) Lease Income

Lessor Accounting

Leases for which the company is a lessor is classified as finance lease or operating lease based on the terms and conditions of the lease agreement.

Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

1. **Finance lease:** Amount due from lessees under finance leases are recorded in balance sheet as receivables, being the amount equal to net investment in lease. The net investment in lease is the gross investment in lease less unearned finance income.

   The lease income earned are recognised in the profit and loss account based on pattern reflecting constant periodic return on the company's net investment in lease.

2. **Operating lease:** Assets leased out on operating lease are recognised as an asset under Property, Plant and Equipment in the balance sheet.

   Lease income from operating leases are recognised as income on straight line basis over the lease term. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

Lessee Accounting

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The lease liability is the present value of the lease payments to be made over the lease term using the incremental borrowing rates.

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 impairment at each reporting date.

C) Fees and commission income

Fees, charges and reimbursements due from customers as per the contractual terms of the loan are recognised on realisation.

Servicing fees on securitisation transactions are recognised upon completion of services.

Commission and brokerage income earned from distribution of financial services are recognised as and when they are due.

D) Dividend Income

Dividend income from investments is recognised when the right to receive payment has been established.

E) Recoveries

The Company recognises income on recoveries of financial assets written off on realisation or when the right to receive the same without any uncertainties of recovery is established.

2.2 Evaluation of Business Model:

The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those instruments.

The Company considers all relevant information and evidence available when making the business model assessment such as:

a. how the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel.

b. the risks that affect the performance of the business model (and the financial assets held within that business model) and the way in which those risks are managed.

At initial recognition of a financial asset, the Company determines whether newly recognised financial assets are part of an existing business model or whether they reflect a new business model. The Company reassesses its business model at each reporting year to determine whether the business model has changed since the preceding year.

2.3 Measurement of fair values

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 Company's accounting policies and disclosures require the measurement of financial and non-financial assets and liabilities at fair values. The Company has established policies and procedures with respect to measurement of fair values.

2.4 Financial instruments

A financial instrument is any contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity. Financial instruments also include derivative contracts such as foreign currency forward contracts and cross currency swaps. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets/liabilities

Financial assets and financial liabilities are initially measured at fair value. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities measured at fair value through profit or loss are recognised immediately in profit or loss.

Transaction costs directly attributable to the acquisition or issue of financial assets and financial liabilities that are measured at amortised cost are added to or deducted from the fair value of the financial assets and financial liabilities, as appropriate, on initial recognition.

Classification and subsequent measurement:

Financial Assets

The Company classifies its financial assets as subsequently measured at either amortized cost or at fair value depending on the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

At Amortised Cost

A financial asset is measured at amortised cost only if both of the following conditions are met:

- The asset is held within a business model whose objective is to hold them 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 amount outstanding.

Such financial assets are subsequently measured at amortised cost using the Effective Interest Rate method.

Classification and measurement of financial instruments depends on the results of the Solely Payments of Principal and Interest on the principal amount outstanding ("SPPI") and the business model test.

Solely Payments of Principal and Interest ("SPPI")

The Company assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortization of the premium/discount)

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors.

Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI.

At Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are subsequently 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 and selling financial assets and the contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

At Fair Value through Profit or Loss (FVTPL)

Any financial instrument, which does not meet the criteria for categorisation as amortized cost or as Fair Value Through Other Comprehensive Income (FVTOCI), is classified as at Fair Value Through P&L (FVTPL). In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the profit and loss.

Equity Investments

The Company accounts for equity investments in subsidiaries, associates and joint ventures at cost less impairment.

All other equity investments are designated at Fair Value Through Other Comprehensive Income (FVTOCI). The fair value changes on the instrument, excluding dividends, are recognised under Other Comprehensive Income (OCI). There is no recycling of the amounts from OCI to the statement of profit and loss on sale of investment.

Investment in Compulsorily Convertible Preference Shares (CCPS)

The Company designates investment in CCPS at FVTOCI. The fair value changes on the instrument, excluding dividends, are recognised under OCI. There is no recycling of the amounts from OCI to the statement of profit and loss on sale of investment.

Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 – This level includes financial assets that are measured by reference to quoted prices in active markets for identical assets or liabilities.

Level 2 – This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. price) or indirectly (i.e. derived from prices).

Level 3 – This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method except for financial liabilities at FVTPL. A financial liability is classified as FVTPL if it is held-for-trading or it is a derivative or it is designated as FVTPL on initial recognition. Interest expense, foreign exchange gains (losses) and any gains and losses on de-recognition are recognised in the profit or loss.

Derivatives & Hedge Accounting

The company designates certain derivatives held for risk management as hedging instruments in qualifying hedging relationships. These derivatives qualify for hedge accounting and meet the criteria for cash flow hedge. The effective portion of the gain or loss arising on the fair value measurement of the hedging instrument is recognised in other comprehensive income.

2.5 Impairment of Financial Assets

The Company applies the Expected Credit Loss (ECL) model for recognising impairment losses on financial assets.

The accounting standard, Ind AS 109 does not specifically prescribe any methodology for computing ECL. However, entities are required to adopt sound and market acceptable methodologies which are in line with the size, complexity and risk-profile of the financial entity for computing the ECL. The Company uses three main components to measure ECL. These are, Exposure at Risk (EAR), Probability of Default (PD) and Loss Given Default (LGD). Exposure at Risk (EAR) is defined as the sum of Principal outstanding and interest accrued at the reporting date. PD is defined as the probability of borrowers defaulting on their obligations. LGD represents the economic loss, adjusted for cure rate, as a percentage of exposure at the time of default.

As per Ind AS 109, the Expected Credit Losses on financial instruments are classified under three stages.

Stage 1: Every financial asset is classified as stage 1, upon initial recognition. In addition, stage 1 contains all transactions with limited default risk.

Stage 2: Financial assets whose default risk has risen significantly since initial recognition and which are not classified as cases with limited default risk.

Stage 3: Financial assets that display objective evidence of impairment at the reporting date.

Accordingly, loan assets are categorised under three different stages, as under:

Stage 1: Where instalments are Current and 1-30 days overdue.

Stage 2: Where instalments are 31 days – 90 days overdue and

Stage 3: Where instalments are overdue beyond 90 days

12 months ECL represents the expected default events on the financial asset that are possible within 12 months after the reporting date.

Where the credit risk on the financial assets has not increased significantly since initial recognition, the loss is measured at an amount equal to 12 months ECL.

Where the credit risk on the financial assets has increased significantly since initial recognition, the loss is measured at an amount equal to the lifetime expected credit loss.

Lifetime Expected Credit Loss represent the expected credit loss from default events over the expected life of a financial asset.

The Probability of Default (PD) model has been developed for all the major asset classes using a statistical and iterative approach. The design and construction of the model involves identification of various credit parameters and variables that have a strong and direct correlation to propensity of default.

The PD model reflects to the probability of default, taking into consideration the inherent credit quality of the borrower and the residual tenor of each contract. It relies on not only historical information and the current economic environment, but also considers forward-looking information such as the forecasts on the macroeconomic outlook, including emerging risks.The PD for stage 3 contracts is considered at 100%.

Where a customer has one contract in stage 3 and one or more contracts in stage 1 / stage 2, the PD for all the contracts is considered at 100%.

The PD is considered at 100% for (a) Customers in stage 3 and (b) Customers who were earlier in stage 3 and currently in stage 1/ Stage 2 whose arrears have not been fully updated since their slippage into Stage 3.

As per ECL policy, the company provides 100% for the identified fraud cases and accounts where recoverability is uncertain.

Loss Given Default (LGD)

LGD represents the economic loss, adjusted for cure rate, as a percentage of exposure at the time of default. Economic loss is the estimated shortfall in realisation of dues, in the event of default. Contracts that have turned delinquent do not necessarily involve ultimate losses, since many of them are resolved through corrective actions. The cure rate is calculated as the percentage of number of contracts which were in Stage 2/Stage 3 and collected in full or moved to stage 1 in a year.

Similarly, LGD has been estimated using the past write off experiences and collateral approach. The model of ECL so computed is yearly evaluated and impact thereof is recognised in the Statement of Profit and Loss.

The carrying amounts of assets are reviewed at each balance sheet date to ascertain impairment based on internal / external factors. An impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the net selling price of the assets and their value in use.

Policy on write off: Loans are written off when the value of underlying security/other collateral is not sufficient to cover the loan exposure or where the underlying security / customer are not traceable. In such cases, the company takes legal recourse for recovery of shortfall of dues, if any.

De-recognition of financial assets and financial liabilities

Financial asset: A financial asset or a part thereof is primarily de-recognised when:

The right to receive contractual cash flows from the asset has expired, or

The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

If the company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains all or substantially all the risks and rewards of the transferred assets, the transferred assets are not de-recognised.

On de-recognition of a financial asset, the difference between the carrying amount of the asset and the consideration received is recognised in profit or loss.

Financial liabilities: The Company de-recognises a financial liability when its contractual obligations are discharged, cancelled or expired.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when the Company has a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

2.6 Employee Benefits

Short term Employee benefits

Short term employee benefits for services rendered by employees are recognised during the period when the services are rendered.

Post-Employment benefits

Defined contribution plans

1. **Superannuation:** The Company contributes to the Superannuation Fund, which is administered by trustees and managed by the Life Insurance Corporation of India (LIC). The contributions are charged to the Statement of Profit and Loss.

2. **Employees' Pension Scheme and Employees' State Insurance Scheme:** The Company also contributes to a government administered Employees' Pension Scheme under the Employees Provident Fund Act and to Employees' State Insurance Schemes on behalf of its employees.

Defined benefit plans

1. **Gratuity:** The Company makes an annual contribution to a Gratuity Fund administered by trustees and managed by LIC. The company accounts its liability based on actuarial valuation, as at the balance sheet date, using projected unit credit method.

   The change in defined benefit plan liability is split into changes arising out of service, interest cost and re-measurements and the change in defined benefit plan asset is split between interest income and re-measurements. Changes due to service cost and net interest cost / income is recognised in the statement of profit and loss.

   Re-measurement of the net defined benefit liability/ (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability /asset) are recognised in other comprehensive income.

2. **Provident Fund:** Contributions are made to the company's Employees Provident Fund Trust in accordance with the fund rules. The interest rate payable by the trust to the beneficiaries every year is notified by the Government. The company has an obligation to make good the shortfall, if any, between the return from the investment of the trust and the notified interest rate based on actuarial valuation. The monthly contribution made by the Company is recognised as employee benefit expense in the Statement of Profit and Loss.

Other Long-Term Employee Benefits

Leave Encashment: The company accounts its liability based on actuarial valuation, as at the balance sheet date, using projected unit credit method.

2.7 Share Based Payments:

Employee Stock Options: The Company has an employee stock option scheme in accordance with SEBI guidelines 1999. It recognises the compensation expense relating to share based payments in accordance with Ind AS 102 – Share based payments.

The equity settled share based payments to employees is measured at the fair value of the equity instrument at the grant date.

The equity settled shares vest in a graded manner over the vesting period. The fair value determined on the grant date of equity settled share payment is expensed on straight line basis over the vesting period of the respective tranches of such grants based on company's estimate of equity instruments that will eventually vest with a corresponding increase in equity. At the end of each financial year, the company revises its estimate of the number of equity instruments that are expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit and loss in such a way that the cumulative expense reflects the revised estimate with a corresponding adjustment to equity.

The cash settled share-based payments vest in a graded manner over the vesting period and are measured initially at fair value of the liability and re-measured at the end of each reporting period until the liability is settled.

The option carries neither right to Dividend nor voting rights.

2.8 Income Taxes

Tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Current tax

Current tax is measured at the amount expected to be paid in respect of taxable income for the year in accordance with the Income Tax Act, 1961. Current tax comprises the tax payable on the taxable income or loss for the year and any adjustment to the tax payable in respect of previous years. It is measured using tax rates 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.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income.

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. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences can be utilised. 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.

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 assets and liabilities are offset only if the Company:

a) Has a legally enforceable right to set off current tax assets against current tax liabilities; and

b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

Current and Deferred tax for the Year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.9 Property, plant and equipment (PPE)

The property, plant and equipment are the assets held for the use in the supply of services.

Property, plant and equipment's are stated in the balance sheet at cost (net of duty/ tax credit availed) less accumulated depreciation and accumulated impairment losses.

Cost of acquisition is inclusive of freight, non-refundable duties & taxes and other directly attributable cost of bringing the asset to its working condition for the intended use.

Freehold land is not depreciated.

An item is recognised as property plant and equipment if and only if it is probable that future economic benefits associated with the item will flow to the company and its costs can be measured reliably. Subsequent expenditure is added to the carrying amount or recognised as separate asset, when the Company expects future economic benefits from that item.

Depreciation is recognised to write off the cost of assets less their residual values over their useful lives, using the written down value method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Estimated useful lives of the assets, based on technical assessment, which are different in certain cases from those prescribed in Schedule II of the Companies Act 2013, are as follows:

Assets	Plant and machinery	Computers- End user services	Computers- Servers and Network	Vehicles	Office equipment
Own	15	7	10	5	8
Operating lease	5	3	6	4	–

The property plant and equipment with definite life are reviewed for impairment whenever the events or changes indicate that their carrying value may not be recoverable.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

An item of the property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of the item of property plant equipment is determined as the difference between the sale proceeds and carrying amount of the asset and is recognised in profit and loss.

2.10 Investment property

Property held to earn rental income or for capital appreciation or both and that is not occupied by the company is classified as Investment Property.

It is measured initially at cost of acquisition including transaction costs, borrowing cost and other directly attributable cost in bringing the asset to its working condition for its intended use. Subsequent expenditure is capitalized to the asset carrying amount only when it is probable that the future economic benefit associated with the expenditure will flow to the company.

The fair value of investment property has been determined by property valuer, having recognized qualifications and experience.

Depreciation is provided on written down value method by adopting useful life of 60 years in the case of Building as prescribed under schedule II to the Companies Act, 2013 after retaining 5% of Original cost as residual value for Buildings.

2.11 Intangible assets

Intangible assets are identified non-monetary assets without physical existence. Intangible assets with finite useful lives that are acquired separately are capitalized and carried at cost less accumulated amortization and accumulated impairment losses.

Intangible assets are recognized in books only when it is probable that future economic benefits associated with the asset will flow to the company and the cost can be measured reliably.

The cost of the intangible asset shall include the purchase price, including non-refundable duties and taxes, all the directly attributable costs to bring the intangible to the present location, working condition and intended use.

Intangible assets represent computer software whose cost is amortized over their expected useful life 2 to 5 years on a straight-line basis.

The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount. Recoverable amount is the higher of an assets net selling price and the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life.

Intangible Assets under development

Development expenditure on new products is capitalised as intangible asset if all the following are demonstrated.

- Technical feasibility of completing the asset
- Intention to complete the asset
- The ability to use or sell the asset
- Probability that the intangible asset will generate future economic benefits
- Availability of adequate technical, financial and other resources to complete the intangible asset
- The ability to measure reliably the expenditure attributable during the development stage.

2.12 Dividend

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are accounted on payment basis as they are revocable till actually paid.

2.13 Cash flow Statement

Cash flows are reported using the indirect method, whereby net profit after tax is adjusted for the effects of transactions of non-cash nature, tax and any deferrals or accruals of past or future cash receipts or payments. The cash flows are prepared for the operating, investing and financing activities of the Company. Cash comprises of cash on hand and demand deposits with banks. Cash equivalents are short-term deposits with banks (with an original maturity of three months or less from the date of placement) and cheques on hand. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

2.14 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized only when the company has a present obligation (legal or constructive) as a result of past events, and it is probable that it is required to settle the obligation, and a reliable estimate can be made of the amount of obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the obligation at the reporting date, considering the risk and uncertainties surrounding the obligation.

Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the Company (or)

There is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

2.15 Earnings Per Share

The basic earnings per share has been computed by dividing the net income attributable to equity shareholders by weighted average number of shares outstanding during the year.

The diluted earnings per share have been computed using weighted average number of shares adjusted for effects of all potentially dilutive equity shares.

3. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the balance sheet and statement of profit and loss. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The actual results may differ from these estimates. The Company's management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Any revision to the accounting estimates is recognized prospectively in the current and future periods.

Accounting estimates and judgements are used in various line items in the financial statements for e.g.:

- Business model assessment [Refer note no. 2.2]
- Fair value of financial instruments (Refer note no. 2.3)
- Impairment of financial assets [Refer note no. 2.5]

4. OTHER ACCOUNTING POLICIES :

Service income

Revenue is recognised upon transfer of control of promised services to customer in an amount that reflects the consideration we expect to receive as per the agreement with the customer.

Foreign Currency transaction

Transactions in foreign currency are accounted at the exchange rates prevailing on the date of the transaction. The foreign currency borrowing being a monetary liability is restated to INR (being the functional currency of the Company) at the prevailing rates of exchange at the end of every reporting period with the corresponding exchange gain/ loss being recognized in profit or loss. The Company enters into forward exchange contracts, forward rate agreements, coupon only swaps and interest rate swaps. The Company undertakes such transactions for hedging its balance sheet. The foreign currency borrowing and derivative swaps are treated as separate transactions.

The derivatives (swaps, forward rate agreements and forward contracts) are classified at fair value through profit or loss (FVTPL) under Ind AS 109, Financial Instruments with the resultant gain or loss being taken to profit or loss.

Note 5: Cash and cash equivalents

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
Cash on hand	6.67	9.32
Balances with Banks	303.57	147.06
Cheques, drafts on hand	35.00	52.04
Total	**345.24**	**208.42**

Note 6: Bank Balance other than specified in Note 5 above

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
Unpaid dividend account	7.31	6.50
Balances with banks*	945.57	1,759.61
Total	**952.88**	**1,766.11**

* includes :

a) ₹ 915.99 crores (as on 31.03.2025 ₹ 850.10 crores) provided as collateral for assets securitised.

b) In accordance with the Reserve Bank of India directives, the company has created a floating charge on the bank deposits Nil (as on 31.03.2025 ₹ 135.00 crores) towards statutory liquidity requirements in favour of trustees representing the deposit holders of the Company.

c) A Bank Guarantee amounting to ₹ 1.82 crores (as on 31.03.2025 - ₹ 1.82 crores) has been provided for demand raised under TNVAT Act in respect of VAT on sale of repossessed vehicles.

d) Bank Guarantee amounting to ₹ 0.10 crores. (as on 31.03.2025 - ₹ 0.12 crores) for Legal proceedings with respect to repossessed assets.

e) Bank deposit Nil (as on 31.03.2025 - Nil) placed for obtaining Letter of Credit on behalf of our Customers.

Note 7 : Derivative Financial Instruments

The details of the outstanding derivative instruments and their fair values are as below:

Part I

(₹ in crores)

Particulars	March 31, 2026			March 31, 2025		
	Notional amount	Fair Value		Notional amount	Fair Value	
		Assets	Liabilities		Assets	Liabilities
(i) Currency derivatives:						
- Currency swaps	–	–	–	–	–	–
- Forward Contracts	–	–	–	–	–	–
Subtotal (i)	–	–	–	–	–	–
(ii) Interest rate derivatives:						
- Forward Rate Agreements & Interest Rate Swaps	5,295.90	27.60	–	5,353.45	–	26.13
Subtotal (ii)	5,295.90	27.60	–	5,353.45	–	26.13
Total Derivative Financial Instruments (i)+(ii)	**5,295.90**	**27.60**	–	**5,353.45**	–	**26.13**
Derivative Financial Asset / Liability (net)	–	**27.60**	–	–	–	**26.13**

Part II - Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:

(₹ in crores)

Particulars	March 31, 2026			March 31, 2025		
	Notional amount	Fair Value		Notional amount	Fair Value	
		Assets	Liabilities		Assets	Liabilities
(i) Cash flow hedging:						
- Interest rate derivatives	5,295.90	27.60	–	5,353.45	–	26.13
(ii) Undesignated derivatives	–	–	–	–	–	–
Total Derivative Financial Instruments (i)+(ii)	**5,295.90**	**27.60**	–	**5,353.45**	–	**26.13**
Derivative Financial Asset / Liability (net)	–	**27.60**	–	–	–	**26.13**

Notes:

1) The Company has designated the Interest rate swaps (IRS), which were entered to mitigate interest rate risk on its variable interest rate rupee term loans, as hedging instruments. The risk management strategy and the use of derivatives are explained in Note 38 - Financial Risk Management Framework and Note 44.03 - Derivatives.

Note 7A: Derivatives designated as Hedging Instruments

The impact of the hedging instrument on the balance sheet as at 31st March 2026 is as follows:

(₹ in crores)

Hedged Instrument	Notional Amount	Carrying Amount	Line item in the Balance sheet	Change in fair value used for measuring ineffectiveness for the period
Interest rate swap	5,295.90	27.60	Derivative Financial Instruments	53.73

The impact of hedged items on the Balance sheet is as follows:

(₹ in crores)

Hedged Item	Change in value used for measuring ineffectiveness	Cash flow hedge reserve as on 31.03.2026
Floating rate borrowings	–	20.66

The effect of cash flow hedge in the statement of profit and loss and other comprehensive income is as follows:

(₹ in crores)

Hedged Item	Total hedging gain / (loss) recognised in OCI	Ineffectiveness recognised in the profit and loss	Line item in the statement of profit and loss that include the hedge ineffectiveness	Amount reclassified from cash flow hedge reserve to Profit or loss	Line item in the statement of profit or loss that includes the reclassification adjustment
Floating rate borrowings	53.73	–	NA	–	NA

Note 8: Receivables

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
Trade receivables		
- Secured, considered good	–	–
- Unsecured, considered good	25.18	19.33
- Receivables which have significant increase in Credit Risk	–	–
- Receivables - credit impaired	–	–
Less: Impairment loss on above	(0.08)	(0.04)
Sub-total - Trade receivables	**25.10**	**19.29**
Other receivables		
- Secured, considered good	30.50	38.64
Less: Impairment loss	(0.01)	(0.16)
- Unsecured, considered good	0.15	0.12
Less: Impairment loss	(0.04)	(0.04)
Sub-total - Other receivables	**30.60**	**38.56**
Total	**55.70**	**57.85**

No debts are due from directors or other officers or any of them either severally or jointly with any other person. No debts are due from Firms, Limited Liability Partnerships or Private companies in which any director is a partner or a director or a member.

Trade Receivables ageing schedule as at 31st March, 2026

(₹ in crores)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 Months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	–	18.78	–	–	–	–	18.78
(ii) Undisputed Trade Receivables – credit impaired	–	–	–	–	–	–	–
(iii) Disputed Trade Receivables considered good	–	–	–	–	–	–	–
(iv) Disputed Trade Receivables – credit impaired	–	–	–	–	–	–	–
(v) Unbilled revenue – considered good	6.40	–	–	–	–	–	6.40

Trade Receivables ageing schedule as at 31st March, 2025

(₹ in crores)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 Months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	–	13.99	–	–	–	–	13.99
(ii) Undisputed Trade Receivables – credit impaired	–	–	–	–	–	–	–
(iii) Disputed Trade Receivables considered good	–	–	–	–	–	–	–
(iv) Disputed Trade Receivables – credit impaired	–	–	–	–	–	–	–
(v) Unbilled revenue – considered good	5.34	–	–	–	–	–	5.34

Note 9: Loans
Carried at amortised cost

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
Hypothecation loans	55,335.34	48,251.90
Term Loans	1,157.27	1,085.65
Advance for business assets	291.67	295.90
Amount retained on Assets securitised / assigned	0.18	0.37
Loans repayable on Demand	44.17	35.30
Net investment in lease	292.05	177.37
Other loans @	76.37	61.06
Total Loans - Gross	**57,197.05**	**49,907.55**
Less: Impaiment loss allowance	(667.54)	(533.59)
Total Loans - Net	**56,529.51**	**49,373.96**
Of the above		
Secured by tangible assets	56,576.43	49,132.93
Covered by Bank/Government Guarantees	23.27	53.74
Secured by Deposits	7.71	7.89
Unsecured	589.64	712.99
Total Loans - Gross	**57,197.05**	**49,907.55**
Less: Impaiment loss allowance	(667.54)	(533.59)
Total Loans - Net	**56,529.51**	**49,373.96**
Loans in India		
Public Sector	–	–
Others *	57,197.05	49,907.55
Total Loans - Gross	**57,197.05**	**49,907.55**
Less: Impaiment loss allowance	(667.54)	(533.59)
Total Loans in India - Net - (A)	**56,529.51**	**49,373.96**
Loans outside India	–	–
Less: Impaiment loss allowance	–	–
Total Loans outside India - Net - (B)	–	–
Total loans (A) + (B)	**56,529.51**	**49,373.96**

@ includes loans to employees and loan against deposits

* includes loans to Individuals, Sole proprietorship, Partnership, LLPs, Private and Public Limited companies.

There are no Loans or Advances in the nature of loans granted to promoters, directors, KMPs and the related parties that are:

(a) repayable on demand or

(b) without specifying any terms or period of repayment

Note 10: Investments

(₹ in crores)

Particulars	Note No.	Face Value (₹)	March 31, 2026		March 31, 2025	
			Holding (Number)	Carrying Amount	Holding (Number)	Carrying Amount
At Cost:						
Equity Instruments						
- Subsidiaries						
Sundaram Asset Management Company Limited		10	9,62,51,566	261.77	9,62,51,566	261.58
Sundaram Home Finance Limited		10	10,12,54,438	1,155.36	10,12,54,438	1,154.71
Sundaram Fund Services Limited		10	15,03,000	0.64	15,03,000	0.64
Sundaram Trustee Company Limited		10	50,000	2.29	50,000	2.29
LGF Services Limited		10	2,50,000	0.05	2,50,000	0.05
				1,420.11		**1,419.26**
- Joint Ventures						
Royal Sundaram General Insurance Co. Limited		10	22,45,00,000	585.95	22,45,00,000	585.91
Total - A				**2,006.06**		**2,005.17**
At fair value through other comprehensive income:						
Equity Instruments						
Experian Credit Information Company of India Private Limited		10	1,12,00,000	11.20	1,12,00,000	11.20
TSF Investments Limited	i & v	5	4,42,03,076	1,492.52	4,42,03,076	1,354.96
				1,503.72		**1,366.16**
Preference Shares						
Series A Compulsorily Convertible Preference Shares of RBSG Capital Private Limited	vi	10	10,15,148	–	10,15,148	5.65
Total - B				**1,503.72**		**1,371.81**
At fair value through profit or loss:						
- Mutual Funds						
Aditya Birla Sun Life Savings Fund		10	23,32,373	136.44	14,71,276	80.43
Axis Ultra Short Duration Fund		10	2,49,43,718	40.84	–	–
DSP Ultra Short Fund		10	78,999	30.60	–	–
Axis Treasury Advantage Fund		1000	1,84,983	62.80	–	–
HDFC Low Duration Fund		10	2,53,93,919	166.42	–	–
Kotak Low Duration Fund		10	1,64,553	62.82	–	–
Aditya Birla Sun Life Low duration Fund		10	5,35,364	40.74	–	–
Nippon India Low Duration Fund		1000	73,600	30.57	–	–
SBI Overnight Fund		1000	3,42,607	150.05	–	–

NOTES TO THE ACCOUNTS (Contd.)

(₹ in crores)

Particulars	Note No.	Face Value (₹)	March 31, 2026		March 31, 2025	
			Holding (Number)	Carrying Amount	Holding (Number)	Carrying Amount
Sundaram Overnight Fund		1000	3,49,622	50.02	–	–
SBI Magnum Ultra Short Duration Fund		1000	–	–	1,70,352	101.63
Sundaram Liquid Fund		1000	4,11,111	100.07	7,65,388	175.41
SBI Liquid Fund		1000	–	–	3,58,325	145.33
Sundaram Mutual Fund - Seed Capital	ii			31.74		31.35
				903.10		**534.14**
- Alternative Investment Funds						
Sponsor investments						
Sundaram Alternative Opportunities Series –						
High Yield Secured Debt Fund II	iii	100000	–	–	–	5.00
High Yield Secured Real Estate Fund III	iii	100000	500	5.00	–	5.00
High Yield Secured Real Estate Fund IV	iii	100000	500	5.00	–	3.50
Sundaram Alternates -						
Emerging Corporate Credit Opportunities Fund - Series 1	iii	100000	500	5.00	–	4.50
Real Estate Performing Credit Income Generator Fund - Series 5	iii	100000	250	2.50	–	–
Performing Credit Opportunities Fund - Series I	iii	100000	350	3.50	–	–
Sundaram India Premier Fund	iii	1000	–	–	55,201	10.58
Sundaram Alternative Opportunities Fund -						
ACORN	iii	100000	816	22.54	816	19.16
ATLAS	iii	100000	1,000	16.44	1,000	15.04
ATLAS II	iii	100000	895	14.00	895	12.53
Others						
Sundaram Alternative Opportunities Series –						
High Yield Secured Debt Fund II		100000	–	–	–	29.28
High Yield Secured Real Estate Fund III		100000	5,500	55.00	–	55.01
Sundaram High Yield Secured Real Estate Fund IV		100000	17,768	177.68	–	124.38
Sundaram Alternates -						
Emerging Corporate Credit Opportunities Fund - Series 1		100000	19,500	195.00	–	175.50
Real Estate Performing Credit Income Generator Fund - Series 5		100000	7,250	72.50	–	–
Performing Credit Opportunities Fund - Series I		100000	10,990	109.99	–	–

(₹ in crores)

Particulars	Note No.	Face Value (₹)	March 31, 2026		March 31, 2025	
			Holding (Number)	Carrying Amount	Holding (Number)	Carrying Amount
Trifecta Venture Debt Fund III		100	47,58,861	45.81	49,70,500	49.97
Amicus Capital Partners India Fund II		100	16,94,138	18.96	7,91,279	7.39
				748.94		**516.85**
				1,652.04		**1,050.99**
Less: Provision for AIF investments ^				(0.69)		(0.58)
Total - C				**1,651.34**		**1,050.41**
At amortised cost:						
Debt securities						
- Government Securities:						
Central Government Loans	i	100	44,00,000	42.81	1,24,00,000	124.55
State Government Loans	i	100	16,93,44,500	1,722.85	10,23,44,500	1,044.70
				1,765.66		**1,169.25**
- Non-Convertible Debentures:						
Annapurna Finance Private Limited	i	100000	–	–	2,500	6.25
Auxilo Finserve Private Limited	i	100000	978	10.03	–	–
Avanse Financial Services Limited	i	100000	3,500	36.95	–	–
Aye Finance Private Limited	i	100000	7,500	18.73	7,500	56.00
Aye Finance Private Limited		100000	–	–	2,500	6.25
Belstar Microfinance Limited	i	100000	7,500	56.74	2,500	6.35
DMI Finance Private Limited	i	100000	–	–	7,500	77.59
Five Star Business Finance Limited	i	100000	4,000	40.98	4,000	40.91
Kosamattam Finance Limited	i	100000	5,000	8.42	5,000	41.86
Lendingkart Finance Limited		100000	–	–	2,500	3.14
MAS Financial Services Limited	i	100000	17,500	174.49	8,500	84.87
MAS Financial Services Limited	i	10000	50,000	50.05	–	–
Muthoot Fincorp Limited	i	1000	2,57,958	26.19	–	–
Muthoot Fincorp Limited	i	100000	16,000	163.50	–	–
Muthoot Microfin Limited		100000	2,500	3.13	2,500	15.64
Navi Finserv Limited	i	1000	–	–	10,00,000	100.26
Navi Finserv Limited	i	10000	1,00,000	99.96	–	–
Northern Arc Capital Limited	i	100000	10,000	100.53	–	–
SK Finance Limited	i	100000	19,950	211.78	9,950	107.28
Ugro Capital Limited	i	1000	2,11,161	21.15	2,11,161	20.90
Ugro Capital Limited	i	10000	50,000	49.86	–	–
Veritas Finance Private Limited	i	100000	25,000	249.07	10,000	99.12

(₹ in crores)

Particulars	Note No.	Face Value (₹)	March 31, 2026		March 31, 2025	
			Holding (Number)	Carrying Amount	Holding (Number)	Carrying Amount
Vivriti Capital Limited	i	100000	10,000	100.15	10,000	100.15
Vivriti Capital Limited	i	10000	50,000	49.79	–	–
				1,471.48		**766.56**
- Commercial Paper:						
Bajaj Financial Securities Limited	i	500000	5,000	249.35	–	–
HDFC Securites Limited	i	500000	5,000	249.69	–	–
IIFL Finance Limited	i	500000	1,000	45.92	–	–
IIFL Samasta Finance Limited		500000	–	–	1,000	47.80
Muthoot Capital Services Ltd		500000	–	–	1,000	48.75
Muthoot Fincorp Limited	i	500000	–	–	2,500	120.63
Muthoottu Mini Financiers Limited	i	500000	2,000	94.93	1,000	47.33
Northern Arc Capital Limited		500000	3,000	144.25	2,000	96.58
				784.13		**361.10**
- Pass Through Certificates				228.95		139.34
				4,250.21		**2,436.25**
Less: Allowance for Impairment loss				(3.07)		(1.05)
Total - D				**4,247.14**		**2,435.20**
Total Investments * A+B+C+D (Net of allowance for impairment loss)				**9,408.27**		**6,862.59**

^ Provision made in compliance to the RBI guidelines on Investments in AIFs.

* All investments of the company are in India.

Notes:

i) Represent Quoted Investments.

ii) Represents investments in the growth option of the open-ended schemes of Sundaram Mutual Fund in compliance with the seed capital requirements as stipulated by SEBI (Mutual Funds) Regulations, 1996, as amended from time to time. The same cannot be redeemed unless the scheme is wound up.

iii) Represents sponsor investments, in compliance with SEBI (Alternative Investment Funds) Regulations, 2012 and the same cannot be redeemed unless the Fund is wound up.

iv) In accordance with the Reserve Bank of India directives, the company has created a floating charge on the statutory liquid assets comprising investment in Government Securities of face value ₹978.45 cr. (amortised cost - ₹998.89 cr).

v) The name of Sundaram Finance Holdings Limited has been changed to TSF INVESTMENTS LIMITED with effect from September 23,2025.

vi) Pursuant to the proposed terms of sale of business assets and liabilities by RBSG Capital Private Limited on a going concern basis, the investment in preference shares is assessed as non-recoverable at reporting date.

Note 11: Other Financial assets

(₹in crores)

Particulars	March 31, 2026	March 31, 2025
Carried at amortised cost		
- Security deposits	11.38	10.57
- Other advances	6.92	7.66
Less: Impairment loss on the above	(0.06)	(0.35)
Total	**18.24**	**17.88**

Note 12: Disclosure pursuant to Ind AS 12 "Income Taxes"

a) Major components of tax expense / (income) :

(₹ in crores)

Sl.no.	Particulars	2025-26	2024-25
(a)	**Profit or Loss section :**		
	(i) Current income tax :		
	Current income tax expense	564.19	470.87
	(ii) Deferred tax :		
	Tax expense on origination and reversal of temporary differences	(29.71)	48.16
	Income tax expense reported in Profit or Loss [(i) + (ii)]	**534.48**	**519.03**
(b)	**Other Comprehensive Income (OCI) section :**		
	(i) Items not to be reclassified to profit or loss in subsequent periods:	17.06	(4.61)
	Current tax expense/(income) :		
	On remeasurement of defined benefit plans	(1.80)	(1.52)
	Deferred tax expense/(income) :		
	On Fair value change on Equity / Preference shares	18.86	(3.09)
	(ii) Items to be reclassified to profit or loss in subsequent periods :		
	Deferred tax expense/(income) :		
	On Fair value change on cashflow hedge	13.52	(6.58)
	Income tax expense reported in Other Comprehensive Income (i) +(ii)	**30.58**	**(11.19)**
	Income tax expense reported in retained earnings (a) + (b)	**565.06**	**507.84**

b) Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate applicable in India :

(₹ in crores)

Sl. No.	Particulars		2025-26	2024-25
(a)	**Profit before tax and exceptional items**		**2,443.40**	**2,061.68**
(b)	Exceptional items		(74.75)	–
(c)	Profit before tax		2,368.65	2,061.68
(d)	Corporate tax rate as per Income Tax Act 1961		25.17%	25.17%
(e)	**Tax on Accounting profit**	**(e)=(c)*(d)**	**596.14**	**518.88**
(f)	(i) Tax on income deductible / exempt from tax :			
	Dividend income (deduction u/s. 80M)		73.64	33.84
	(ii) Tax on expenses not tax deductible :			
	CSR expenses / Donations		(7.06)	(5.95)
	(iii) Tax effect on various other items		(4.92)	(28.04)
	Total effect of tax adjustments [(i) + (ii) + (iii)]		**61.66**	**(0.15)**
(g)	**Tax expense recognised during the year**	**(g)=(e)-(f)**	**534.48**	**519.03**
(h)	**Effective tax Rate**	**(h)=(g)/(c)**	**22.56%**	**25.18%**

(c) Components of deferred tax assets / (liabilities) recognised in Balance Sheet and Statement of Profit or Loss :

(₹ in crores)

Sl. No.	Particulars	Balance sheet		Statement of Profit or Loss	
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
(a)	Items disallowed u/s.43B of the Income Tax Act 1961	23.32	8.05	15.27	0.47
(b)	Provision for doubtful debts and advances	108.16	90.25	17.90	(0.12)
(c)	Difference between book depreciation and tax depreciation	49.01	43.94	5.07	5.18
(d)	Fair value change on Equity / Preference shares (OCI)	(198.91)	(180.04)	(18.86)	3.09
(e)	Other temporary differences	(7.59)	14.47	(22.06)	(47.11)
	Deferred tax (expense)/income	–	–	**(2.68)**	**(38.49)**
	Net deferred tax assets/(liabilities)	**(26.01)**	**(23.33)**		

d) Reconciliation of deferred tax assets / (liabilities):

(₹ in crores)

Sl. no.	Particulars	March 31, 2026	March 31, 2025
(a)	Opening balance as at April 1	(23.33)	15.16
(b)	Tax income/(expense) during the period recognised in :		
	(i) Statement of Profit and Loss in Profit or Loss section	29.71	(48.16)
	(ii) Statement of Profit and Loss under OCI section	(32.39)	9.67
Closing balance		**(26.01)**	**(23.33)**

Note 13 : Investment Property

(₹ in crores)

Particulars	Land*	Building*	Total
GROSS BLOCK AT COST			
As at 31.03.2025	69.45	7.98	77.43
Additions	0.07	1.93	2.00
Deductions	0.09	–	0.09
Asset held for sale	4.57	1.12	5.69
Asset Transfer to PPE	–	–	–
As at 31.03.2026	**64.86**	**8.79**	**73.65**
DEPRECIATION			
Upto 31.03.2025	–	2.77	2.77
Additions	–	0.28	0.28
Deductions	–	–	–
Asset held for sale	–	0.52	0.52
Asset Transfer to PPE	–	–	–
Upto 31.03.2026	–	**2.53**	**2.53**
Carrying Value as at 31.03.2026	**64.86**	**6.26**	**71.12**

NOTES TO THE ACCOUNTS (Contd.)

(₹ in crores)

Particulars	Land*	Building*	Total
GROSS BLOCK AT COST			
As at 31.03.2024	90.61	11.54	**102.15**
Additions	–	–	–
Deductions	1.72	–	1.72
Asset held for sale	19.44	0.05	19.49
Asset Transfer to PPE	–	3.51	3.51
As at 31.03.2025	**69.45**	**7.98**	**77.43**
DEPRECIATION			
Upto 31.03.2024	–	3.53	3.53
Additions	–	0.29	0.29
Deductions	–	–	–
Asset held for sale	–	0.01	0.01
Asset Transfer to PPE	–	1.04	1.04
Upto 31.03.2025	–	**2.77**	**2.77**
Carrying Value as at 31.03.2025	**69.45**	**5.21**	**74.66**

Title deeds of all the Immovable Properties are held in the name of the Company.

The fair value measurement for all the investment property has been done by Registered Valuer.

The fair valuation of the investment property is ₹257.22 crores (31.03.2025 : ₹241.11 crores).

* The below properties are held for sale:

Property at R K Pet, Tiruvallur, Tamilnadu (Carrying value ₹10.84 crores)

Items relating to Investment property recognised in Profit & Loss account for the year ended are as given below:

(₹ in crores)

Particulars	2025-26	2024-25
Rental income	6.01	5.98
Direct Operating expenses on properties generating rental income	0.83	0.24
Direct Operating expenses on properties not generating rental income	0.02	0.26

The investment properties are freely realisable.

There is no contractual obligation to purchase, construct or develop investment property.

Asset Held for Sale

During the year ended 31st March 2026, the company has decided to dispose the properties as given below:

Property at R K Pet, Tiruvallur, Tamilnadu (Carrying value ₹10.84 crores)

Property at Chembur, Mumbai, Maharastra (Carrying value ₹ 0.60 crores)

Movement during the year is as follows:

(₹ in crores)

Particulars	Amount
Carrying Value as on 31.03.2025	19.48
Addition	5.75
Deduction	(13.79)
Carrying Value as on 31.03.2026	**11.44**

Note 14: Property, Plant and equipment

(₹ in crores)

Particulars	Freehold Land	Freehold Buildings	Leasehold office / Residential Premises*	Plant and Machinery and Computers	Furniture and Fixtures	Vehicles	Office Equipment	Assets on Operating Lease			Total
								Plant and Machinery and Computers	Vehicles	Medical Equipments	
GROSS BLOCK AT COST											
As at 31.03.2025	27.84	20.11	7.18	79.49	22.43	41.68	17.91	46.21	632.90	11.43	907.18
Additions	–	0.09	0.06	14.52	7.48	7.05	4.94	27.17	189.47	–	250.78
Deductions	–	–	–	6.90	0.70	4.08	0.56	0.66	146.86	8.95	168.71
Asset held for sale	–	–	0.92	–	–	–	–	–	–	–	0.92
As at 31.03.2026	**27.84**	**20.20**	**6.32**	**87.11**	**29.21**	**44.65**	**22.29**	**72.72**	**675.51**	**2.48**	**988.33**
DEPRECIATION											
Upto 31.03.2025	–	7.46	2.22	51.27	11.81	18.34	8.50	15.61	227.26	9.34	351.82
Additions	–	0.80	0.39	12.00	3.57	6.78	2.34	14.71	120.07	0.34	161.00
Deductions	–	–	–	6.51	0.55	3.02	0.44	0.61	81.70	7.60	100.43
Asset held for sale*	–	–	0.32	–	–	–	–	–	–	–	0.32
Upto 31.03.2026	**–**	**8.26**	**2.29**	**56.76**	**14.83**	**22.10**	**10.40**	**29.71**	**265.63**	**2.08**	**412.07**
Carrying Value as at 31.03.2026	**27.84**	**11.94**	**4.03**	**30.35**	**14.39**	**22.55**	**11.89**	**43.01**	**409.88**	**0.40**	**576.26**

(₹ in crores)

Particulars	Freehold Land	Freehold Buildings	Leasehold office / Residential Premises	Plant and Machinery and Computers	Furniture and Fixtures	Vehicles	Office Equipment	Assets on Operating Lease			Total
								Plant and Machinery and Computers	Vehicles	Medical Equipments	
GROSS BLOCK AT COST											
As at 31.03.2024	27.84	16.65	6.64	76.74	18.45	38.56	15.20	21.75	504.30	11.43	737.56
Additions	–	–	0.54	9.75	4.38	7.69	3.29	29.71	205.22	–	260.58
Deductions	–	0.05	–	7.00	0.40	4.57	0.58	5.25	76.62	–	94.47
Asset Transfer from IP	–	3.51	–	–	–	–	–	–	–	–	3.51
As at 31.03.2025	**27.84**	**20.11**	**7.18**	**79.49**	**22.43**	**41.68**	**17.91**	**46.21**	**632.90**	**11.43**	**907.18**
DEPRECIATION											
Upto 31.03.2024	–	5.47	1.88	46.35	9.44	14.98	7.10	11.35	157.64	8.38	262.60
Additions	–	0.97	0.34	11.30	2.68	6.68	1.83	8.75	111.54	0.96	145.05
Deductions	–	0.02	–	6.38	0.31	3.32	0.43	4.49	41.92	–	56.87
Asset Transfer from IP	–	1.04	–	–	–	–	–	–	–	–	1.04
Upto 31.03.2025	–	**7.46**	**2.22**	**51.27**	**11.81**	**18.34**	**8.50**	**15.61**	**227.26**	**9.34**	**351.82**
Carrying Value as at 31.03.2025	**27.84**	**12.65**	**4.96**	**28.22**	**10.63**	**23.34**	**9.41**	**30.60**	**405.64**	**2.09**	**555.36**

* The below property held for sale:
Property at Chembur, Mumbai, Maharastra (Carrying value ₹0.60 crores)

Building on leasehold land includes of flats in co-operative societies
Title deeds of all the Immovable Properties are held in the name of the Company.
No Revaluation of Property, Plant and Equipment has been carried out during the year.
Refer Note 19 for Mortgage on Immovable Property.
The Company does not have any benami property and no proceeding has been initiated or pending against the Company for holding any benami property.

Note 15 : Right of use - Assets

(₹in crores)

Particulars	ROU Land	ROU Buildings	ROU Computers	Finance Lease Land	Total
GROSS BLOCK AT COST					
As at 31.03.2025	6.75	151.17	–	0.39	158.31
Additions	–	48.73	6.11	–	54.84
Deductions	–	26.66	–	–	26.66
As at 31.03.2026	**6.75**	**173.24**	**6.11**	**0.39**	**186.49**
DEPRECIATION					
Up to 31.03.2025	5.68	67.47	–	–	73.15
Additions	0.86	20.18	1.36	–	22.40
Deductions	–	16.50		–	16.50
Upto 31.03.2026	**6.54**	**71.15**	**1.36**	–	**79.05**
Carrying Value as at 31.03.2026	**0.21**	**102.09**	**4.75**	**0.39**	**107.44**

(₹ in crores)

Particulars	ROU Land	ROU Buildings	ROU Computers	Finance Lease Land	Total
GROSS BLOCK AT COST					
As at 31.03.2024	6.75	127.47	–	0.39	134.61
Additions	–	38.25	–	–	38.25
Deductions	–	14.55	–	–	14.55
As at 31.03.2025	**6.75**	**151.17**	–	**0.39**	**158.31**
DEPRECIATION					
Up to 31.03.2024	4.82	60.78	–	–	65.60
Additions	0.86	17.30	–	–	18.16
Deductions	–	10.61	–	–	10.61
Upto 31.03.2025	**5.68**	**67.47**	–	–	**73.15**
Carrying Value as at 31.03.2025	**1.07**	**83.70**	–	**0.39**	**85.16**

Note 16 Other Intangible Assets & Intangible Assets Under Development

(₹ in crores)

Particulars	Computer Software		Total	Intangibles Under Development*
	Purchased	Self Generated		
GROSS BLOCK AT COST				
As at 31.03.2025	19.69	31.37	51.06	0.45
Additions	–	4.46	4.46	7.53
Deductions	–	–	–	4.46
As at 31.03.2026	**19.69**	**35.83**	**55.52**	**3.52**
DEPRECIATION				
Up to 31.03.2025	18.65	16.97	35.62	–
Additions	0.36	5.14	5.50	–
Deductions	–	–	–	–
Upto 31.03.2026	**19.01**	**22.11**	**41.12**	–
Carrying Value as at 31.03.2026	**0.68**	**13.72**	**14.40**	**3.52**

* ₹3.52 crores ageing is less than 1 year as of 31st March 2026. No Revaluation of Intangible assets is done during the year

(₹ in crores)

Particulars	Computer Software		Total	Intangibles Under Development*
	Purchased	Self Generated		
GROSS BLOCK AT COST				
As at 31.03.2024	18.98	26.32	45.30	1.30
Additions	0.71	5.05	5.76	4.20
Deductions	–	–	–	5.05
As at 31.03.2025	**19.69**	**31.37**	**51.06**	**0.45**
DEPRECIATION				
Up to 31.03.2024	18.30	12.69	30.99	–
Additions	0.35	4.28	4.63	–
Deductions	–	–	–	–
Upto 31.03.2025	**18.65**	**16.97**	**35.62**	**–**
Carrying Value as at 31.03.2025	**1.04**	**14.40**	**15.44**	**0.45**

* ₹0.45 crores ageing is less than 1 year as of 31st March 2025. No Revaluation of Intangible assets is done during the year

Note 17: Other Non-Financial Assets

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
Balances with Government authorities	69.95	102.81
Prepaid expenses	22.89	20.86
SF employee welfare trust	2.84	2.86
Stamp and stamp papers on hand	3.79	3.24
Capital Advances	0.21	0.75
Others Assets *	3.30	3.51
Total	**102.98**	**134.03**

* Amount paid for which goods / services are to be received.

Note 18: Payables

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
Trade payables		
(i) Total outstanding dues of micro enterprises and small enterprises		
Outstanding Liability *	**2.49**	**2.42**
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		
Dealer Balances	120.05	166.37
Outstanding Liabilities	8.75	7.50
Sub-Total	**128.80**	**173.87**
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	20.52	15.94
Sub-Total	**20.52**	**15.94**

*Subsequently liability is discharged

Trade Payables ageing schedule as at 31st March 2026

(₹ in crores)

Outstanding for following periods from due date of payment						
Particulars	**Not Due**	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) MSME	0.20	2.29	–	–	–	2.49
(ii) Others	95.86	32.93	0.01	–	–	128.80
(iii) Disputed dues – MSME	–	–	–	–	–	–
(iv) Disputed dues - Others	–	–	–	–	–	–
(v) Unbilled	–	–	–	–	–	–

Trade Payables ageing schedule as at 31st March 2025

(₹ in crores)

Outstanding for following periods from due date of payment						
Particulars	**Not Due**	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) MSME	0.99	1.43	–	–	–	2.42
(ii) Others	125.48	48.38	0.01	–	–	173.87
(iii) Disputed dues - MSME	–	–	–	–	–	–
(iv) Disputed dues - Others	–	–	–	–	–	–
(v) Unbilled	–	–	–	–	–	–

Note 19: Debt Securities

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
Carried at amortised cost		
Non-Convertible debentures	16,967.71	11,717.65
Commercial paper	3,623.94	4,528.31
Total	**20,591.65**	**16,245.96**
Of the above		
- Debt securities in India	20,591.65	16,245.96
- Debt securities outside India	–	–
Total	**20,591.65**	**16,245.96**

Note:

(i) The Secured Non - Convertible Debentures are secured by Hypothecation of specific Loan receivables / Lease agreements with a cover of 100% /125% as per the terms of issue.

Note 20: Borrowings other than debt securities

Carried at amortised cost

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
Secured:		
Term Loan from banks	22,033.85	19,661.46
Working capital demand loans and Cash credit	2,950.11	2,465.81
Unsecured:		
Credit facilities from banks / ICD Borrowings	2.66	4.21
Total	**24,986.62**	**22,131.48**
Of the above		
Borrowings in India	24,986.62	22,131.48
Borrowings Outside India	–	–
Total	**24,986.62**	**22,131.48**

Note:

a) The term loan from banks are secured by hypothecation of specific assets covered by a charge on hypothecation loan receivable / Lease Agreements.

b) Term loans were deployed for the purpose for which they were obtained.

c) Working capital demand loans and cash credit are secured by a charge on hypothecation loan receivable/lease agreement , ranking pari passu ,excluding assets which are specifically charged to others.

d) Funds raised on short term basis have not been utilised for long term purposes.

e) The Company has not defaulted in the repayment of dues to its lenders.

f) Quarterly Returns or Statements of current assets filed by the Company with Banks or Financial Institutions are in agreement with the Books of Accounts.

g) The Company has not been declared as wilful defaulter by any Bank or Financial Institution or other lender or government or any government authority

Note 21: Deposits

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
Carried at amortised cost		
- Public Deposits	6,170.12	6,004.60
- From others	299.99	353.62
Total	**6,470.11**	**6,358.22**

Note 22: Subordinated Liabilities

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
Carried at amortised cost		
Subordinated Non Convertible Debentures	2,542.00	2,584.45
Of the above		
– Subordinated Liabilities in India	2,542.00	2,584.45
– Subordinated Liabilities outside India	–	–
Total	**2,542.00**	**2,584.45**

Maturity Pattern of Borrowings:

(₹ in crores)

Implicit Interest rate * (%)	As on 31.03.2026				As on 31.03.2025			
Maturities	<1 year	1 - 3 years	>3 years	Total	<1 year	1 - 3 years	>3 years	Total
Secured Debentures								
>= 5 to 6	–	–	–	–	261.27	–	–	261.27
>= 6 to 7	1,039.68	5,765.00	–	6,804.68	42.80	750.00	–	792.80
>= 7 to 8	3,037.38	5,125.65	2,000.00	10,163.02	2,820.71	5,092.86	2,750.00	10,663.58
Total	**4,077.06**	**10,890.65**	**2,000.00**	**16,967.70**	**3,124.78**	**5,842.86**	**2,750.00**	**11,717.65**
Long Term Loans								
>=3 to 4	–	–	–	–	23.12	1.83	–	24.94
>= 4 to 5	–	–	–	–	271.55	3.80	–	275.35
>= 5 to 6	560.07	932.61	87.87	1,580.55	161.39	8.48	–	169.86
>= 6 to 7	4,175.25	7,013.15	285.84	11,474.24	1,180.70	1,051.33	115.43	2,347.46
>= 7 to 8	4,226.05	2,731.94	17.56	6,975.56	6,070.01	7,263.27	959.87	14,293.16
>= 8 to 9	–	–	–	–	187.89	499.98	62.53	750.40
Total	**8,961.38**	**10,677.70**	**391.28**	**20,030.35**	**7,894.66**	**8,828.69**	**1,137.83**	**17,861.17**
Subordinated Liabilities								
>= 7 to 8	19.77	–	1,100.00	1,119.77	19.89	–	1,100.00	1,119.89
>= 8 to 9	218.28	675.00	400.00	1,293.28	67.49	825.00	400.00	1,292.49
>= 9 to 10	3.96	125.00	–	128.96	47.06	–	125.00	172.06
Total	**242.00**	**800.00**	**1,500.00**	**2,542.00**	**134.45**	**825.00**	**1,625.00**	**2,584.45**

* Monthly cost

Reconciliation of movement in borrowings to cash flows from financing activities

(₹ in crores)

Particulars	April 01,2025	Cashflows	Others*	March 31, 2026
Debt securities	16,245.95	3,744.95	600.75	20,591.65
Borrowings (Other than debt securities)	22,131.47	2,865.54	(10.39)	24,986.62
Deposits	6,358.23	109.58	2.30	6,470.11
Subordinated liabilities	2,584.45	(40.00)	(2.45)	2,542.00
Total	**47,320.10**	**6,680.07**	**590.20**	**54,590.38**

(₹ in crores)

Particulars	April 01,2024	Cashflows	Others*	March 31, 2025
Debt securities	13,334.13	2,575.25	336.58	16,245.95
Borrowings (Other than debt securities)	19,349.98	2,763.85	17.64	22,131.47
Deposits	5,745.23	518.37	94.62	6,358.23
Subordinated liabilities	2,447.56	124.37	12.52	2,584.45
Total	**40,876.90**	**5,981.84**	**461.36**	**47,320.10**

* Others represents the effect of interest accrued but not paid on borrowing and amortization of initial cost of borrowing.

Note 23: Other Financial Liabilities

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
Amount due on assets securitised or assigned	2.05	5.49
Unpaid matured deposits and interest accrued thereon	51.59	39.02
Advance received from customers	31.49	27.12
Unpaid dividend	7.31	6.50
Payable to employees	141.16	115.59
Lease liability	107.83	84.15
Other liabilities **	161.56	141.97
Total	**502.99**	**419.84**

** Other liabilities include amount payable to creditors for expenses, payable to customers for security deposit received, commission payable to non-whole time directors.

Note 24: Provisions

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
Provision for employee benefits	83.45	34.09
Provision for Other expenses ^	16.14	16.92
Total	**99.59**	**51.01**

^ Provision for other expenses include provision made for legal cases / claims

Note 25: Other Non-Financial Liabilities

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
Revenue received in advance	0.42	0.24
Other Liabilities #	51.37	42.81
Total	**51.79**	**43.05**

includes government dues, taxes payable, GST payable, salary deductions payable and ₹6.96 crores (as on 31.03.2025 - ₹4.25 crores) advance received towards assets held for sale.

Note 26: Equity Share Capital

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
Authorised capital		
27,81,00,000 Equity Shares of ₹10/- each	278.10	278.10
Issued, Subscribed and fully paid-up		
11,11,03,860 Equity Shares of ₹10/- each	**111.10**	**111.10**

The Company has only one class of equity shares having a par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share. The final dividend is subject to the approval of the shareholders in the ensuing annual general meeting.

a) reconciliation of the number of shares outstanding at the beginning and at the end of the period

Particulars	March 31, 2026	March 31, 2025
At the beginning of the year	11,11,03,860	11,11,03,860
Changes in equity share capital during the current year	–	–
At the end of the year	**11,11,03,860**	**11,11,03,860**

b) There are no Share holder holding more than 5% of shares in the current year and previous year

c) Aggregate number of equity shares issued for consideration other than cash / Bonus shares during the period of five years immediately preceding the reporting date: Nil.

d) **Share holding of promoters** - refer annexure

Shares held by promoters at the end of the year

Date	Promoter name	No.of shares	% of total shares	% change during the year
31.03.2025	As per table below	4,13,53,783	37.22	
31.03.2026		4,13,38,283	37.21	-0.01

Annexure- Note 26 (d) : Shareholding of Promoters

SL No.	Name of the Promoters	Shareholders type	No. of Shares as on 31st March 2026	% of shares	No. of Shares as on 31st March 2025	% of shares	% Change
1	Mr. Srivats Ram	Promoter	17,01,322	1.53	17,01,322	1.53	–
2	Mrs. Nivedita Ram	Promoter	16,49,516	1.48	16,49,516	1.48	–
3	Mr. Harsha Viji	Promoter Group	18,05,692	1.63	18,05,692	1.63	–
4	Mr. Arjun Rangarajan	Promoter Group	13,08,270	1.18	13,08,270	1.18	–
5	Mr. Sriram Viji	Promoter Group	12,78,620	1.15	12,78,620	1.15	–
6	Mrs. Gita Ram	Promoter Group	11,39,680	1.03	11,39,680	1.03	–
7	Mrs. S. Hema	Promoter Group	1,84,968	0.17	3,34,968	0.30	-0.14
8	Ms. Khushii Srinivasan (HUF)	Promoter Group	75,000	0.07	–	–	0.07
9	Mr. Kishore Sundaram & Sons (HUF)	Promoter Group	75,000	0.07	–	–	0.07
10	Mrs. Usha Raghavan	Promoter	–	–	5,89,992	0.53	-0.53
11	Mr. Srikanth Ramanujam	Promoter	11,06,522	1.00	9,14,052	0.82	0.17
12	Mr. S. Viji	Promoter	12,75,704	1.15	12,75,704	1.15	–
13	Mrs. Vijaya Rangarajan	Promoter	10,86,265	0.98	10,86,265	0.98	–
14	Mrs. Chitra Viji	Promoter Group	8,34,034	0.75	8,34,034	0.75	–
15	Mrs. Prema Ramanujam	Promoter Group	–	–	6,43,412	0.58	-0.58
16	Mrs. Lily Vijayaraghavan	Promoter	4,15,292	0.37	4,15,292	0.37	–
17	Mrs. Vijaya Rangarajan & Mr. Santhanam Ram	Promoter Group	6,09,896	0.55	6,09,896	0.55	–
18	Mr. S. Ram	Promoter	5,06,788	0.46	5,06,788	0.46	–
19	Mrs. Choodamani Narayanan	Promoter	5,09,094	0.46	5,09,094	0.46	–
20	Mr. Narayanan Ramji (HUF)	Promoter Group	1,36,160	0.12	1,36,160	0.12	–
21	Mrs. Anuradha Raghavan	Promoter	3,97,264	0.36	3,97,264	0.36	–

SL No.	Name of the Promoters	Shareholders type	No. of Shares as on 31st March 2026	% of shares	No. of Shares as on 31st March 2025	% of shares	% Change
22	Mrs. Lily Vijayaraghavan & Mrs. Sashi Parthasarathy	Promoter	1,97,576	0.18	1,97,576	0.18	–
23	Mr. Sharath Vijayaraghavan (HUF)	Promoter Group	1,87,798	0.17	1,87,798	0.17	–
24	Mr. K. Vasudevan	Promoter	2,84,792	0.26	2,83,492	0.26	0.00
25	Mr. Krishna Vasudevan	Promoter Group	–	0.00	1,300	0.00	-0.00
26	Mrs. Lakshmi Vasudevan	Promoter Group	2,80,016	0.25	2,80,016	0.25	–
27	Mr. R. Ramanujam	Promoter Group	4,85,358	0.44	4,09,622	0.37	0.07
28	Mr. Aditya S. Ramanujam	Promoter Group	2,61,548	0.24	2,61,548	0.24	–
29	Miss Tulsi S. Ramanujam	Promoter Group	2,67,767	0.24	2,67,767	0.24	–
30	Mr. Sharath Vijayaraghavan	Promoter	1,74,844	0.16	1,74,844	0.16	–
31	Mrs. Lily Vijayaraghavan & Mr. Badri Vijayaraghavan	Promoter	1,97,776	0.18	1,97,776	0.18	–
32	Mrs. Lily Vijayaraghavan & Mr. Sharath Vijayaraghavan	Promoter	1,97,776	0.18	1,97,776	0.18	–
33	Mr. T. T. Narendran, Mrs. Vimala Rangaswamy & Mrs. Padmini Narendran	Promoter	1,69,588	0.15	1,69,588	0.15	–
34	Mrs. Indira Krishnaswami	Promoter Group	1,62,180	0.15	1,62,180	0.15	–
35	Mr. T. T. Srinivasa Raghavan (HUF)	Promoter Group	1,23,192	0.11	1,23,192	0.11	–
36	Mr. Daya Ambirajan	Promoter Group	2,70,539	0.24	2,70,539	0.24	–
37	Mr. S. Kishore & Mr. A.M. Srinivasan	Promoter Group	4,63,612	0.42	4,63,612	0.42	–
38	Mrs. Bagyam Raghavan & Mr. T. T. Venkatraghavan	Promoter Group	1,19,908	0.11	1,19,908	0.11	–
39	Mr. T. T. Srinivasaraghavan & Mr. T. T. Narendran	Promoter	1,35,800	0.12	1,35,800	0.12	–
40	Mr. T. T. Srinivasaraghavan & Mrs. Bagyam Raghavan	Promoter Group	1,35,800	0.12	1,35,800	0.12	–
41	Mr. T. T. Narendran & Mrs. Padmini Narendran	Promoter Group	1,00,000	0.09	1,00,000	0.09	–
42	Mr. Narayanan Ramji	Promoter	1,12,148	0.10	1,12,148	0.10	–
43	Mr. S. Raghavan	Promoter Group	1,03,492	0.09	1,03,492	0.09	–

NOTES TO THE ACCOUNTS (Contd.)

SL No.	Name of the Promoters	Shareholders type	No. of Shares as on 31st March 2026	% of shares	No. of Shares as on 31st March 2025	% of shares	% Change
44	Mrs. Padmini Narendran & Mr. T. T. Hayagreevan	Promoter Group	1,16,012	0.10	1,16,012	0.10	–
45	Mr. N. Krishnan	Promoter	1,12,192	0.10	1,12,192	0.10	–
46	Mr. N. Krishnan (HUF)	Promoter Group	1,01,592	0.09	1,01,592	0.09	–
47	Mr. T. T. Narendran (HUF)	Promoter Group	95,068	0.09	95,068	0.09	–
48	Mrs. Vimala Rangaswamy, Mr. T. T. Narendran & Mrs. Padmini Narendran	Promoter Group	95,024	0.09	95,024	0.09	–
49	Mr. T. T. Narendran & Mrs. Padmini Narendran	Promoter Group	90,000	0.08	90,000	0.08	–
50	Mr. T. T. Srinivasaraghavan Mrs. Vimala Rangaswamy & Mrs. Bagyam Raghavan	Promoter	91,684	0.08	91,684	0.08	–
51	Mrs. Vimala Rangaswamy, Mr. T. T. Srinivasaraghavan & Mr. T. T. Venkatraghavan	Promoter Group	82,664	0.07	82,664	0.07	–
52	Mr. Srivats Ram (HUF)	Promoter Group	77,200	0.07	77,200	0.07	–
53	Mr. Vishnu Vijayaraghavan	Promoter Group	1,50,984	0.14	1,50,984	0.14	–
54	Mrs. Rupa Srikanth	Promoter Group	70,188	0.06	70,188	0.06	–
55	Mrs. Aruna Sankaranarayanan	Promoter Group	56,840	0.05	56,840	0.05	–
56	Mrs. Rama Sridharan	Promoter	55,920	0.05	55,920	0.05	–
57	Late Mr. T. T. Rangaswamy (Karta of HUF 1)	Promoter Group	49,324	0.04	49,324	0.04	–
58	Mr. K. Vasudevan & Mrs. Lakshmi Vasudevan	Promoter	46,392	0.04	46,392	0.04	–
59	Mrs. Lakshmi Vijayaraghavan	Promoter Group	42,955	0.04	42,955	0.04	–
60	Mr. Shriram Vijayaraghavan (HUF)	Promoter Group	1,05,000	0.09	1,05,000	0.09	–
61	Mr. Shreen Raghavan	Promoter Group	3,89,888	0.35	94,892	0.09	0.27
62	Mr. R. Ramanujam & Mr. Ananth Ramanujam	Promoter Group	25,600	0.02	25,600	0.02	–
63	Ms. Tarika Ram	Promoter Group	1,64,380	0.15	1,64,380	0.15	–
64	Miss Gitanjali Jeevan Jose, Rep By M/G Mrs. Divya Jeevan Jose	Promoter Group	13,900	0.01	13,900	0.01	–

SL No.	Name of the Promoters	Shareholders type	No. of Shares as on 31st March 2026	% of shares	No. of Shares as on 31st March 2025	% of shares	% Change
65	Master P. Siddhartha Jeevan, Rep By M/G Mrs. Divya Jeevan Jose	Promoter Group	13,900	0.01	13,900	0.01	–
66	Mr. R. Ramanujam (HUF)	Promoter Group	9,992	0.01	9,992	0.01	–
67	Mr. R. Ramanujam & Mrs. Prema Ramanujam	Promoter Group		–	9,736	0.01	-0.01
68	Mr. Sumanth Ramanujam	Promoter Group	11,19,601	1.01	9,27,129	0.83	0.17
69	Mr. S. Viji &Mrs. Chitra Viji	Promoter	8,684	0.01	8,684	0.01	–
70	Mr. Srikanth Ramanujam (HUF)	Promoter Group	8,000	0.01	8,000	0.01	–
71	Mr. Ranjan Ambirajan	Promoter Group	1,57,633	0.14	1,57,633	0.14	–
72	Mr. Shreen Raghavan (HUF)	Promoter Group	5,115	0.00	5,115	0.00	–
73	Mr. Srikanth Ramanujam & Mrs. Rupa Srikanth	Promoter	4,472	0.00	4,472	0.00	–
74	Mr. Sriram Viji & Mrs. Chitra Viji	Promoter Group	3,156	0.00	3,156	0.00	–
75	Mr. Harsha Viji & Mrs. Chitra Viji	Promoter Group	3,156	0.00	3,156	0.00	–
76	Mr. Srinivasan Ravindran	Promoter	2,39,680	0.22	2,39,680	0.22	–
77	Mr. S. Ravindran	Promoter Group	2,51,680	0.23	2,51,680	0.23	–
78	Mrs. Thanjam Ravindran	Promoter Group	5,62,670	0.51	5,62,670	0.51	–
79	Mr. Shreyas Ravindran & Mr. Srinivasan Ravindran	Promoter Group	1,36,342	0.12	1,36,342	0.12	–
80	Mr. C. B. Srinivasan	Promoter Group	9,600	0.01	9,600	0.01	–
81	Mr. A.M. Srinivasan & Mr. S. Kishore	Promoter Group	3,50,452	0.32	3,50,452	0.32	–
82	Mr. A.M. Srinivasan	Promoter Group	120	0.00	120	0.00	–
83	Mrs. Kavitha Gorur Keshav & Mr T T Hayagreevan	Promoter Group	10,000	0.01	10,000	0.01	–
84	Miss Nakshatra Hayagreevan (Minor)	Promoter Group	13,900	0.01	13,900	0.01	–
85	Ms. Sanjana Tara Ramanujam	Promoter Group	99,524	0.09	99,524	0.09	–
86	Master T. T. Samitinjayan Rep by F/G Mr. T. T. Hayagreevan	Promoter Group	14,128	0.01	14,128	0.01	–
87	Mr. Badri Vijayaraghavan	Promoter	1,30,144	0.12	1,30,144	0.12	–
88	India Motor Parts & Accessories Limited	Promoter Group	28,98,600	2.61	28,98,600	2.61	–

SL No.	Name of the Promoters	Shareholders type	No. of Shares as on 31st March 2026	% of shares	No. of Shares as on 31st March 2025	% of shares	% Change
89	Raghuvamsa Holdings Private Limited	Promoter Group	18,51,634	1.67	18,51,634	1.67	–
90	Uthirattadhi Sriram Holdings Private Limited	Promoter Group	14,79,560	1.33	14,79,560	1.33	–
91	Silver Oak Holdings Private Limited	Promoter Group	14,36,914	1.29	14,36,914	1.29	–
92	Rohini Holdings Private Limited	Promoter Group	12,94,362	1.17	12,94,362	1.17	–
93	Padmalakshmi Holdings Private Limited	Promoter Group	12,92,832	1.16	12,92,832	1.16	–
94	Allegro Holdings Private Limited	Promoter Group	12,47,100	1.12	12,47,100	1.12	–
95	Revathi Holdings Private Limited	Promoter Group	12,20,460	1.10	12,20,460	1.10	–
96	Azorious Holdings Private Limited	Promoter Group	8,50,156	0.77	8,50,156	0.77	–
97	Maham Holdings Limited	Promoter Group	5,12,720	0.46	5,12,720	0.46	–
98	Mr. Ananth Ramanujam	Promoter Group	7,74,046	0.70	5,81,576	0.52	0.17
99	Mr. Ananth Krishnan	Promoter Group	1,80,000	0.16	1,80,000	0.16	–
100	Mr. Akshay Krishnan	Promoter Group	1,80,000	0.16	1,80,000	0.16	–
101	Mr. Srinivas Raghavan	Promoter Group	27,040	0.02	27,040	0.02	–
102	Mrs. Veena Raghavan	Promoter Group	2,94,996	0.27	–	–	0.27
103	Mrs. Dangety Krishnakumari	Promoter Group	23,324	0.02	23,324	0.02	–
104	Mrs. Sashi Parthasarathi	Promoter Group	63,186	0.06	78,686	0.07	-0.01
	Total		**4,13,38,283**	**37.21**	**4,13,53,783**	**37.22**	**-0.01**

Note 26(e): OTHER EQUITY-RESERVES

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
Capital Reserve		
At the beginning of the year	6.60	6.60
Add: Changes during the year	-	–
At the end of the year	**6.60**	**6.60**
Share Options Outstanding Account		
At the beginning of the year	12.18	6.83
Options Granted during the year	5.13	6.43
Cost of shares transferred on exercise of option	(0.02)	(0.02)
Shares Forfeited	(0.47)	(0.38)
Deferred Employee Compensation Cost	0.67	0.54
Transfer to general reserve	(0.83)	(1.22)
At the end of the year	**16.68**	**12.18**
Statutory Reserve		
At the beginning of the year	2,525.96	2,217.43
Add: Changes during the year	366.83	308.53
At the end of the year	**2,892.79**	**2,525.96**
General Reserve		
At the beginning of the year	3,508.82	3,507.60
Add:Transfer from Share Options Outstanding account	0.83	1.22
At the end of the year	**3,509.65**	**3,508.82**

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
Retained Earnings		
At the beginning of the year	3,914.95	3,018.66
Profit After tax for the year	1,834.17	1,542.65
Remeasurements of the defined benefit plans	(5.35)	(4.50)
Dividend payout (Final)	(233.32)	(177.77)
Dividend payout (Interim)	(177.77)	(155.56)
Transfer to Statutory reserve	(366.83)	(308.53)
At the end of the year	**4,965.85**	**3,914.95**
Equity / Preference shares through OCI		
At the beginning of the year	1,079.02	603.47
Add: Changes during the year	113.04	475.55
At the end of the year	**1,192.06**	**1,079.02**
Effective portion of cash flow hedge		
At the beginning of the year	(19.55)	–
Fair value change on cashflow hedge	40.21	(19.55)
At the end of the year	**20.66**	**(19.55)**
Total equity	**12,604.29**	**11,028.00**

Description of nature and purpose of other equity:

a) **Capital Reserve:** Represents reserve created on account of amalgamations and arrangements

b) **Share Options Outstanding Account:** Represents reserve on grant of option to employees of the company / group company under Employee Stock option Scheme.

c) **Statutory reserve:** Represents reserve created as per Section 45-IC of the Reserve Bank of India Act, 1934.

d) **General reserve:** Represents amount appropriated from retained earnings.

e) **OCI Reserve:** Equity/ Preference : represents the cumulative gains / losses arising on the fair valuation of equity / preference instruments measured at fair value through Other Comprehensive Income.

f) **OCI Reserve:** Cash flow hedge : Effective portion of cash flow hedges represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges.

STATEMENT OF PROFIT AND LOSS NOTES

Note 27: Interest Income

(₹ in crores)

Particulars	2025-26	2024-25
On Financial assets measured at amortised cost:		
Loans	6,149.88	5,308.47
Investments	259.30	187.13
Deposits with Banks	102.74	99.80
On Financial assets classified at Fair value through profit or loss:		
Investments	86.06	52.75
Total	**6,597.98**	**5,648.15**

Note 28: Fees and commission income

(₹ in crores)

Particulars	2025-26	2024-25
Relating to		
- Loans	227.43	194.85
- Selldown servicing fee	15.64	21.59
- Income from other Financial Services	122.59	120.44
Total	**365.66**	**336.88**

Note 29: Net gain / (loss) on fair value changes

(₹ in crores)

Particulars	2025-26	2024-25
A . Net gain on financial instruments at fair value through profit or loss		
(i) On trading portfolio	–	–
(ii) On Financial instruments designated at fair value through profit or loss	–	–
B. Others		
Net gain / (loss) on financial instruments at fair value through profit or loss on		
Investments	116.72	103.39
C. Total Net gain / (loss) on fair value changes (A + B)	116.72	103.39
Of the above, fair value changes:		
Realised	88.20	91.36
Unrealised	28.52	12.03
Total	**116.72**	**103.39**

Note 30: Other Income

(₹ in crores)

Particulars	2025-26	2024-25
Net gain/(loss) on Derecognition of property, plant and equipment	(1.20)	34.32
Interest income	38.71	25.33
Rental income	6.32	6.57
Other non-operating income	7.69	9.41
Total	**51.52**	**75.63**

Note 31: Finance costs

(₹ in crores)

Particulars	2025-26	2024-25
On Financial liabilities carried at amortised cost:		
Interest on		
Deposits	489.31	458.65
Term loans	1,568.46	1,501.51
Debt securities	1,389.48	1,067.74
Subordinated liabilities	205.37	212.77
Other interest expense and borrowing cost*	15.39	13.28
Total	**3,668.01**	**3,253.95**

* includes interest on Lease liabilities ₹ 6.73 crores (2024-25 : ₹ 4.57 crores)

Note 32: Employee Benefits Expenses

(₹ in crores)

Particulars	2025-26	2024-25
Salaries and Wages	658.70	588.89
Contribution to provident and other funds	46.00	32.97
Share Based Payments to employees	4.49	5.16
Staff welfare expenses	13.93	16.02
Total	**723.12**	**643.04**

Note 33: Administrative and other Expenses

(₹ in crores)

Particulars	2025-26	2024-25
Rent, taxes and energy costs**	21.23	14.36
Repairs and maintenance	53.09	43.94
Communication Costs	13.35	11.09
Printing and stationery	4.13	3.54
Advertisement and publicity	1.83	1.47
Director's fees, allowances and expenses	3.51	2.77
Auditor's fees and expenses	1.68	1.51
Legal and Professional charges	18.08	14.74
Insurance	0.94	1.00
Outsourcing cost	15.78	28.74
Travel and conveyance	43.28	36.33
Corporate Social Responsibility (CSR) expenses	27.69	23.48
Other expenditure	48.51	44.80
Total	**253.10**	**227.77**

** includes expenses relating to short term leases ₹ 2.99 crores (2024-25 : ₹ 2.69 crores)

Note 34: Impairment / Provisions on financial instruments

(₹ in crores)

Particulars	2025-26	2024-25
Carried at amortised cost		
On Financial instruments measured at amortised cost:		
Loans	460.15	302.76
Investments	2.02	(0.01)
Repossessed assets	(4.15)	8.26
Provision for Alternate Investment Funds (AIF) (refer Note 10)	0.11	(69.03)
Others	(0.46)	(0.47)
Total	**457.67**	**241.51**

Other Notes

Note 35: Exceptional item:

On November 21, 2025, Government of India notified four new Labour Codes. The Company has reported the incremental impact of changes in new Labour Codes under "Exceptional Items" in the Standalone statement of profit and loss for the current year, amounting to ₹74.75 crores.

Note 36: Capital Management:

The Company's capital management strategy is to ensure that it has sufficient capital for business operations, strategic investment, and regulatory requirements, to provide reasonable return to the shareholders. Equity share capital and other equity are considered for Capital management.

The company monitors its Capital Adequacy ratio as stipulated by RBI for NBFC-Investment and credit company - Deposit taking. The Capital adequacy ratio as of March 31, 2026 is 18.95% (March 31, 2025 - 20.42%) as against the regulatory requirement of 15%.

Note 37: Financial instruments – Fair value measurements

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

a. Financial Assets / Liabilities that are measured at Fair value through P&L:

(₹ in crores)

Particulars	Fair Value Hierarchy	March 31, 2026	March 31, 2025
Financial Assets			
Derivatives	Level 2	27.60	-
Investment			
Mutual Funds	Level 1	903.10	534.14
Alternate Investment Funds	Level 1	748.24	516.27
Financial Liabilities			
Derivatives	Level 2	–	26.13

Fair value is estimated based on the market inputs for the classification as per level 2.

b. i) Equity Shares designated at Fair value through Other Comprehensive Income (FVTOCI):

The Company designated the following investment in equity shares at FVTOCI, because the company intends to hold the investment for long-term strategic purpose.

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
Investment in Experian Credit Information Company of India Private Ltd.*	11.20	11.20
Investment in TSF investments Limited #	1492.52	1,354.96

*As per Ind AS 109, Cost has been considered as the best estimate of the fair value.

Valued at the closing price quoted on NSE (Level 1) and dividend income of ₹39.12 cr. was recognised during the year.

ii) Compulsory Convertible Preference Shares (CCPS) designated at Fair value through Other Comprehensive Income (Level 3):

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
Investment in Series A CCPS of RBSG Capital Private Limited	–	5.65

Pursuant to the proposed terms of sale of business assets and liabilities by RBSG Capital Private Limited on a going concern basis, the investment in preference shares is assessed as non-recoverable at reporting date.

c. The following table shows the carrying amounts and fair values of financial assets and financial liabilities measured at amortised cost, including their levels in the fair value hierarchy:

(₹ in crores)

Particulars	Carrying Amount		Fair Value Hierarchy	Fair Value	
	March 31, 2026	March 31, 2025		March 31, 2026	March 31, 2025
Financial Assets:					
Cash and cash equivalents	345.24	208.42	Level 1	345.21	208.42
Bank Balances	952.88	1,766.11	Level 3	968.89	1,773.40
Receivables	55.70	57.85	Level 3	55.70	57.85
Loans	56,529.51	49,373.96	Level 3	56,379.73	49,430.95
Investments in Govt. securities	1,765.66	1,169.25	Level 1	1,736.03	1,178.57
Investments - others	2,481.49	1,265.95	Level 3	2,489.56	1,274.42
Other Financial assets	18.24	17.88	Level 3	18.32	17.88
Total	**62,148.72**	**53,859.42**		**61,993.44**	**53,941.49**
Financial Liabilities					
Payables	151.81	192.23	Level 3	151.88	192.23
Debt Securities	20,591.65	16,245.96	Level 3	20,543.31	16,308.50
Borrowings (Other than Debt Securities)	24,986.62	22,131.48	Level 3	24,970.01	22,138.29
Deposits	6,470.11	6,358.22	Level 3	6,493.51	6,433.23
Subordinated Liabilities	2,542.00	2,584.45	Level 3	2,563.83	2,639.78
Other Financial Liabilities	502.99	419.84	Level 3	502.90	419.84
Total	**55,245.18**	**47,932.18**		**55,225.44**	**48,131.87**

Fair value is arrived at using discounted future cash flows at market rates for the classification as per level 3 hierarchy.

Note 38 : Financial Risk Management framework

Risk is an inherent and integral part of the financial services business, and the company has been judiciously managing this through an efficient risk mitigation system, with a view to achieve the Company's stated objectives of Growth with Quality and Profitability. The risks primarily include credit risk, liquidity risk and market risk.

The policies and procedures laid down by the company for the purpose of risk identification, measurement and management, compare well with contemporary best practices followed by industry peers. The Risk Management Committee and Asset Liability Management Committee, functioning under the supervision of the Audit Committee, have enunciated detailed policies for assessment of various types of risks, and fixed tolerance limits as appropriate.

Note 38.1 Credit Risk

Credit risk is the risk of financial loss to the Company if a customer fails to meet his contractual obligations and arises principally from the company's loan receivables.

The company has in place a robust credit policy which clearly defines the credit filters and the terms of acceptance of proposals for financing different categories of borrowers and asset classes. The credit appraisal process, inter alia, includes filters for stratification of customers, compliance with know your customer (KYC) norms, field investigation, credit bureau verification, exposure ceilings, asset risk, segment, and geography risks. The risk metrics also address loan to value, loan tenure, based on the useful life of the asset, end-use of the asset and credit enhancements, as appropriate.

The Company's exposure is primarily to retail customers, thereby making for a well-diversified risk portfolio. The time-tested monitoring and recovery mechanism ensures timely recovery of instalments and where required, necessary action for resolution of delinquent accounts is initiated, including legal proceedings. Finally, physical presence and in-depth knowledge of the markets in which the Company operates enables early identification of emerging risks thereby facilitating prompt remedial action.

Following tables provide an overview of the gross carrying amount and credit loss allowance broken down into stages:

a. Loans and Advances* (₹ in crores)

Gross Carrying Amount								
Stages->	**March 31, 2026**				**March 31, 2025**			
	1	**2**	**3**	**Total**	**1**	**2**	**3**	**Total**
Balance at the beginning of the year	47,602.77	2,000.70	742.42	50,345.90	40,909.33	1,425.74	545.69	42,880.76
New business Originated/recoveries	8,922.33	(1,059.10)	(237.13)	7,626.10	8,675.45	(773.59)	(215.48)	7,686.38
Transfers due to change in creditworthiness	(1,739.61)	1,199.72	539.89	–	(1,907.96)	1,388.27	519.69	–
Financial assets that have been derecognised	–	–	–	–	–	–	–	–
Write off during the year	(80.39)	(61.48)	(180.17)	(322.04)	(74.05)	(39.72)	(107.48)	(221.25)
Balance at the end of the year	**54,705.10**	**2,079.84**	**865.01**	**57,649.95**	**47,602.77**	**2,000.70**	**742.42**	**50,345.90**

* Includes operating lease of ₹459.96 cr. as on March 31, 2026, and ₹438.35cr. as on March 31, 2025.

Expected Credit Loss								
Stages->	March 31, 2026				March 31, 2025			
	1	2	3	Total	1	2	3	Total
Balance at the beginning of the year	93.42	79.46	360.71	533.59	100.25	69.70	273.88	443.83
New business originated/ change in creditworthiness	84.82	102.21	268.96	455.99	58.85	67.00	185.17	311.01
Transfers due to change in Staging	12.08	(18.27)	6.19	–	8.38	(17.51)	9.14	–
Financial assets that have been derecognised	–	–	–	–	–	–	–	–
Write off during the year	(80.39)	(61.48)	(180.17)	(322.04)	(74.05)	(39.72)	(107.48)	(221.25)
Balance at the end of the year	**109.93**	**101.92**	**455.69**	**667.54**	**93.42**	**79.46**	**360.71**	**533.59**

During the year ended March 31st 2026, the Company reviewed and refined its methodology for computing Expected Credit Loss (ECL), including the use of more recent historical data and machine learning-based model enhancements, where appropriate. The approach for incorporating forward-looking probability of default (PD) adjustments based on macroeconomic forecasts was also refined, including the calibration of weights assigned to base, best and worst-case scenarios.

Concentration of Credit risk %

(i) Concentration by Geographical risk:

Particulars	March 31, 2026	March 31, 2025
South	55.72	53.98
North	27.46	28.54
West	12.45	13.14
East	4.37	4.34
Total	**100.00**	**100.00**

(ii) Concentration by Asset Class:

Particulars	March 31, 2026	March 31, 2025
Commercial Vehicles	45.32	46.12
Cars	26.57	26.14
Construction Equipment	11.02	11.03
Tractors & Farm Equipment	7.26	7.27
Others	9.83	9.44
Total	**100.00**	**100.00**

b. Other Assets:

The company computes Expected credit loss on other financial assets including trade receivables based on a provision matrix which is constructed using historical credit loss experience as adjusted to reflect current conditions.

(₹ in crores)

Stages->	March 31, 2026				March 31, 2025			
	1	2	3	Total	1	2	3	Total
Gross Carrying Amount	73.32	0.68	0.13	74.13	76.16	0.10	0.06	76.32
Expected Credit Loss	0.10	–	0.09	0.19	0.55	–	0.04	0.59
Net Carrying Amount	**73.22**	**0.68**	**0.04**	**73.94**	**75.61**	**0.10**	**0.02**	**75.73**

c. Loan Commitments and Financial Guarantees:

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
Gross Carrying Amount	302.84	179.27
Expected Credit Loss	1.05	1.11
Net Carrying Amount	**301.79**	**178.16**

The above particulars are in respect of assets classified at stage 1.

Credit risk management practices

(i) **Policy on write off:** Credit-impaired loans are written off when the value of underlying security/other collateral is not sufficient to cover the loan exposure or where the underlying security / customer are not traceable. In such cases, the company takes legal recourse for recovery of shortfall of dues, if any.

(ii) **Narrative description of collateral:** The underlying assets, which are financed, are the primary collateral held. These are typically commercial vehicles, cars, construction equipment, farm equipment etc. Additional collateral, by way of credit enhancement, is obtained based on the management's credit evaluation of the customer.

d. Debt Securities:

All debt investments are allocated to stage 1 under initial recognition. If the rating assigned to the security at the time of investment is downgraded by two notches and / or where there is a delay in interest servicing by more than 30 days, this would result in stage 2 classification. Further downgrade of rating and/or delay in interest servicing by more than 90 days/default of payment of principal would result in stage 3 classification.

For investment in debt instruments, one-year transition matrix provided by the rating agencies is used as the PD. Loss given default (LGD) parameters assume a recovery rate of 65%, 75% and 50% for unsecured senior, unsecured subordinated and secured debt securities respectively.

A breakup of investment in debt securities into different stages is given as under:

(₹ in crores)

Particulars	Gross Carrying Amount			
	March 31, 2026		March 31, 2025	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Government Securities	–	1,765.66	–	1,169.25
Mutual Funds	903.10	–	534.14	–
Alternate Investment Funds	748.94	–	516.85	–
Non-Convertible Debentures	–	1471.48	–	766.56
Pass Through Certificates	–	228.95	–	139.34
Commercial Paper	–	784.13	–	361.10
Total	**1,652.04**	**4,250.22**	**1,050.99**	**2,436.25**

The Gross carrying amount in respect of investments classified under amortised cost are at stage 1.

(₹ in crores)

Particulars	Expected Credit loss	
	March 31, 2026	March 31, 2025
Balance at the beginning of the year	1.63	70.67
Additional Provisions (Net) / Provision on AIF Investments	2.13	1.09
Transfers due to change in credit worthiness	–	–
Financial assets that have been derecognised /Reversal of provision on AIF Investments.	–	70.13
Write off during the year	–	–
Balance at the end of the year	**3.76**	**1.63**

38.2 Liquidity Risk

Liquidity risk relates to our potential inability to meet all payment obligations when they fall due or only being able to meet them at excessive costs. The objective of the liquidity risk management framework is to ensure that the Company can fulfil its payment obligations at all times and can manage liquidity and funding risks within its risk appetite. The Asset Liability Management Committee regularly monitors the liquidity position and the duration of assets/liabilities and ensures that liquidity is strictly managed as per the policy.

Following are the contractual maturities of financial liabilities / financial assets at the reporting date. The amounts are gross, undiscounted and include estimated interest payments / receipts but exclude the impact of netting agreements.

(₹ in crores)

March 31, 2026	Upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Financial Liabilities							
Payables	79.93	28.24	10.22	28.31	5.11	–	151.81
Debt Securities	3,335.88	1,363.88	3,714.52	12,382.61	2,159.40	–	22,956.29
Borrowings (Other than Debt Securities)	6,982.33	3,203.48	4,827.16	11,336.44	402.16	0.12	26,751.69
Deposits	843.88	971.61	1,632.59	3,617.62	–	–	7,065.70
Subordinated Liabilities	38.75	211.75	103.62	1,124.79	1,208.87	648.20	3,335.98
Other Financial Liabilities	197.10	80.58	18.29	88.44	26.31	92.27	502.99
Derivative Financial Liabilities	–	–	–	–	–	–	–
Total	**11,477.87**	**5,859.54**	**10,306.40**	**28,578.21**	**3,801.85**	**740.59**	**60,764.46**
Financial Assets							
Cash and cash equivalents	346.22	–	–	–	–	–	346.22
Bank Balances	366.34	155.02	33.01	449.43	–	–	1,003.80
Receivables	55.72	0.12	–	–	–	–	55.84
Loans	8,021.84	6,612.77	12,131.24	30,954.62	7,714.62	1,424.75	66,859.84
Investments	1,608.60	290.64	669.77	1,974.69	411.66	2,241.06	7,196.42
Other Financial Assets	1.99	0.32	0.95	2.00	6.91	6.13	18.30
Derivative Financial Assets	–	–	–	–	–	–	–
Total	**10,400.71**	**7,058.87**	**12,834.97**	**33,380.74**	**8,133.19**	**3,671.94**	**75,480.42**

(₹ in crores)

March 31, 2025	Upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Financial Liabilities							
Payables	189.06	1.20	1.97	–	–	–	192.23
Debt Securities	2,457.48	2,648.83	3,100.43	6,680.95	3,126.93	–	18,014.60
Borrowings (Other than Debt Securities)	5,797.60	2,113.29	5,329.25	9,615.57	1,175.72	–	24,031.43
Deposits	904.26	980.09	1,623.84	3,435.20	–	–	6,943.38
Subordinated Liabilities	108.66	61.75	103.62	1,513.69	780.52	1,335.38	3,903.62
Other Financial Liabilities	173.46	37.22	12.36	48.17	97.77	50.85	419.84
Derivative Financial Liabilities	–	–	–	–	–	–	–
Total	**9,630.51**	**5,842.38**	**10,171.47**	**21,293.57**	**5,180.94**	**1,386.23**	**53,505.11**
Financial Assets							
Cash and cash equivalents	208.42	–	–	–	–	–	208.42
Bank Balances	39.56	491.40	914.35	330.66	–	–	1,775.97
Receivables	57.37	–	0.47	–	–	–	57.85
Loans	7,304.70	5,777.39	10,501.88	27,033.97	6,703.28	219.30	57,540.51
Investments	677.69	615.81	170.82	979.73	517.46	1,200.01	4,161.52
Other Financial Assets	7.54	0.36	0.87	4.14	2.24	2.75	17.88
Derivative Financial Assets	–	–	–	–	–	–	–
Total	**8,295.29**	**6,884.95**	**11,588.38**	**28,348.49**	**7,222.98**	**1,422.05**	**63,762.14**

38.3 Market Risk

Market risk is the risk of loss arising from potential adverse changes in the value of the firm's assets and liabilities from fluctuation in market variables like liquidity, interest rate and foreign exchange (Currency risk).

Interest rate risk

The major lending of the Company is in the form of Hypothecation loans at fixed rates. The loans are financed by various fixed / floating rate borrowings. While the Loan assets are generally recovered over the tenure of the underlying contract equally, the liabilities are repayable over the tenure or on maturity. Hence, the interest rate and liquidity risk due to mismatches in the duration of assets and liabilities are inherent and inevitable. The Company has a policy for entering into derivative transactions as required to manage such risks.

The interest rate profile of the Company's interest-bearing financial instruments is as follows:

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
Financial assets		
Fixed-rate instruments		
Loans	55,382.74	48,810.32
Investments	4,247.14	2,435.20
Bank Balances	952.88	1,766.11
	60,582.76	**53,011.64**
Variable rate instruments		
Lease assets	752.38	615.72
Floating rate Loans	847.67	386.27
	62,182.81	**54,013.62**
Financial liabilities		
Fixed-rate instruments		
Debt securities / Subordinated Liabilities	23,133.65	18,830.40
Borrowings (Other than debt securities) *	16,049.60	17,092.13
Deposits	6,521.70	6,397.24
	45,704.95	**42,319.77**
Variable rate instruments		
Financial liabilities with floating interest rate	8,937.02	5,039.35
	54,641.97	**47,359.12**

* Includes variable rate borrowings subsequently converted to fixed rate borrowings through Interest rate swap contracts.

Fair value sensitivity analysis for fixed rate instruments

The Company's fixed rate instruments are carried at amortised cost and are not measured for interest rate risk, as neither the carrying amount nor the future cash flows will fluctuate because of changes in market interest rates.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

(₹ in crores)

Particulars	Profit or loss / Equity		Profit or loss / Equity	
	100 bps increase	100 bps decrease	100 bps increase	100 bps decrease
	March 31, 2026		March 31, 2025	
Variable rate instruments	(23.07)	23.14	(26.16)	26.04
Cash flow sensitivity (net)	**(23.07)**	**23.14**	**(26.16)**	**26.04**

a. **Interest rate sensitivity**

To measure this risk, the Company adopts duration gap analysis which is measured for assets and liabilities maturing in next 12 months as well as for the overall assets and liabilities. Also, for Interest rate risk management, the Duration Gap model is used on assets and liabilities maturing in the next 12 months, to assess the change in Net Interest Income (NII) for a 1% increase in interest rate. The change in NII for 1% change in interest rate as on 31.03.2026 is ₹ (13.24) cr.

b. **Currency Risk**

The Company does not have any outstanding foreign currency assets/liabilities and hence not exposed to currency risk.

Note 39: Financial Instruments - Transferred that are not derecognised in their entirety:

The company as part of its business model periodically enters into securitisation transactions via Pass through Certificates (PTC) route. As per RBI guidelines, the company-maintained credit enhancement for securitisation transactions which covers the expected losses and thereby retains the risk associated with the assets.

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
Carrying amount of transferred assets	7,061.48	6,185.39
Carrying amount of associated liabilities	7,388.60	6,437.28
Fair value of assets	7,057.04	6,152.88
Fair value of associated liabilities	7,383.06	6,453.49
Net position at Fair value	(326.02)	(300.61)

Note 40: Employee benefits

Post-employment benefits:

I) Defined Contribution Plans

(₹ in crores)

Amount recognised as expense in Employee benefit expense	**March 31, 2026**	**March 31, 2025**
Pension fund	10.22	9.62
Employee State Insurance scheme	1.26	1.31
Total	**11.48**	**10.93**

II) Defined benefit plans

Defined benefit plan exposes the Company to a number of risks, the most significant of which are detailed below:

Investment risk: This may arise from volatility in Asset value due to market fluctuations and impairment of assets due to credit losses. The defined benefit plans may hold equity type assets, which may carry volatility and associated risk.

Interest risk: A decrease in bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plan's investment in debt instruments.

Salary cost Inflation risk: The present value of some of the defined benefit plan obligations are calculated with reference to the future salaries of plan participants. Increase in salary due to adverse Inflationary pressures might lead to higher liabilities.

Longevity risk: The present value of defined benefit plan obligation is calculated by reference to the best estimate of the mortality of plan participants. Increase or decrease in such rate will affect the plan liability.

Asset Liability Mismatching or Market Risk: The entire Plan Assets are invested in insurer managed funds with Life Insurance Corporation of India (LIC), the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets & the description of the Asset-Liability matching strategies used by the plan are not available.

Details of defined benefit plans as per actuarial valuation are as below:

A. Gratuity

(₹ in Crores)

Particulars	FUNDED	
	Gratuity	
	31.03.2026	31.03.2025
Amounts recognised in profit or loss:		
Current service cost	9.34	7.48
Past service cost	56.65	–
Net interest expense/(income)	1.29	0.34
Total amount included in employee benefits expense	**67.27**	**7.82**
Amounts recognised in other comprehensive income:		
Remeasurement (gains)/losses:		
Actuarial (gains)/losses arising from changes in		
- Financial assumptions	(5.72)	1.91
- Experience adjustments	13.11	7.59
- Demographic Assumptions	–	(2.86)
Return on plan assets, excluding amount included in net interest expense/ (income)	(0.23)	(0.62)
Total amount recognised in other comprehensive income	**7.16**	**6.02**
Changes in the defined benefit obligation:		
Opening defined benefit obligation	113.05	97.11
Add/(less) on account of business combination/transfers	–	–
Current service cost	9.34	7.48
Past Service Cost	56.65	–
Liability Transferred in/ (out)	0.21	1.74
Interest expense	8.80	6.77
Remeasurement (gains)/losses arising from changes in		
- Financial assumptions	(5.72)	1.91
- Experience adjustments	13.11	7.59
- Demographic assumptions	-	(2.86)
Benefits paid	(6.64)	(6.69)
Closing defined benefit obligation	**188.79**	**113.05**
Changes in fair value of plan assets during the year:		
Opening fair value of plan assets	111.89	92.24
Interest income	7.51	6.43
Return on plan assets (excluding interest income)	0.23	0.62
Contribution by employer	51.08	17.55
Liability Transferred in/ (out)	0.21	1.74
Benefits paid	(6.64)	(6.69)
Actuarial gain / (loss) on plan assets	–	–
Closing fair value of plan assets	**164.28**	**111.89**
Net asset / (liability) recognised in balance sheet:		
Defined benefit obligation	188.79	113.05
Fair value of plan assets	164.28	111.89
Surplus/(Deficit)	(24.51)	(1.16)

(in %)

Particulars	FUNDED	
	Gratuity	
	31.03.2026	31.03.2025
I. Actuarial assumptions		
Discount rate	7.16%	6.71%
Expected Return on plan assets	7.16%	6.71%
Attrition rate (Service based):		
For Service less than 5 years	10% - 14%	10% - 14%
For Service 5 years and above	4.50%	4.50%
Salary escalation	8.00%	8.00%

Note: For employees hired on a fixed term contract basis, the attrition rate considered at 30% and salary escalation at 5%

Particulars	FUNDED	
	Gratuity	
	31.03.2026	31.03.2025
II. Quantitative sensitivity analysis for impact of significant assumptions on defined benefit obligation are as below		
Impact of		
0.5% decrease in discount rate	6.34	3.83
0.5% increase in discount rate	(6.01)	(3.64)
0.5% decrease in salary growth rate	(6.55)	(3.57)
0.5% increase in salary growth rate	6.92	4.34
Weighted average duration of the Defined benefit obligation (in years)	8	8

Particulars	FUNDED	
	Gratuity	
	31.03.2026	31.03.2025
Maturity profile of defined benefit obligation		
Year 1	25.91	16.04
Year 2	16.72	9.80
Year 3	15.44	8.80
Year 4	20.17	9.00
Year 5	16.78	10.89
Next 5 years	76.50	47.05

Expected contribution to the plan for the next year is ₹ 24.20 crores.

B. Leave encashment & Compensated absences (unfunded)

The company earmarks liability towards leave benefit and provides for payments to vested employees. The benefits under the plan are in the form of a payment to employees as per the leave policy of the company.

(in %)

Particulars	UNFUNDED	
	LONG TERM COMPENSATED ABSENCE - PRIVILEGE LEAVE*	
	31.03.2026	31.03.2025
Actuarial assumptions		
Discount rate	7.16%	6.71%
Salary escalation	8.00%	8.00%
Attrition rate:		
Full Time Employee (FTE):		
For Service 2 years and below	14.00%	14.00%
For Service 3 years and 4 years	10.00%	10.00%
For Service 5 years and above	4.50%	4.50%

* Leave encashment entitlement not available for fixed term contract employees (FTC)

C. Provident Fund

The provident fund contributions to trust are managed through trust investments in addition to contribution of a portion of its provident fund liability relating to Employees Pension Scheme to Employee Provident Fund Organisation.

The fund has relatively balanced mix of investments in order to manage the risks. The investment strategy is designed based on the interest rate scenario, liquidity needs of the Plans and pattern of the investments as prescribed under the statute.

The trustees regularly monitor the funding and investment, there are systems in place to ensure that the performance of the portfolio is regularly reviewed and investments do not pose significant risk of impairment.

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
Plan assets at year end at fair value	339.01	302.95
Present value of defined obligation at year end	334.02	302.48
Surplus/(deficit) as per actuarial certificate	(4.99)	(0.47)
Shortfall recognised in balance sheet	(4.99)	(0.47)
Active members as at year end (nos)*	9,356	8,872

*includes resigned employees

Assumptions used in determining the present value obligation of the interest rate guarantee under the deterministic approach:

(in %)

Particulars	March 31, 2026	March 31, 2025
Discount rate	7.16%	6.71%
Yield on existing funds	7.75%	7.62%
Expected guaranteed interest rate	8.25%	8.25%

Contribution to Defined benefit Plan, recognised as expense for the year is as under:

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
Employer's contribution towards Provident Fund	22.16	12.76

Major Category of Plan Assets as % of the Total Plan Asset

(in %)

Particulars	March 31, 2026	March 31, 2025
Central Government Securities	14.66	14.11
State Government Securities	35.81	38.61
Public Sector Bonds	31.34	32.73
Private Sector Bonds	9.48	7.25
Special Deposits	1.66	1.86
Equity Fund	7.06	5.44
Total	**100.00**	**100.00**

Note 41: Share Based Payments

The Company grants ESOP to Senior Management employees in accordance with the terms of the Plan.

(a) Description of the ESOP plan that existed during the period:

Particulars	Grant 17	Grant 16	Grant 15	Grant 14	Grant 14
Options granted	10,639*	15,003	21,878	6,732	10,854
Date of grant	26.05.2025	24.05.2024	26.05.2023	25.05.2022	25.05.2022
Vesting date / period	01.06.2028	01.06.2027	01.06.2026	One Year	3 years grant with 30%, 30% and the balance vesting after 1, 2 & 3 years respectively
Exercise period	01.06.2028 – 30.11.2028	01.06.2027 – 30.11.2027	01.06.2026 – 30.11.2026	Within 5 years after respective vesting	
Fair value of the options (₹ per share)	5,267.07	4,546.54	2,511.80	1,735.65	1,735.65

Note : * In Grant 17 - 283 Shares of Resigned Employee not considered.

Exercise price (per share) is ₹10/- for all the above options

(b) Description of the Stock Appreciation Rights (SAR) plan that existed during the period:

Particulars	Grant 14
Board meeting date	25.05.2022
Options granted	1,276
Date of grant	25.05.2022
Vesting date / period	3 years grant with 30%, 30% and the balance vesting after 1,2 & 3 years respectively
Exercise period	Within one day after respective vesting

Exercise price (per share) is ₹10/- for all the above options

Effect of Share based payments transactions on financial statement of the entity:

(₹ in Crores)

Particulars	2025-26	2024-25
Expenses recognised in Profit & Loss account	4.49	5.16
Amount recognised as Investment in Group companies	0.89	1.63

Group share based payments:

The company as part of ESOP scheme has issued share options to employees of various group Companies. The company does not get reimbursed for the cost of such group share options and such costs are treated as investment in the group companies.

Unvested share options issued to employees of various group companies are as under:

(in numbers)

Particulars	Grant 17	Grant 16	Grant 15	Grant 14
Sundaram Asset Management Company Limited	777	604	2,682	–
Sundaram Home Finance Limited	1,653	1,639	1,638	660
Royal Sundaram General Insurance Co.Ltd	–	629	1,231	–
TSF Investments limited (formerly Sundaram Finance Holdings Limited)	–	–	188	–
Total	**2,430**	**2,872**	**5,739**	**660**

Measurement of fair value

The fair values of the options issued have been arrived at using the Black Scholes Model.

The key assumptions used in computing the fair value are :

(in numbers)

Particulars	Grant 17	Grant 16	Grant 15	Grant 14
Risk free interest rate (1 year to 3 years)	5.75%	7.06%	6.97%	6.34% to 7.07%
Life of the option	3 years	3 years	3 years	1 to 3 years
Expected Volatility	52.45%	36.28%	23.70%	22.73%
Fair value of the option (per share)-ESOP Plan	5,267.07	4,546.54	2,502.49	1 year: Nil
				2 year: 1,726.94
				3 year : 1,727.58
Fair value of the option (per share)-SAR Plan	Nil	Nil	Nil	1 year: Nil
				2 year: 4,546.54
				3 year: 5,137.00

The expected volatility is based on historical share price volatility. The life of the option has been based on general option holder behaviour.

Reconciliation of the share options outstanding as on 31.03.2026

The number and weighted-average exercise prices of share options under various grants are as follows:

(in numbers)

Grant Details	Grant 17 – ESOP	Grant 16 – ESOP	Grant 15 – ESOP	Grant 14 – ESOP	Grant 13 – ESOP
Particulars	**No. of options**				
Outstanding at the beginning of the period	–	14,317	21,167	6,502	1,650
Granted during the period	10,639	–	–	–	–
Forfeited / expired during the period	90	535	683	96	–
Exercised during the period	–	–	–	3,650	850
Outstanding at the end of the period	10,549	13,782	20,484	2,756	800
Exercisable at the end of the period	–	–	–	2,756	800

Weighted average exercise price per option is ₹10/- for all the above grants

Exercise price and remaining Contractual life for the share options outstanding at the end of the period

(in numbers)

Particulars	March 31, 2026	March 31, 2026	March 31, 2026	March 31, 2026
	Grant 17	**Grant 16**	**Grant 15**	**Grant 14**
Contractual life	27 Months	15 months	3 months	Nil

Exercise price per option is ₹10/- for all the above grants.

Reconciliation of the share options outstanding as on 31.03.2025

The number and weighted-average exercise prices of share options under various grants are as follows:

(in numbers)

Grant Details	Grant 16 – ESOP	Grant 15 – ESOP	Grant 14 – ESOP	Grant 13 – ESOP
Particulars	**No. of options**			
Outstanding at the beginning of the period	–	21,451	9,949	4,279
Granted during the period	15,003	–	–	–
Forfeited / expired during the period	686	284	–	–
Exercised during the period	–	–	3,447	2,629
Outstanding at the end of the period	14,317	21,167	6,502**	1,650*
Exercisable at the end of the period	–	–	2,189**	1,650*

Weighted average exercise price per option is ₹10/- for all the above grants

* represents options under 3 year grant (year 3) which are not exercisable as on 31.03.2025

** represents options under 1 year grant / 3 year grant (year 3) not exercised as on 31.03.2025.

(in numbers)

Grant details	Grant 14 - SAR
Particulars	**No. of options**
Outstanding at the beginning of the period	466
Exercised during the period	466
Outstanding at the end of the period	–
Exercisable at the end of the period	–

Weighted average exercise price per option is ₹10/- for all the above grants.

Exercise price and remaining Contractual life for the share options outstanding at the end of the period

(in numbers)

Particulars	March 31,2025	March 31,2025	March 31,2025	March 31,2025
	Grant 16	Grant 15	Grant 14	Grant 13
Contractual life	27 Months	15 Months	2 Months	NIL

Exercise price per option is ₹ 10/- for all the above grants

Note 42: Leases

a) Business Leases

(₹ in crores)

Details	March 31, 2026		March 31, 2025	
	Gross Investment in Lease	Present value of Minimum Lease payments	Gross Investment in Lease	Present value of Minimum Lease payments
Upto 1 Year	117.08	85.39	69.10	49.75
1-2 Years	107.38	86.05	62.96	49.65
2-3 Years	70.06	58.94	49.93	42.91
3-4 Years	49.39	44.84	24.10	21.35
4-5 Years	17.75	16.84	14.58	13.71
> 5 Years	–	–	–	–
Total	**361.66**	**292.05**	**220.67**	**177.37**
Less: Unearned Finance income	69.62	–	43.30	–
Present value of Minimum Lease payments	**292.05**	–	**177.37**	–

Operating lease as lessor

Maturity pattern of Minimum Lease payments:

(₹ in crores)

Year	March 31, 2026	March 31, 2025
Less than 1 year	192.43	190.21
1-2 Years	136.78	138.33
2-3 Years	80.46	79.17
3-4 Years	28.95	30.57
4-5 Years	6.90	2.56
> 5 years	0.10	0.09
Total	**445.62**	**440.93**

b) Maturity Pattern of Lease Liabilities as lessee

(₹ in crores)

Year	March 31, 2026	March 31, 2025
Less than 1 year	3.83	2.16
1-3 Years	17.31	13.46
3-5 Years	15.26	17.68
> 5 years	71.42	50.85
Total	**102.34**	**84.15**

Note 43: General

43.01 Segment Information

Segment information is presented in the consolidated financial statements as per Ind AS 108.

43.02 Corporate Social Responsibility (CSR)

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
(a) Amount required to be spent by the company during the year	29.60	24.31
(b) Amount of expenditure incurred	29.41	24.70
(c) Excess/(Shortfall) amount spent for the Financial Year (b)-(a)	(0.19)	0.39
(d) Excess from previous years	0.47	0.08
(e) Excess carried forward to subsequent years	0.28	0.47
(f) Nature of CSR activities: Education, Art & Culture, Culture & Heritage, preservation and rejuvenation of National heritage and heritage crafts of India, Environment, Disaster Relief, Health, Park Maintenance, Protection / Restoration of Buildings and sites of historical importance, Protection of Ecology, Rural Development, Social Welfare, Sports, Animal Welfare.		
(g) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard		
(h) 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 has to be shown separately		

43.03 Provisions for other expenses and contingent liabilities

(₹ in crores)

Movement of provisions	Amount
Carrying amount as on 31.03.2025	16.92
Add: Provisions made during the year	1.05
Less: Amount used or reversed during the year	(1.83)
Carrying amount as on 31.03.2026	**16.14**

(₹ in crores)

Contingent liabilities	March 31, 2026	March 31, 2025
a) Bank guarantee and Letter of credit	2.12	2.14
b) Claims against the company not acknowledged as debts	8.37	8.23
c) Tax disputes	0.77	1.79

Tax disputes in respect of Income Tax, and VAT demands are pending before various appellate forums/authorities, and the outcome/liability would be determined only upon the receipt of decisions. The Company is of the opinion that the demands are not sustainable and expects to succeed in its appeal.

The contested tax demands have been ascertained based on relief allowed by the appellate authorities, on similar issues in earlier assessment years.

43.04 RELATED PARTIES DISCLOSURES:

Related party disclosures, as per INDAS 24 - 'Related Party Disclosures', for Year ended 31st March 2026, are given below:

Related Parties:

Subsidiary Companies:

Sundaram Home Finance Limited

Sundaram Asset Management Company Limited

Sundaram Asset Management Singapore Pte Ltd.

Sundaram Alternate Assets Limited

Sundaram Trustee Company Limited

LGF Services Limited

Sundaram Fund Services Limited

Sundaram Finance Employees Welfare Trust

Capitalgate Investment Advisors Private Limited (Subsidiary of Sundaram Alternate Assets Limited from Nov 25 to Mar 26)

Joint Ventures:

Royal Sundaram General Insurance Co. Ltd.

Key Management Personnel:

Mr. Harsha Viji, Executive Vice Chairman

Mr. Rajiv C. Lochan, Managing Director

Mr. A.N. Raju, Joint Managing Director

Directors:

Mr. S. Viji

Mr. T T Srinivasaraghavan

Mr. Srivats Ram

Dr. Raghuttama Rao

Mr. Ganesh Lakshminarayan

Ms. Bhavani Balasubramanian

Dr. Kshama Fernandes

Mr. R Venkatraman

Ms. Anuradha Rao

Enterprises over which Key Management Personnel (KMP) and his relatives can exercise significant influence

M/s. Azorius Holdings Private Limited

M/s. Uthirattadhi Sriram Holdings Private Limited

NOTES TO THE ACCOUNTS (Contd.)

All the arrangements and transactions entered into by the company with related parties, during Year ended 31.03.2026 were in ordinary course of business and on arm's length price.

Related Party Transactions for Year Ended 31st March 2026

The nature and volume of transactions for Year Ended 31st March 2026 with the above related parties are as follows.

(₹ in crores)

Particulars	Subsidiaries	Joint Ventures	Apr-Mar 26	Apr- Mar25
INCOME				
Lease Rental Income	0.70	0.27	0.96	0.41
Interest Income	0.00	–	0.00	0.00
Income from Services	12.34	10.13	22.48	14.87
Dividend	234.40	19.08	253.48	126.48
Rent Receipts	4.70	0.77	5.47	5.56
Income from other Financial Services	18.98	19.90	38.88	39.16
Other Non Operating Income	1.37	0.23	1.59	1.08
EXPENDITURE				
Interest	0.02	11.34	11.36	15.47
Outsourcing Cost	0.43	–	0.43	0.23
Rent Paid	0.08	0.01	0.09	0.04
Insurance Premium	–	0.01	0.01	0.01
ASSETS				
Asset Purchase	–	–	–	0.09
Asset Sale	–	–	–	0.00
Loans and Advances Disbursed	0.01	–	0.01	0.02
Acquisition of loan assets through direct assignment	753.27	–	753.27	207.06
Investments - Share Based	0.84	0.05	0.89	1.63
Repayment of Loans and Advances	0.02	–	0.02	0.02
Insurance Premium paid in advance	–	3.99	3.99	7.58
LIABILITIES				
Issue of Non Convertible Debentures	–	76.02	76.02	24.99
Redemption of Non Convertible Debentures	–	50.00	50.00	25.00
Dividend Paid	3.28	–	3.28	2.67

(₹ in crores)

Compensation paid to Key Managerial Personnel/Relatives	2025-2026	2024-2025
Short term benefits	21.26	18.14
Post retirement benefits	0.71	0.66
Share based payments	1.07	1.31

(₹ in crores)

Transactions with Key Managerial Personnel/Relatives	2025-2026	2024-2025
Interest on deposits	1.90	1.93
Dividend Paid	19.50	15.81
Dividend Paid to Enterprises over which KMP and his relatives is exercising significant influence	8.62	6.99

(₹ in crores)

Payment made to Directors / Relatives	2025-2026	2024-2025
Interest on Deposits paid to Directors/Relatives	3.01	5.74
Commission paid to Directors	2.46	2.05
Sitting fees paid to Directors	0.70	0.31

Disclosure Of Material Transactions With Related Parties

(₹ in crores)

Particulars	Related Parties	2025-2026	2024-2025
INCOME			
Lease Rental Income	Sundaram Asset Management Company Limited	0.05	0.03
	Royal Sundaram General Insurance Co. Ltd.	0.27	0.05
	Sundaram Home Finance Limited	0.65	0.33
Interest Income	Sundaram Asset Management Company Limited	0.00	0.00
Income from Services	Sundaram Home Finance Limited	12.10	8.42
	Royal Sundaram General Insurance Co. Ltd.	10.13	6.22
	Sundaram Asset Management Company Limited	0.25	0.23
Dividend	Sundaram Home Finance Limited	67.79	28.22
	Sundaram Asset Management Company Limited	164.30	67.38
	Royal Sundaram General Insurance Co. Ltd.	19.08	29.19
	Sundaram Trustee Company Limited	2.23	1.60
	LGF Services Limited	0.08	0.10
Rent Receipts	Sundaram Asset Management Company Limited	2.41	2.16
	Sundaram Home Finance Limited	2.28	2.49
	Royal Sundaram General Insurance Co. Ltd.	0.77	0.79
	Sundaram Alternate Assets Limited	0.00	0.12
Income from other Financial Services	Royal Sundaram General Insurance Co. Ltd.	19.90	20.34
	Sundaram Home Finance Limited	13.17	14.04
	Sundaram Alternate Assets Limited	5.57	4.78
	Sundaram Asset Management Company Limited	0.24	–
Other Non Operating Income	Sundaram Asset Management Company Limited	0.32	0.33
	Sundaram Home Finance Limited	0.94	0.59
	Royal Sundaram General Insurance Co. Ltd.	0.23	0.10
	Sundaram Alternate Assets Limited	0.11	0.06

Disclosure of Material Transactions with Related Parties

(₹ in crores)

Particulars	Related Parties	2025-2026	2024-2025
EXPENDITURE			
Interest on Debentures	Royal Sundaram General Insurance Co. Ltd.	11.34	15.45
Interest on Deposits	LGF Services Limited	0.02	0.02
Outsourcing	Sundaram Home Finance Limited	0.43	0.23
Rent	Sundaram Home Finance Limited	0.08	0.03
	Royal Sundaram General Insurance Co. Ltd.	0.01	0.01
Insurance Premium	Royal Sundaram General Insurance Co. Ltd.	0.01	0.01

(₹ in crores)

Particulars	Related Parties	2025-2026	2024-2025
Dividend Paid	Sundaram Finance employee Welfare trust	3.28	2.67

(₹ in crores)

Particulars	Related Parties	2025-2026	2024-2025
ASSETS			
Fixed Assets - Purchase	Sundaram Asset Management Company Limited	–	0.09
Fixed Assets - Sale	Sundaram Home Finance Limited	–	0.00
Acquisition of loan assets through direct assignment	Sundaram Home Finance Limited	753.27	207.06
Investments - Share Based	Sundaram Home Finance Limited	0.65	0.92
	Sundaram Asset Management Company Limited	0.19	0.46
	Royal Sundaram General Insurance Co. Ltd.	0.05	0.25
Loans and Advances Disbursed	Sundaram Asset Management Company Limited	0.01	0.02
Repayment of Loans and Advances	Sundaram Asset Management Company Limited	0.02	0.02
Insurance Pemium paid in advance	Royal Sundaram General Insurance Co. Ltd.	3.99	7.58
LIABILITIES			
Issue of Non Convertible Debentures	Royal Sundaram General Insurance Co. Ltd.	76.02	24.99
Redemption of Non Convertible Debentures	Royal Sundaram General Insurance Co. Ltd.	50.00	25.00

Balances With Related Parties as at 31st March 2026

(₹ in crores)

BALANCES OUTSTANDING	Subsidiaries	Joint Venture	Key Management Personnel/ Relatives	Director/ Relatives	Enterprises over which KMP and his relatives are exercising significant influence	31.03.2026	31.03.2025
ASSETS							
Investments	1,420.11	585.95	–	–	–	2,006.06	2,005.17
Loans and Advances	0.00		–	–	–	0.00	0.00
Other Assets	2.84	9.34	–	–	–	12.17	9.02
LIABILITIES							
Equity Holdings	4.88	–	5.27	6.34	2.33	18.82	19.86
Non Convertible Debentures	–	140.35	–	–	–	140.35	192.69
Deposits	0.25	–	22.11	32.55	–	54.91	60.92
Other Liabilities	1.77	0.50	–	–	–	2.27	2.17
Remuneration payable	–	–	11.75	–	–	11.75	14.83

Balances with Related Parties as at 31st March 2026

(₹ in crores)

BALANCES OUTSTANDING	Subsidiaries	Joint Ventures	31.03.2026	31.03.2025
ASSETS				
Investments				
Investments In Equity Shares				
Sundaram Home Finance Limited	1,155.36	–	1,155.36	1,154.70
Royal Sundaram General Insurance Co. Ltd.	–	585.95	585.95	585.91
Sundaram Asset Management Company Limited	261.77	–	261.77	261.58
Sundaram Fund Services Limited	0.64	–	0.64	0.64
Sundaram Trustee Company Limited	2.29	–	2.29	2.29
LGF Services Ltd.	0.05	–	0.05	0.05
Total	**1,420.11**	**585.95**	**2,006.06**	**2,005.17**

Disclosure Of Material Balances With Related Parties as at 31st March 2026

(₹ in crores)

BALANCES OUTSTANDING	Subsidiaries	Joint Ventures	Key Management Personnel/ Relatives	Director/ Relatives	Enterprises over which KMP and his relatives are exercising significant influence	31.03.2026	31.03.2025
Fleet							
Sundaram Asset Management Company Ltd	0.00	–	–	–	–	0.00	0.00
Other Assets							
Royal Sundaram General Insurance Co. Ltd.	–	9.34	–	–	–	9.34	7.36
Sundaram Home Finance Limited	2.08	–	–	–	–	2.08	1.25
Sundaram Asset Management Company Limited	0.28	–	–	–	–	0.28	0.16
Sundaram Alternate Assets Limited	0.48	–	–	–	–	0.48	0.26
Total	**2.84**	**9.34**	–	–	–	**12.17**	**9.03**
LIABILITIES							
Equity Holdings	4.88	–	5.27	6.34	2.33	18.82	19.86
Non Convertible Debentures							
Royal Sundaram General Insurance Co. Ltd.	–	140.35	–	–	–	140.35	192.69
Deposits							
KMP / Directors			22.11	32.55		54.66	60.67
LGF Services Limited	0.25	–	–	–	–	0.25	0.25
Other Liabilities							
Sundaram Home Finance Limited	1.50	–	–	–	–	1.50	1.43
Royal Sundaram General Insurance Co. Ltd.	–	0.50	–	–	–	0.50	0.46
Sundaram Asset Management Company Limited	0.27	–	–	–	–	0.27	0.27
Remuneration payable	–	–	11.75	–	–	11.75	14.83
Total	**1.77**	**0.50**	**11.75**	–	–	**14.02**	**17.00**

(₹ in crores)

Maximum amount outstanding in respect of Loans and Advances	2025-26	2024-25
Sundaram Asset Management Company Limited	0.00	0.00

₹0.00 represents amount less than ₹50000

43.05 Estimated amount of contracts remaining to be executed on capital account

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
Estimated amount of contracts remaining to be executed on capital account (net of advance)	22.08	32.04
Uncalled commitment in Alternative Investment Fund Schemes	156.66	116.89

Other Commitments

The Company has given an undertaking not to dilute, in any manner, its shareholding below 51% in respect of the borrowings availed by one of its wholly owned subsidiaries

43.06 Relationship with Struck off Company:

	Name of Struck Off Company	Nature of transactions	As at March 31, 2026	As at March 31, 2025	Relationship with the struck off company, if any, to be disclosed for related party
1	Kamaksha Power Projects and Constructions Company Private Limited	Loan	0.14	–	No
2	Raysign Engineering Private Limited	Loan	0.06	–	No
3	SR Trade Centre Pvt Ltd	Loan	–	0.01	No
4	Jai Vitesh Traders Private Limited	Loan	–	0.07	No
5	HCM Tech India Private Limited	Admin exp	–	**	No
6	Kothari Intergroup Limited	Shareholder	–	*	No
7	Mathias Construction Private Limited	Shareholder	*	–	No

Note: *1. In the absence of purchase price of shares held by the above shareholders, face value is considered for reporting purpose. Amount is Less than ₹10,000/-

**2. Admin expenses less than ₹50,000/-

43.07 Registration of charges or satisfaction:

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
(a) Where any charges or satisfaction yet to be registered with ROC beyond the statutory period	Nil	Nil
(b) Details and reasons thereof shall be disclosed		

43.08 Utilisation of Borrowed funds and Share Premium (Diversion of Funds):

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend to 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.

No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend to 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.

43.09 Undisclosed income

There is no surrender or disclosure of income separately on account of search or survey under Income tax since all transactions are recorded in the books.

43.10 Crypto Currency or Virtual Currency

Company has neither traded nor invested in Crypto currency or virtual currency during the year.

43.11 Administrative and other expenses "under Other Expenditure" include payment to Statutory Auditors towards :

(₹ in Crores)

Particulars	March 31, 2026	March 31, 2025
Auditors' fees and expenses*	**1.68**	**1.51**
Statutory fees	1.20	1.09
Tax fees	0.16	0.16
Certification fees	0.24	0.24
Reimbursement of expenses	0.08	0.02

* Including GST provision

43.12 Disclosure under the MSMED Act 2006

(₹ in Crores)

	Particulars	March 31, 2026	March 31, 2025
ia)	Principal amount remaining unpaid*	2.49	2.42
ib)	Interest amount remaining unpaid	NIL	NIL
ii)	Interest and principal amount paid beyond appointed date	NIL	NIL
iii)	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointment day during the year) but without adding the interest specified under this Act.	NIL	NIL
iv)	Interest accrued and remaining unpaid	NIL	NIL
v)	Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	NIL	NIL

* Subsequently liability is discharged

43.13 The Board of Directors have recommended a final dividend of ₹24 /-per share (240%) for the year ended 31st March 2026 in May 2026. This together with interim dividend of ₹16 per share (160%) paid would aggregate to a total dividend of ₹40/- per share (400%).

43.14 Earnings per Share

Particulars	March 31, 2026	March 31, 2025
Profit /(Loss) attributable to equity shareholders (₹ in crores)	1,834.17	1,542.65
Weighted average number of equity shares	11,11,03,860	11,11,03,860
Earnings per share – Basic & Diluted (in ₹)	165.09	138.85
Face value of Share	10	10

43.15 Events After Reporting Date

There have been no other events after the reporting date apart from above that require disclosure in the financial statements.

43.16 Previous year's figures have been regrouped wherever necessary to confirm to current year's classification.

Note 44: Disclosures in the Financial Statements as per Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025

44.01 Capital to Risk Assets Ratio (CRAR)

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
Tier 1 Capital	9,554.84	8,240.36
Tier 2 Capital	1,051.32	1,456.87
Total	10,606.16	9,697.23
Risk Weighted Assets	55,962.61	47,502.71
CRAR (%)	18.95	20.42
CRAR - Tier 1 Capital (%)	17.07	17.35
CRAR - Tier 2 Capital (%)	1.88	3.07
Subordinated debt considered as Tier 2 Capital	1,405.00	1,795.00

44.02 Investments

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
1. Value of Investments		
i) Gross Value of Investments		
a) In India	9,412.03	6,864.22
b) Outside India	–	–
ii) Provisions for Depreciation		
a) In India	3.76	1.63
b) Outside India	–	–
iii) Net Value of Investments		
a) In India	9,408.27	6,862.59
b) Outside India	–	–
2. Movement of provisions held towards depreciation on investments		
i) Opening balance	1.63	70.67
ii) Add : Provisions made during the year	2.13	1.09
iii) Less : Write-off/write-back of excess provisions during the year	–	70.13
iv) Closing balance	3.76	1.63

44.03 Derivatives

44.03.01 Forward Rate Agreements (FRA) / Interest Rate Swap (IRS)

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
The notional principal of swap agreements	5,295.90	5,353.45
Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	27.60	–
Collateral required by NBFC upon entering into swaps	–	–
Concentration of credit risk arising from the swaps	100% with Banks	100% with Banks
The fair value of the swap book	27.60	(26.13)

The details and terms of IRS are set out below:

(₹ in crores)

Derivatives	March 31, 2026	March 31, 2025	Benchmark	Terms
Interest Rate Swap	5,295.90	5,353.45	FBIL Overnight MIBOR	Fixed Payable v/s Floating Receivable, in respect of liabilities maturing until November 2028.

44.03.02 Exchange Traded Interest Rate (IR) Derivaties : NIL

44.03.03 Qualitative disclosures on Risk Exposure in Derivatives

i) Qualitative Disclosures

The Company has Board approval for entering into derivative transactions. Derivative transaction comprises Forward Rate Agreements, Interest Rate Swaps, Coupon only swaps, Currency and Interest rate swaps and Forward Exchange contracts. The Company undertakes such transactions for hedging balance sheet assets and liabilities. The Asset Liability Management Committee and Risk Management Committee periodically monitors and reviews the risks involved.

ii) Quantitative Disclosures

(₹ in crores)

	Particulars	Interest Rate Derivatives	
		March 31, 2026	March 31, 2025
i)	Derivatives		
	For Hedging	5,295.90	5,353.45
ii)	Marked to Market Position		
	- Asset (+)	27.60	–
	- Liability (-)	–	26.13
iii)	Credit Exposure	40.35	42.99
iv)	Unhedged Exposures	–	–

44.04 Asset Liability Management (Maturity Pattern of certain items of Assets and Liabilities)

As at March 31, 2026:

(₹ in crores)

Particulars	1 to 7 days	8 to 14 days	15 to 30/31 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Deposits	122.14	52.93	120.09	288.30	253.29	908.18	1,504.37	3,272.40	–	–	**6,521.70**
Borrowings	36.85	21.21	1,845.74	2,755.74	2,640.58	4,161.13	10,393.81	22,346.33	3,391.16	500.11	**48,092.67**
Foreign Currency Liabilities	–	–	–	–	–	–	–	–	–	–	**–**
Advances	630.69	1,644.64	554.82	2,495.86	2,659.28	6,569.81	12,064.45	30,756.26	7,628.82	691.51	**65,696.14**
Investments	1,906.28	257.81	47.09	70.86	153.13	333.49	751.26	1,534.48	64.11	4,289.76	**9,408.27**
Foreign Currency Assets	–	–	–	–	–	–	–	–	–	–	**–**

As at March 31, 2025:

(₹ in crores)

Particulars	1 to 7 days	8 to 14 days	15 to 30/31 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Deposits	102.14	47.09	121.03	313.32	300.31	919.20	1,499.80	3,094.35	–	–	**6,397.24**
Borrowings	51.92	1.07	999.13	1,319.70	3,164.05	4,403.90	10,011.22	15,515.30	4,421.72	1,100.00	**40,988.01**
Foreign Currency Liabilities	–	–	–	–	–	–	–	–	–	–	**–**
Advances	610.93	1,454.73	552.53	2,220.90	2,442.48	5,756.57	10,462.89	26,880.16	6,674.11	219.20	**57,274.50**
Investments	904.21	6.80	19.32	56.36	119.78	676.32	286.60	883.12	302.05	3,608.03	**6,862.59**
Foreign Currency Assets	–	–	–	–	–	–	–	–	–	–	**–**

44.05 Exposures

44.05.01 Exposure to Real Estate Sector

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
i) Direct exposure		
a) Residential Mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits.	905.08	134.41
b) 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 (NFB) limits.	–	–
c) Investments in Mortgage Backed Securities (MBS) and other securitised exposures		
i. Residential	–	–
ii. Commercial Real Estate	–	–
ii) Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank and Housing Finance Companies	509.88	442.82
Total Exposure to Real Estate Sector	**1,414.96**	**577.23**

44.05.02 Exposure to Capital Market

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
a) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt *	1,492.52	1354.96
b) All exposures to Alternate Investment Funds		
(i) Category I	–	–
(ii) Category II	695.96	459.54
(iii) Category III	52.98	57.31
Total Exposure to Capital Market	**2,241.46**	**1,871.81**

* represents listed securities

NOTES TO THE ACCOUNTS (Contd.)

44.05.03 Details of financing of parent company products : NIL

44.05.04 Details of Single Borrower Limit (SBL) / Group Borrower Limit (GBL) exceeded by the NBFC : NIL

44.06 Registration from other financial sector regulators

Sr. No.	Regulator	Registration No.	Valid till
1	Insurance Regulatory and Development Authority of India - Corporate Agent	CA0120	31-03-28
2	Association of Mutual Funds in India - Distribution of mutual fund products	ARN-3280	23-03-28

44.07 Details of penalties and strictures imposed by Reserve Bank or any other statutory / regulatory authority :

During the year, the GST authorities across Maharashtra, Tamil Nadu, and Delhi have imposed penalties/demands aggregating to ₹4.76 lakhs in connection with matters like disallowance of input tax credit, rejection of invoices/credit notes, and other compliance-related issues. The Company has preferred appropriate appeals against the said GST orders in accordance with applicable law.

Further, the labour law authorities at Gudivada and multiple locations in Kerala have imposed penalties aggregating to ₹0.25 lakhs in connection with delays in obtaining and renewing trade licenses. These delays were largely procedural in nature, arising due to technical challenges and delays in receipt of requisite documentation from the owners.

44.08 Rating Assignment by Credit Rating Agencies and migration of ratings during the year

Instrument	ICRA	CRISIL
Deposits	AAA	AAA
Debentures	AAA	AAA
Subordinated Debentures	AAA	AAA
Long Term Bank Loans	AAA	AAA
Consortium Bank Facilities	AAA	–
Commercial Paper	A1+	A1+
Short Term Bank Loans	A1+	–

Migration of ratings during the year : NIL

44.09 Provisions and Contingencies

(₹ in crores)

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	March 31, 2026	March 31, 2025
Provisions for depreciation on Investment	2.02	(0.01)
Provision for AIF Investment	0.11	(69.03)
Provisions towards NPA (incl. write offs)	422.63	309.29
Provisions for Standard assets	32.91	1.25
Provisions made towards Income tax	534.48	519.03

44.10 Concentration of Deposits

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
Total Deposits of twenty largest depositors	536.17	548.68
Percentage of Deposits of twenty largest depositors to Total Deposits	8.22%	8.58%

44.11 Concentration of Advances

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
Total Advances to twenty largest borrowers	1,045.84	996.14
Percentage of Advances to twenty largest borrowers to Total Advances	3.24%	3.51%

44.12 Concentration of Exposures

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
Total Exposure to twenty largest borrowers/Customers	1,274.13	1,198.73
Percentage of Exposures to twenty largest borrowers / customers to Total exposure on borrowers / customers	2.21%	2.38%

44.13 Concentration of NPAs

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
Total Exposure to top four NPA accounts	51.02	31.14
Percentage of top four NPA accounts to total NPA accounts	4.14%	2.85%

44.14 Movement of NPAs

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
i) Net NPAs to Net Advances (%)	1.27%	1.38%
ii) Movement of NPAs (Gross)		
a) Opening balance	1,093.98	857.26
b) Additions during the year	948.59	873.38
c) Reductions during the year	809.97	636.66
d) Closing balance	1,232.60	1,093.98
iii) Movement of Net NPAs		
a) Opening balance	687.24	538.56
b) Additions during the year	421.04	479.04
c) Reductions during the year	383.01	330.36
d) Closing balance	725.27	687.24
iv) Movement of Provision on NPAs (excluding provisions on standard assets)		
a) Opening balance	406.74	318.70
b) Provisions made during the year	527.55	394.35
c) Write-off/write-back of excess provisions	426.96	306.31
d) Closing balance	507.33	406.74

44.15 Overseas Assets (for those with Joint Ventures and Subsidiaries abroad) : NIL

44.16 Off-balance sheet SPVs sponsored (which are required to be consolidated as per accounting norms) : NIL

44.17 Disclosure of complaints

1) Summary information on complaints received by the NBFC from customers and from the Offices of Ombudsman:

Sr. No		Particulars	FY 25-26	FY 24-25
Complaints received by the NBFC from its customers				
1		Number of complaints pending at beginning of the year	36	68
2		Number of complaints received during the year	1,736	1,640
3		Number of complaints disposed during the year	1,671	1,672
	3.1	Of which, number of complaints rejected by the NBFC	NIL	NIL
4		Number of complaints pending at the end of the year	101	36
Maintainable complaints received by the NBFC from Office of Ombudsman				
5*		Number of maintainable complaints received by the NBFC from Office of Ombudsman	51	71
	5.1	Of 5, number of complaints resolved in favour of the NBFC by office of Ombudsman	51	70
	5.2	Of 5, number of complaints resolved through conciliation/mediation/ advisories issued by Office of Ombudsman	NIL	1
	5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	NIL	NIL
6*		Number of Awards unimplemented within the stipulated time (other than those appealed)	NIL	NIL

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme.

* It shall only be applicable to NBFCs which are included under The Reserve Bank - Integrated Ombudsman Scheme, 2021.

2) **Top five grounds of complaints received by the NBFCs from customers**

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
(1)	(2)	(3)	(4)	(5)	(6)
FY 25-26					
Arrear Payment related	8	302	12%	27	NIL
NOC related	3	261	-30%	11	NIL
Credit Bureau related	7	362	46%	23	NIL
Repossession related	5	112	-1%	12	NIL
COVID-19 related	4	9	-778%	–	NIL
Others	9	690	6%	28	NIL
Total	**36**	**1,736**	**6%**	**101**	**–**
FY 24-25					
Arrear Payment related	5	267	-16%	8	NIL
NOC related	8	338	-89%	3	NIL
Credit Bureau related	12	194	-216%	7	NIL
Repossession related	9	113	-45%	5	NIL
COVID-19 related	3	79	-87%	4	NIL
Others	31	649	-152%	9	NIL
Total	**68**	**1,640**	**-114%**	**36**	**–**

44.18 A comparison between provisions required under IRACP and impairment allowances made under Ind AS 109:

(₹ in crores)

Asset Classification as per norms of the Reserve Bank.	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms (including income Deferred)	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	54,662.12	104.31	54,557.81	218.91	(114.60)
	Stage 2	1,755.23	55.91	1,699.32	7.10	48.81
Subtotal		**56,417.35**	**160.22**	**56,257.13**	**226.01**	**(65.79)**
Non-Performing Assets (NPA)						
Substandard	Stage 1	42.99	5.62	37.37	4.81	0.81
	Stage 2	324.61	46.02	278.59	40.28	5.74
	Stage 3	586.25	189.38	396.87	92.59	96.79
Subtotal for Substandard		**953.85**	**241.02**	**712.83**	**137.68**	**103.34**

(₹ in crores)

Asset Classification as per norms of the Reserve Bank.	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms (including income Deferred)	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Doubtful - up to 1 year	Stage 3	172.64	163.51	9.13	109.80	53.71
1 to 3 years		80.27	80.10	0.17	71.30	8.80
More than 3 years		15.94	15.81	0.13	15.81	–
Subtotal for Doubtful		**268.85**	**259.42**	**9.43**	**196.91**	**62.51**
Loss	Stage 3	9.90	6.89	3.01	9.90	(3.01)
Subtotal for Loss		**9.90**	**6.89**	**3.01**	**9.90**	**(3.01)**
Subtotal for NPA		**1,232.60**	**507.33**	**725.27**	**344.49**	**162.84**
OFF BOOKS*	Stage 1	302.84	1.05	301.79	–	1.05
	Stage 2	–	–	–	–	–
	Stage 3	–	–	–	–	–
Subtotal		**302.84**	**1.05**	**301.79**	**–**	**1.05**
Total (On book assets)	Stage 1	54,705.11	109.93	54,595.18	223.72	(113.79)
	Stage 2	2,079.84	101.93	1,977.91	47.38	54.55
	Stage 3	865.00	455.69	409.31	299.40	156.29
Total		**57,649.95**	**667.55**	**56,982.40**	**570.50**	**97.05**

* OFF BOOKS: 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.

44.19 Disclosure on Resolution Framework 2.0 implemented in terms of RBI circulars RBI/2021-22/31 DOR.STR. REC.11/21.04.048/2021-22 dated 5th May 2021

(₹ in crores)

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) 30.09.2025	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 31.03.2026
Personal Loans	–	–	–	–	–
Corporate persons*	–	–	–	–	–
Of which MSMEs	–	–	–	–	–
Others (Business loan)	12.76	0.63	0.01	7.60	4.52

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code 2016.

44.20 Sectoral Exposure:

(₹ in crores)

Sectors	Current Year			Previous Year		
	Total Exposure	Gross NPAs	% of Gross NPAs to total exposure in that sector	Total Exposure	Gross NPAs	% of Gross NPAs to total exposure in that sector
1. Agriculture and Allied activities	4,186.76	102.45	2.45%	3,658.16	76.52	2.09%
2. Industry	–	–	–	–	–	–
3. Services						
3.1 Transport Operators	26,641.12	572.43	2.15%	23,745.12	574.91	2.42%
3.2 NBFCs	1,157.35	34.28	2.96%	1,101.36	5.01	0.45%
3.3 Other Services	6,354.05	143.03	2.25%	5,553.85	139.62	2.51%
Total	**34,152.52**	**749.74**	**2.20%**	**30,400.33**	**719.54**	**2.37%**
Micro and Small	18,317.81	407.40	2.22%	18,239.30	353.43	1.94%
Medium	1,434.57	7.59	0.53%	1,486.89	24.56	1.65%
Large	–	–	–	–	–	–
Others	14,400.14	334.75	2.32%	10,674.14	341.55	3.20%
Total	**34,152.52**	**749.74**	**2.20%**	**30,400.33**	**719.54**	**2.37%**
4. Personal Loans						
4.1 Vehicle/Auto Loans	15,318.07	236.17	1.54%	13,062.30	186.93	1.43%
Total	**15,318.07**	**236.17**	**1.54%**	**13,062.30**	**186.93**	**1.43%**
5. Others	3,992.61	144.24	3.61%	3,240.29	111.00	3.43%
Grand Total	**57,649.95**	**1,232.60**	**2.14%**	**50,361.08**	**1,093.98**	**2.17%**
Off Balance sheet exposure	302.84	–	–	179.27	–	–

44.21 Intra-group Exposures:

(₹ in crores)

Particulars	31.03.2026	31.03.2025
Total Amount of intra-group exposures	38.02	42.29
Total amount of top 20 intra group exposures	38.02	42.29
Percentage of intra group exposures to total exposure of the NBFC on borrowers/ customers	0.07%	0.08%

44.22 Loans against gold and silver collateral:

The company has not extended any loans against Gold or Silver Collateral till date.

44.23 Disclosure related to Project Finance :

The company has no exposure to Project Finance till date.

44.24 Details of Non- Fund Based (NFB) Credit Facilities:

The company does not have any outstanding Non-Fund Based Credit facilities (**31/03/2025** - NIL)

44.25 Disclosures on Co- Lending Arrangements :

The company has not entered into any Co-Lending Arrangements till date.

44.26 Disclosure on Currency Futures :

The company has not undertaken any Currency Future transactions till date.

44.27 Disclosure on Credit Default Swaps :

The company has not undertaken any Credit Default Swap transactions till date.

44.28 Disclosure on unsecured advances against intangible collateral:

The company has not extended any advances against intangible assets as collateral till date. There are no advances made against which intangible assets has been taken as collateral.

44.29 Drawdown from Reserves :

The Company has not made any drawdown from the reserves during the financial year ended 31st March, 2026.

44.30 Off Balance Sheet exposures and structured products :

For information on Off Balance Sheet exposures, refer Note No.43.03 and 43.05.

The company has not issued any structured products during the financial year ended 31st March, 2026 (**31/03/2025**: NIL)

44.31 Disclosure on Currency Options :

The company has not undertaken any Currency Option transactions till date.

44.32 Unhedged foreign currency exposure

The Company does not have any outstanding unhedged foreign currency exposures as on 31/03/2026 (**31/03/2025** - NIL)

44.33 Breach of covenant of loan availed or debt securities issued

NIL (**31/03/2025** - NIL)

44.34 Divergence in Asset Classification and Provisioning:

There was no divergence in asset classification and provisioning for the period ended 31st March 2025, requiring disclosure under the directions.

44.35 Related party disclosure

(₹ in crores)

Particulars	Subsidiaries		Associates/Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Directors		Relative of Directors		Others		Total	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Outstanding																
Borrowings	–	–	140.35	192.69	–	–	–	–	–	–	–	–	5.26	–	**145.61**	**192.69**
Deposits	0.25	0.25	–	–	12.87	13.38	1.48	8.32	6.48	6.45	2.57	1.84	195.75	212.03	**219.40**	**242.27**
Other Liabilites	1.77	1.70	0.50	0.46	13.15	8.75	–	–	–	–	–	–	0.04	–	**15.46**	**10.91**
Loans and advances	–	–	–	–	–	–	–	–	–	–	–	–	0.09	0.58	**0.09**	**0.58**
Investments	1,420.11	1,419.26	585.95	585.91	–	–	–	–	–	–	–	–	1,492.52	1,354.96	**3,498.58**	**3,360.13**
Other Assets	2.83	1.67	9.34	7.36	–	–	–	–	–	–	–	–	0.08	0.04	**12.25**	**9.06**
Transactions																
Issue of Non–Convertible Debentures	–	–	76.02	24.99	–	–	–	–	–	–	–	–	–	5.25	**76.02**	**30.25**
Redemption of Non Convertible Debentures	–	–	50.00	25.00	–	–	–	–	–	–	–	–	5.00	–	**55.00**	**25.00**
Deposits	–	–	–	–	–	–	–	–	–	–	–	–	18.07	49.39	**18.07**	**49.39**
Loans and advances disbursed	0.01	0.02	–	–	–	–	–	–	–	–	–	–	10.80	1,401.23	**10.81**	**1,401.25**
Repayment of Loans and advances	0.02	0.02	–	–	–	–	–	–	–	–	–	–	11.34	1,401.88	**11.36**	**1,401.90**
Purchase of fixed assets	–	0.09	–	–	–	–	–	–	–	–	–	–	–	–	**-**	**0.09**
Acquisition of loan assets through direct assignment	753.27	207.06	–	–	–	–	–	–	–	–	–	–	–	–	**753.27**	**207.06**
Insurance Premium Paid in Advance	–	–	3.99	7.58	–	–	–	–	–	–	–	–	–	–	**3.99**	**7.58**

(₹ in crores)

Particulars	Subsidiaries		Associates/Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Directors		Relative of Directors		Others		Total	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Interest paid	0.02	0.02	11.34	15.45	1.08	1.05	0.11	0.83	0.50	0.55	0.17	0.15	16.86	18.51	**30.08**	**36.57**
Interest received	–	–	–	–	–	–	–	–	–	–	–	–	0.05	1.84	**0.05**	**1.84**
Dividend Income	234.40	97.29	19.08	29.19	–	–	–	–	–	–	–	–	39.12	41.55	**292.60**	**168.03**
Dividend paid	3.28	2.67	–	–	11.79	9.55	7.83	6.35	6.64	5.39	17.61	16.21	110.09	71.16	**157.24**	**111.34**
Others – income	38.09	33.58	31.29	27.49	–	–	–	–	–	–	–	–	11.06	9.01	**80.44**	**70.08**
Others – Expenses	0.50	0.27	0.02	17.23	–	–	–	–	–	–	–	–	1.18	4.13	**1.70**	**21.63**
Maximum Amount Outstanding																
Borrowings	–	–	140.35	192.69	–	–	–	–	–	–	–	–	–	–	**140.35**	**192.69**
Deposits	0.25	0.25	–	–	12.87	7.71	1.48	8.32	6.48	6.45	2.57	1.84	38.04	22.21	**61.69**	**46.78**
Loans and advances	–	–	–	–	–	–	–	–	–	–	–	–	0.09	86.71	**0.09**	**86.71**
Investments	1,420.11	1,419.26	585.95	585.91	–	–	–	–	–	–	–	–	1,492.52	1,354.96	**3,498.58**	**3,360.13**

44.36 Disclosure on restructuring of advances

a) Disclosure of Restructured Accounts

(₹ in crores)

Type of Restructuring		Others									
Asset Classification	**Details**	**For the year ended 31st March 2026**					**For the year ended 31st March 2025**				
		Standard	**Sub-standard**	**Doubtful**	**Loss**	**Total**	**Standard**	**Sub-standard**	**Doubtful**	**Loss**	**Total**
Restructured Accounts as on April 1 of the FY	No. of Borrowers	545	178	178	3	**904**	1340	529	222	6	**2097**
	Amount Outstanding	36.81	25.57	46.99	0.55	**109.91**	143.64	74.29	47.09	1.26	**266.27**
	Provisions there on	1.85	10.60	45.02	0.55	**58.02**	11.40	47.09	42.95	1.26	**102.70**
Fresh restructuring during the year	No. of Borrowers	–	–	–	–	**–**	–	–	–	–	**–**
	Amount Outstanding	–	–	–	–	**–**	–	–	–	–	**–**
	Provisions there on	–	–	–	–	**–**	–	–	–	–	**–**
Upgradations to restructured standard category during the FY	No. of Borrowers	14	(12)	(2)	–	**–**	36	(36)	–	–	**–**
	Amount Outstanding	0.32	(0.31)	(0.01)	–	**–**	1.72	(1.72)	–	–	**–**
	Provisions there on	0.05	(0.05)	–	–	**–**	0.11	(0.11)	–	–	**–**
Downgradation of restructured accounts during the FY	No. of Borrowers	(22)	(5)	27	–	**–**	(61)	1	60	–	**–**
	Amount Outstanding	(0.64)	(1.31)	1.95	–	**–**	(5.87)	(8.04)	13.91	–	**–**
	Provisions there on	(0.16)	(1.62)	1.78	–	**–**	(2.46)	(4.45)	6.91	–	**–**
Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of Borrowers	–	–	–	–	**–**	–	–	–	–	**–**
	Amount Outstanding	–	–	–	–	**–**	–	–	–	–	**–**
	Provisions there on	–	–	–	–	**–**	–	–	–	–	**–**

(₹ in crores)

Type of Restructuring		Others									
Asset Classification	Details	For the year ended 31st March 2026					For the year ended 31st March 2025				
		Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total
Write-offs of restructured accounts during the FY	No. of Borrowers	(48)	(43)	(84)	(3)	**(178)**	(76)	(83)	(84)	(3)	**(246)**
	Amount Outstanding	(1.85)	(13.07)	(21.71)	(0.55)	**(37.18)**	(1.89)	(3.76)	(7.72)	(0.54)	**(13.91)**
	Provisions there on	(0.26)	(6.69)	(20.91)	(0.55)	**(28.41)**	(1.89)	(3.76)	(7.72)	(0.54)	**(13.91)**
Restructured Accounts as on March 31 of the FY	No. of Borrowers	224	47	100	–	**371**	545	178	178	3	**904**
	Amount Outstanding	5.17	1.56	19.14	–	**25.86**	36.81	25.57	46.99	0.55	**109.91**
	Provisions there on	0.20	0.46	18.95	–	**19.61**	1.85	10.60	45.02	0.55	**58.01**

Note:

i) The above disclosure includes accounts restructured under Covid resolution framework 1.0 and 2.0.

ii) The restructured accounts shown at the end of the year is after considering the recoveries made during the year.

b) Particulars of resolution plan and restructuring :

During the year ended 31st March 2026, the Company has not implemented resolution plan under the prudential framework for stressed asset issued by RBI.

44.37: Disclosures relating to securitisation to be made by originators:

Sl. No	Particulars	Non– STC Transactions March 31, 2026	Non– STC Transactions March 31, 2025
1	No. of SPEs holding assets for securitisation transactions originated by the originator (only the SPVs relating to outstanding securitization exposures to be reported here)	34	32
2	Total amount of securitised assets as per books of the SPEs	7,375.12	6,428.01
3	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	• First loss	–	–
	• Others	–	–
	b) On-balance sheet exposures		
	• First loss	915.99	850.10
	• Others	228.41	139.34
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	• First loss	–	–
	• Others	–	–
	ii) Exposure to third party securitisations		
	• First loss	–	–
	• Others	–	–
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	• First loss	–	–
	• Others	–	–
	ii) Exposure to third party securitisations		
	• First loss	–	–
	• Others	–	–

(₹ in crores)

		Non– STC Transactions	
Sl. No	Particulars	March 31, 2026	March 31, 2025
5	Sale consideration received for the securitised assets and Gain/loss on sale on account of securitisation		
	- Consideration Received	12,919.22	11,383.39
	- Gain/Loss	NA	NA
6	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	915.99	850.10
7	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.		
	(a) Amount Paid (Initial CC)	955.74	912.74
	(b) Repayment received (CC Reset)	39.75	62.64
	(c) Outstanding amount (Outstanding CC)	915.99	850.10
8	Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	CV : 1.08% Tractor : 1.23% CE : 0.70%	CV : 0.94% Tractor : 1.07% CE : 0.57%
9	Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	NIL	NIL
10	Investor complaints (a) Directly/Indirectly received and; (b) Complaints outstanding	NIL	NIL

44.38: Disclosure of transfer of loan exposure

a) The Company has acquired loans not in default through assignment, from its subsidiary company during the year 2025-2026, as per details given below:

Sl. No	Particulars	2025-2026	2024-2025
1	Count of loan accounts acquired	2730	52
2	Amount of Loans Acquired	₹753.26 cr.	₹207.06 cr.
3	Retention of beneficial economic interest	90%	90%
4	Weighted average residual maturity	132.10 months	27.47 months
5	Weighted average holding period	27.13 months	11.86 months
6	Coverage of tangible security	100%	100%
7	Rating-wise distribution of rated loans	Not rated	Not rated

b) The Company has not transferred any loans not in default during the year 2025-2026.

c) The Company has not transferred or acquired any stressed loans during the year 2025-2026.

Note 45: Disclosure on frauds

There are 42 fraud cases reported to RBI as of 31st March 2026, involving an amount of ₹24.98 cr. , including 3 cases reported during the financial year 2025-26 involving ₹0.85 cr. The company has fully provided for / written off the amount and has proceeded legally to recover the dues from the respective parties.

Note 46: Disclosure on Liquidity Coverage Ratio (LCR):

As part of the Liquidity Risk Management Framework for NBFCs, RBI has mandated maintenance of Liquidity Coverage Ratio (LCR) effective 1st Dec 2020. The Company is required to maintain adequate unencumbered High Quality Liquid Asset (HQLA) to meet its liquidity needs for a 30 calendar-day time horizon under a significantly severe liquidity stress scenario. The objective of the LCR is to promote the short-term resilience of the liquidity risk profile. Presently, the Company is required to maintain a minimum LCR of 100%, effective December 1, 2024.

The LCR is calculated by dividing the company's stock of HQLA by its total net cash outflows over a 30-day stress period. "High Quality Liquid Assets (HQLA)" means liquid assets that can be readily sold or immediately converted into cash at little or no loss of value or used as collateral to obtain funds in a range of stress scenarios. Total Net cash outflows is defined as total expected cash outflows minus total expected cash inflows in the specified stress scenario for the subsequent 30 calendar days. The main drivers of LCR are adequate HQLAs and lower net cash outflow.

Major source of borrowings for the Company are Non-Convertible Debentures, Term loans from Banks, Commercial paper and Public deposits. The details of funding concentration from significant counter parties are provided under public disclosure on liquidity risk.

The company has maintained LCR well above the regulatory requirement of 100% for all the quarters of the financial years ended 31st March, 2026 and 31st March, 2025 respectively.

Liquidity Coverage Ratio (LCR)

(₹ in crores)

	Particulars	Liquidity Coverage Ratio (LCR)							
		Apr - Jun 2025		Jul - Sep 2025		Oct - Dec 2025		Jan - Mar 2026	
		Unweighted Value (Average)	Weighted Value (Average)	Unweighted Value (Average)	Weighted Value (Average)	Unweighted Value (Average)	Weighted Value (Average)	Unweighted Value (Average)	Weighted Value (Average)
	High Quality Liquid Assets								
1	**Total High Quality Liquid Assets (HQLA)		**1,141.86**		**1,316.54**		**1,450.34**		**1,445.94**
	Cash Outflows								
2	Deposits (for deposit taking companies)	366.49	421.47	364.77	419.48	366.26	421.19	294.67	338.87
3	Unsecured wholesale funding	607.27	698.36	698.80	803.62	993.47	1,142.49	524.53	603.21
4	Secured wholesale funding	1,273.04	1,464.00	1,322.17	1,520.49	1,327.56	1,526.70	1,219.45	1,402.37
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	215.26	247.55	229.16	263.54	267.00	307.05	325.40	374.21
6	Other contractual funding obligations	247.69	284.84	244.48	281.16	233.70	268.75	221.28	254.47
7	Other contingent funding obligations	27.40	31.51	4.44	5.11	24.59	28.27	27.06	31.12
8	**TOTAL CASH OUTFLOWS**	**2,737.15**	**3,147.72**	**2,863.83**	**3,293.40**	**3,212.57**	**3,694.46**	**2,612.38**	**3,004.23**
	Cash Inflows								
9	Secured lending	–	–	–	–	–	–	–	–
10	Inflows from fully performing exposures	2,795.13	2,096.35	2,721.19	2,040.89	2,898.45	2,173.84	2,822.37	2,116.78
11	Other cash inflows	3,074.17	2,305.62	3,587.69	2,690.77	3,240.17	2,430.13	3,168.95	2,376.72
12	**TOTAL CASH INFLOWS**	**5,869.29**	**4,401.97**	**6,308.88**	**4,731.66**	**6,138.62**	**4,603.96**	**5,991.32**	**4,493.49**

			Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value
13	**TOTAL HQLA**		**1,141.86**		**1,316.54**		**1,450.34**		**1,445.94**
14	**TOTAL NET CASH OUTFLOWS**		**786.93**		**823.35**		**923.61**		**751.06**
15	**LIQUIDITY COVERAGE RATIO (%)**		**145.1%**		**159.9%**		**157.0%**		**192.5%**
**	**Components of HQLA**								
	- Cash		0.17		0.17		0.17		0.22
	- Balance with Banks		0.31		0.65		0.53		0.33
	- Government Securities		1,125.58		1,310.29		1,449.64		1,445.39
	- Treasury Bills		15.80		5.43		–		–
	Total HQLA		**1,141.86**		**1,316.54**		**1,450.34**		**1,445.94**

Note 47: Public Disclosure on Liquidity Risk as on March 31, 2026:

(i) Funding concentration based on significant counterparty (both deposits and borrowings)

Sl. No.	Instrument	Number of significant counterparties	Amount (₹ in cr.)	% of Total Deposits *	% of Total Liabilities
1	Borrowings	16	34,617.71	–	62.36

* None of the Depositors hold more than 1% of the Total Liabilities

(ii) Top 20 large deposits

Amount (₹ in crores)	536.17
% of Total Deposits	8.22

(iii) Top 10 borrowings

Amount (₹ in cr.)	29,131.76
% of Total Borrowings	53.31

(iv) Funding Concentration based on significant instrument / product

Sl. No.	Name of the Instrument / product	Amount (₹ in crores)	% of Total Liabilities
1	Non-Convertible Debentures	19,509.71	35.15
2	Term loans & Securitisation	22,033.85	39.69
3	Public Deposits	6,521.70	11.75
4	Commercial paper	3,623.94	6.53
5	Other borrowings	2,952.77	5.32

(v) Stock Ratios

Sl. No.	Name of the Instrument / Product	As a % of Total Public funds	As a % of Total Liabilities	As a % of Total Assets
1	Commercial Paper	6.6	6.5	5.3
2	Non-Convertible Debentures (original maturity < 1 year)	-NA-	-NA-	-NA-
3	Other Short- term Liabilities	39.3	38.7	31.5

Institutional set-up for liquidity risk management:

Board has setup the Asset Liability Management Committee (ALCO) and Risk Management Committee to manage various risks of the Company. ALCO meets on a regular basis and is responsible for ensuring adherence to the risk tolerance/limits set by the Board including the Liquidity risk of the Company. The performance of the ALCO is reviewed by Audit Committee / Board.

The Company has formulated a policy on Liquidity Risk Management Framework. Accordingly, the Company,

- Performs stress testing on a quarterly basis which enables the Company to estimate the liquidity requirements as well as adequacy and cost of the liquidity buffer under stressed conditions.
- Has also formulated a contingency funding plan as a part of the outcome of stress testing results.
- Monitors liquidity risk based on 'Stock' approach to liquidity by way of pre-defined internal limits for various critical ratios pertaining to liquidity risk.

The Company has diversified source of funding to ensure that there is no significant source, the withdrawal of which could trigger liquidity problems.

The Company monitors cumulative mismatches across all time buckets by establishing internal prudential limits. The Company maintains adequate liquidity buffer of readily marketable assets, to protect itself against any liquidity risk at the same time is mindful of the cost associated with it.

Notes

1. As per the circular issued by RBI on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies dated 04th November 2019, "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the total liabilities and "Significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the total liabilities.
2. Total Liabilities represent 'Total Liabilities and Equity' as per Balance sheet less Equity.
3. Public funds are as defined in Reserve Bank of India (Non-Banking Financial Companies - Registration, Exemptions and Framework for Scale Based Regulations) Directions, 2025.
4. Other Short-term liabilities represent all Short-term borrowings other than CPs.

As per our report of even date attached
For **Brahmayya & Co.,**
Chartered Accountants
Firm Regd. No. 000511S
L Ravi Sankar
Partner
Membership No. 025929
For **R.G.N. Price & Co.,**
Chartered Accountants
Firm Regd. No. 002785S
K Venkatakrishnan
Partner
Membership No. 208591
Place : Chennai
Date : May 25, 2026

S. Viji
Chairman
DIN: 00139043

Harsha Viji
Executive Vice Chairman
DIN: 00602484

Bhavani Balasubramanian
Director
DIN: 09194973

Rajiv C. Lochan
Managing Director
DIN: 05309534

A.N. Raju
Joint Managing Director
DIN:00036201

M. Ramaswamy
Chief Financial Officer
ACA: 024937

P.N. Srikant
CCO & Company Secretary
ACS: 17154

SCHEDULE

(As required under Reserve Bank of India (Non-Banking Financial Companies Financial Statements: Presentation and Disclosures) Directions, 2025)

(₹ in crores)

	Particulars	Amount outstanding	Amount overdue
	Liabilities side:		
(1)	**Loans and advances availed by the NBFCs @**		
a	Debentures : Secured	16,967.71	–
	: Unsecured	2,542.00	–
	(other than falling within the meaning of public deposits)		
b	Deferred Credits	–	–
c	Term Loans	22,033.85	–
d	Inter-corporate loans and borrowings	2.66	–
e	Commercial paper	3,623.94	–
f	Public Deposits	6,221.71	51.59#
g	Other loans		
	- Bank Borrowing	2,950.11	–
	- Deposits from Corporates	299.99	–
(2)	**Break-up of 1 (f) above (Outstanding public deposits) @**		
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	6,221.71	51.59#

@ Includes interest accrued thereon but not due and hence not paid

Represents unrenewed deposits and interest accrued thereon

(₹ in crores)

	Particulars	Amount outstanding
	Assets side:	
(3)	**Break–up of Loans and Advances including bills receivables (other than those included in (4) below) :**	
a	Secured	522.30
b	Unsecured (including Advance for Business Assets)	589.64
(4)	**Break-up of Leased Assets and Stock on hire and hypothecation loans counting towards AFC activities :**	
(i)	Lease assets including lease rentals under sundry debtors	
a	Financial Lease	–
b	Operating Lease	453.29
(ii)	Net Stock on hire including hire charges under sundry debtors	
a	Assets on hire	292.05
b	Repossessed Assets	–
(iii)	Hypothecation loans counting towards AFC activities	
a	Loans where assets have been repossessed	59.24
b	Loans other than (a) above	55,733.81

(₹ in crores)

	Particulars	Amount outstanding
(5)	**Break-up of Investments :**	
	Current Investments:	
1.	Quoted:	
	Others	
	- Investment in Commercial Paper	639.24
2.	Unquoted:	
(i)	Units of mutual funds	871.36
(ii)	Others	
	- Investment in Commercial Paper	144.10
	Long Term Investments:	
1.	Quoted:	
(i)	Equity Shares	1,492.52
(ii)	Government Securities	1,765.66
(iii)	Others	
	- Investment in Non Convertible Debentures	1,470.01
2.	Unquoted:	
(i)	Equity Shares	2,017.26
(ii)	Compulsorily Convertible Preference Shares	–
(iii)	Units of mutual funds	31.74
(iv)	Others	
	- Investment in Pass Through Certificates	228.14
	- Investment in Alternative Investment Fund	748.24
	Total	**9,408.27**

* Unquoted investments disclosed at break up / fair value / NAV.

(₹ in crores)

(6)	**Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances:**			
	Category	**Amount net of provisions**		
		Secured	**Unsecured**	**Total**
1.	**Related Parties****			
a	Subsidiaries	1.73	–	1.73
b	Companies in the same group	31.07	–	31.07
c	Other related parties	–	–	–
2.	**Other than related parties**	56,888.79	568.53	57,457.32
	Total	**56,921.59**	**568.53**	**57,490.12**

(₹ in crores)

(7)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :		
	Category	**Market Value / Break up or fair value or NAV**	**Book Value (Net of Provisions)**
1.	**Related Parties****		
a	Subsidiaries	2,820.47	1,420.11
b	Companies in the same group	2,389.91	2,089.67
c	Other related parties	–	–
2.	**Other than related parties**	5,876.93	5,898.49
	Total	**11,087.31**	**9,408.27**

** As per Ind AS

(₹ in crores)

(8)	Other Information	
	Particulars	**Amount**
(i)	**Gross Non-Performing Assets**	
a	Related Parties	–
b	Other than related parties	1,232.60
(ii)	**Net Non-Performing Assets**	
a	Related Parties	–
b	Other than related parties	725.28
(iii)	Assets acquired in satisfaction of debt (during the year)	1.77

Consolidated Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the members of Sundaram Finance Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Sundaram Finance Limited (''the Parent Company '') and its subsidiaries (the Parent Company and its subsidiaries together referred to as "the Group") and its Joint Venture Company which comprise the Consolidated Balance Sheet as at March 31, 2026 and the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended and notes to Consolidated Financial Statements including a summary of material accounting policies and other explanatory information. ("Consolidated Financial Statements")

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 the other auditors referred to in the Other Matters section below, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its Joint Venture Company as at March 31, 2026 and their consolidated profit including consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditors' Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, and its Joint Venture Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the 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 Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements for the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

<table>
<tr><th>Sr. No</th><th>Key Audit Matter</th><th>How the Key Audit Matter was addressed in our audit</th></tr>
<tr><td>1</td><td colspan="2">Information Technology (IT)</td></tr>
<tr><td></td><td>Evaluation of the Parent Company's IT systems and Controls:

The Parent Company's key financial accounting and reporting processes are dependent on Information Technology Systems. High volume of transactions are processed and recorded on single or multiple applications. Appropriate IT general controls including application controls are required to ensure applications process the data as expected which is essential for reliability in Financial Reporting.

We have considered this to be a Key Audit Matter taking into account the significance of the IT environment and related controls in processing large number of transactions on a daily basis across multiple modules.</td><td>As part of our audit procedures with respect to this matter, we:
• Obtained an understanding of the Parent Company's revised IT policy, IT environment & infrastructure and the controls in place;
• Evaluated the reports of the independent Information Systems Auditor, pertaining to IT general controls as well as the adequacy of the management's actions to address the observations, if any
• Tested the design and operating effectiveness of IT general controls and application controls, change management controls, user access management and data backup management.</td></tr>
<tr><td>2</td><td colspan="2">Impairment Loss Allowance / ECL on Loans</td></tr>
<tr><td></td><td>Under Ind AS 109, "Financial Instruments", allowance for loan losses for the Parent Company is determined using Expected Credit Loss ('ECL') estimation model. During the year, the Company has reviewed and refined its ECL model as part of its continuous evaluation of the model. The estimation of ECL on financial instruments requires management judgement and estimates and include the following elements to be considered.
• Variables - The key variables which are involved in the computation of ECL include staging, exposure at default, forecasting, probability of default ("PD") and loss given default ("LGD"), which need to be verified for their correctness and basis of estimation.
• Data inputs - The application of ECL model requires complete and accurate data inputs from the loan books of the Company as well as the business environment
• Quantitative Factors – The PD and LGD of each loan depends on both the Company's ECL policy as well as certain quantitative factors such as level of security, geography, credit information, arrears and other macro-economic factors as well.

We have considered this to be a Key Audit Matter on account of the level of judgment and estimation involved, extensiveness of the Parent Company's ECL model, updates made to the model from time to time and overall importance of ECL in Financial reporting and compliance.</td><td>Our audit procedures were focussed on assessing the appropriateness of the management's judgement and estimates used in the impairment analysis, as well as verifying the completeness and accuracy of the data involved. As part of these audit procedures, we:
Evaluated the Company's refined ECL methodology and Assessed the design, implementation and operating effectiveness of controls over accuracy and completeness of the source data, stage-wise classification of loans, identification of NPA accounts and measurement of provision;
• Tested the relevance and reasonableness of the economic forecasts, weights, and model assumptions applied, while determining the Probability of Default (PD) and Loss Given Default (LGD);
• Ensured that changes to the model have been appropriately given effect to while computing the ECL amount;
• Re-performed the ECL computation, to the extent feasible;
• Ensured adequacy of disclosures made with respect to impairment of loans in the Financial Statements; and
• Assessed as to whether the disclosures on key judgements, assumptions, qualitative and quantitative data including relevant regulatory compliance and disclosures with respect to impairment of loans in the Financial Statements are adequate, and obtained written management representations as appropriate.</td></tr>
</table>

Information Other than the Financial Statements and Auditors' Report Thereon

The Parent Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors report and its Annexures, but does not include the Consolidated Financial Statements, Standalone Financial Statements and our auditors' 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.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries, and Joint Venture Company audited by the other auditors to the extent it relates to these entities and in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, and Joint Venture Company, is traced from their respective financial statements audited by the other auditors.

If, based on the work we have performed, we conclude that there is a material misstatement, of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Parent Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its Joint Venture Company in accordance with Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its Joint Venture Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its Joint Venture Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Parent Company as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and its Joint Venture Company are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities 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 and its Joint Venture Company are also responsible for overseeing the financial reporting process of the Group and its Joint Venture Company.

Auditor's Responsibility 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 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 Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- 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 is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial 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 Parent Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its Joint Venture Company 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 and its Joint Venture Company to cease to continue as a going concern.

- 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its Joint Venture Company 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 such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

We communicate with those charged with governance of the Parent Company 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 current year 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 of five subsidiaries included in the Consolidated Financial Statements whose financial information reflect total assets of ₹18,292.14 crores as at 31st March 2026, total revenues of ₹2,307.62 crores, total net profit after tax of ₹445.30 crores, total comprehensive income of ₹448.73 crores for the year ended 31st March 2026 respectively and net cash flows amounting to ₹78.34 crores for the year ended 31st March 2026, as considered in the Consolidated Financial Statements

2. The financial statements of two subsidiaries and the Employees Welfare Trust included in the Consolidated Financial Statements were audited by one of the joint auditors of the Parent Company, whose financial information reflect total assets of ₹169.63 crores as at 31st March 2026, total revenues of ₹163.99 crores, total net profit after tax of ₹29.22 crores, total comprehensive income of ₹32.74 crores for the year ended 31st March 2026 respectively and net cash flows amounting to ₹(0.25) crores for the year ended 31st March 2026, as considered in the Consolidated Financial Statements.

3. The Consolidated Financial Statements also include the Group's share of net profit/loss after tax of ₹53.45 crores and total comprehensive income of ₹(26.27) crores for the year ended 31st March 2026 respectively, as considered in the Consolidated Financial Statements in respect of the Joint venture company whose financial statements are audited by one of the joint auditors of the Parent Company along with another auditor.

4. Reports of the above entities have been made available to us by the Management/ considered by us and our opinion on the Consolidated

Financial Statements in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture company and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid Subsidiaries and Joint Venture Company is based solely on the reports of the other auditors.

Our opinion on the Statement is not modified in respect of our reliance on the work done and the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

1. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Independent Auditor's report, according to the information and explanations given to us, and based on the Independent Auditor's Reports issued by the Auditors of companies included in the Consolidated Financial Statements, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these reports

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors 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 preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the relevant 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 Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Parent Company and the reports of the statutory auditors of its subsidiary companies, and its Joint Venture Company incorporated in India, none of the directors of the group, and the Joint Venture Company incorporated in India are disqualified as on 31st March, 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 financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent Company, subsidiary companies, and Joint Venture Company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements of those companies.

   g) In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Parent Company is in accordance with the provisions of Section 197 read with Schedule V to the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters section:

i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group and its Joint Venture Company - Refer Note 43.03 to the Consolidated Financial Statements

ii. The Parent Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts

iii. During the year, there were two instances of delays in transfer of part of unclaimed dividend to Investor Education and Protection Fund (IEPF) amounting to ₹2.73 lakhs by the Parent Company, which were transferred prior to 31st March 2026.

iv. a) The management has represented that, to the best of its knowledge and belief, 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 Parent Company or any of its subsidiaries, and Joint Venture Company which are companies incorporated in India to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company or any of such subsidiaries and Joint Venture 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 have been received by the Parent Company or any of its subsidiaries, and Joint Venture Company which are companies incorporated in India from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or any such subsidiaries and Joint Venture company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances performed by us and those performed by auditors of the subsidiaries and Joint Venture company incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The interim dividend declared and paid by the Group and its Joint Venture Company during the year and until the date of this audit report is in accordance with section 123 of the Companies Act 2013.

The Board of Directors of the Parent Company, its subsidiaries and Joint Venture Company whose financial statements have been audited under the Act, wherever applicable, have proposed final dividend for the year which is subject to the approval of the members of the respective Companies in its, Annual General Meeting. The dividend declared as referred above is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination which included test checks and the checks performed by the respective auditors of the subsidiaries and Joint Venture Company which are incorporated in India, the Companies have used accounting softwares for maintaining their books of account which have a feature of recording audit trail (edit log) facility, and the same have operated throughout the year for all relevant transactions during the year.

During the course of our audit, we and the respective auditors of the above referred subsidiaries and Joint Venture Company did not come across any instance of audit trail feature being tampered with.

Additionally, we and the respective auditors of the above referred subsidiaries and Joint Venture Company noted that the audit trail (edit log), has been preserved by the above referred companies as per statutory requirements for record retention.

For **Brahmayya & Co**
Chartered Accountants
Firm Registration Number - 000511S

L. Ravi Sankar
Partner
Membership No. 025929
UDIN: 26025929CCLOUY8111

Place: Chennai
Date: 25th May 2026

For **R.G.N Price & Co**
Chartered Accountants
Firm Registration Number - 002785S

K. Venkatakrishnan
Partner
Membership No.208591
UDIN: 26208591OZCIJC5128

"ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In conjunction with our audit of the Consolidated Financial Statements of the Sundaram Finance Limited as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to Consolidated Financial Statements of Sundaram Finance Limited (hereinafter referred to as "Parent Company"), subsidiary companies and Joint Venture Company which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent Company , its subsidiary companies, and Joint Venture Company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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). 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated Financial Statements of the Parent Company, its subsidiary companies, and Joint Venture Company, which are companies incorporated in India, based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements 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 with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to 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 financial statements, whether due to fraud or error.

We believe that the audit evidence obtained and the audit evidence obtained by the other auditors of the subsidiaries, and Joint Venture Company, which are companies incorporated in India, 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 Consolidated Financial Statements.

Meaning of Internal Financial Controls with reference to 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 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 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 financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements.

Because of the inherent limitations of internal financial controls with reference to 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 Consolidated Financial Statements to future periods are subject to the risk that the internal financial controls with reference to 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, to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent Company , its subsidiary companies, and Joint Venture Company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to 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 over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

The report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with respect to financial statements of four subsidiary companies incorporated in India, for the year ended 31st March 2026 were issued by other auditors.

The report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with respect to financial statements of two subsidiary companies incorporated in India, for the year ended 31st March 2026 was issued by one of the Joint Auditors of the Parent Company.

The report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with respect to financial statements of Joint Venture Company incorporated in India, for the year ended 31st March 2026 were jointly issued by one of the Joint Auditors of the Parent Company.

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements insofar as it relates to subsidiary companies and Joint Venture Company, which are incorporated in India, is based solely on the corresponding reports of the auditors mentioned above.

Our opinion is not modified in respect of the above matter

For **Brahmayya & Co**
Chartered Accountants
Firm Registration Number - 000511S

L. Ravi Sankar
Partner
Membership No. 025929
UDIN: 26025929CCLOUY8111

Place: Chennai
Date: 25th May 2026

For **R.G.N Price & Co**
Chartered Accountants
Firm Registration Number - 002785S

K. Venkatakrishnan
Partner
Membership No.208591
UDIN: 26208591OZCIJC5128

Consolidated Balance Sheet

as at 31st March, 2026

(₹ in crores)

Particulars	Note	March 31, 2026	March 31, 2025
ASSETS			
Financial Assets			
Cash and cash equivalents	5	525.62	310.72
Bank Balances	6	994.06	1,821.21
Receivables	8		
(I) Trade receivables		99.46	89.41
(II) Other receivables		30.60	38.56
Loans	9	73,254.79	64,647.68
Investments	10	9,029.01	6,481.03
Other Financial assets	11	187.20	125.02
Non-Financial Assets			
Current tax assets (Net)	12	–	123.87
Investment Property	13	52.27	55.60
Property, Plant and Equipment	14	623.76	608.75
Assets held for sale	13&14	19.76	28.29
Right-of-use assets	15	150.82	130.37
Goodwill	16	472.48	472.51
Other intangible assets	16	157.51	182.51
Intangible assets under development	16	5.02	1.25
Other non-financial assets	17	193.05	219.89
Total Assets		**85,795.41**	**75,336.67**
LIABILITIES AND EQUITY			
Liabilities			
Financial Liabilities			
Derivative financial instruments	7	21.53	26.13
Payables	18		
(I) Trade Payables			
(i) Total outstanding dues of micro enterprises and small enterprises		4.27	8.79
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		187.25	213.41
(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		20.53	22.53
Debt securities	19	26,859.79	22,930.46
Borrowings (Other than debt securities)	20	31,261.23	26,891.57
Deposits	21	8,873.04	8,677.15
Subordinated liabilities	22	2,642.24	2,584.45
Other financial liabilities	23	720.98	603.20
Non-Financial Liabilities			
Provisions	24	170.39	97.54
Other non-financial liabilities	25	68.51	63.47
Current tax liabilities (Net)	12	37.66	–
Deferred tax liabilities (Net)	12	34.34	21.14
Equity			
Equity share capital	26	110.21	110.21
Other equity *	26	14,783.44	13,086.62
Total Liabilities and Equity		**85,795.41**	**75,336.67**

Material Accounting policies and notes to the consolidated financial statements 1-43

* Refer Statement of Changes in equity

As per our report of even date attached
For **Brahmayya & Co.,**
Chartered Accountants
Firm Regd. No. 000511S
L Ravi Sankar
Partner
Membership No. 025929
For **R.G.N. Price & Co.,**
Chartered Accountants
Firm Regd. No. 002785S
K Venkatakrishnan
Partner
Membership No. 208591
Place : Chennai
Date : May 25, 2026

S. Viji
Chairman
DIN: 00139043

Harsha Viji
Executive Vice Chairman
DIN: 00602484

Bhavani Balasubramanian
Director
DIN: 09194973

Rajiv C. Lochan
Managing Director
DIN: 05309534

A.N. Raju
Joint Managing Director
DIN:00036201

M. Ramaswamy
Chief Financial Officer
ACA: 024937

P.N. Srikant
CCO & Company Secretary
ACS: 17154

Consolidated Statement of Profit and Loss
for the Year Ended 31st March, 2026

(₹ in crores)

Particulars	Note	2025-26	2024-25
Revenue from operations			
Interest Income	27	8,275.30	7,130.21
Lease Rental income (Net)		233.40	205.77
Fees and Commission Income	28	379.46	339.73
Dividend Income		40.37	42.94
Income from other Services		570.02	503.79
Recovery of Bad debts		56.71	52.36
Net gain on fair value changes	29	140.43	123.78
Net gain on derecognition of financial instruments under amortised cost category		113.23	87.05
Total Revenue from operations		**9,808.92**	**8,485.63**
Other Income	30	64.20	77.35
Total Income		**9,873.12**	**8,562.98**
Expenses			
Finance cost	31	4,745.31	4,225.98
Employee benefit expenses	32	1,059.14	945.74
Fees and commission expenses		126.50	90.59
Administrative & other expenses	33	387.01	378.85
Depreciation & amortisation		245.67	222.56
Impairment/Provisions on financial instruments	34	553.31	251.87
Total expenses		**7,116.94**	**6,115.59**
Profit/(loss) before exceptional items and tax		**2,756.18**	**2,447.39**
Exceptional item-Impact of new Labour Codes	35	75.61	-
Profit/(loss) before tax		**2,680.57**	**2,447.39**
Tax expense:			
Current tax		695.29	566.17
Deferred tax		(20.12)	68.41
Profit after tax (before adjustment for non controlling interest)		**2,005.40**	**1,812.81**
Add: Share of Profit from Joint Ventures		53.46	66.63
Profit after Tax		**2,058.86**	**1,879.44**

Consolidated Statement of Profit and Loss for the Year Ended 31st March, 2026 (Contd.)

Particulars	Note	2025-26	2024-25
Other Comprehensive Income (OCI)			
A (i) Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		(12.48)	(13.78)
Equity and other investments through Other Comprehensive Income		136.08	518.32
Share of other comprehensive income from associates & Joint Ventures using equity method		0.61	(1.01)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(16.62)	3.79
Sub-total (A) = (i)-(ii)		**107.59**	**507.32**
B (i) Items that will be reclassified to profit or loss			
Change in fair value of derivative instrument/Other Investments		53.73	(26.13)
Share of other comprehensive income from associates & Joint Ventures using equity method		(80.33)	74.13
Foreign currency Translation Reserve		7.65	1.54
(ii) Income tax relating to items that will be reclassified to profit or loss		(13.52)	6.58
Sub-total (B)= (i)-(ii)		**(32.47)**	**56.12**
Other Comprehensive Income (A + B)		**75.12**	**563.44**
Total Comprehensive Income for the year		**2,133.98**	**2,442.88**
Profit for the year attributable to:			
Owners of the Company		2,058.86	1,879.44
Non-controlling interests		–	–
Other Comprehensive Income for the year attributable to:			
Owners of the Company		75.12	563.44
Non-controlling interests		–	–
Total Comprehensive Income for the year attributable to:			
Owners of the Company		2,133.98	2,442.88
Non-controlling interests			
Earnings per equity share (on PAT) (Face value of ₹10/-each) Basic & diluted		**186.81**	**170.53**
Material Accounting policies and notes to the consolidated financial statements	1-43		

As per our report of even date attached
For **Brahmayya & Co.,**
Chartered Accountants
Firm Regd. No. 000511S
L Ravi Sankar
Partner
Membership No. 025929
For **R.G.N. Price & Co.,**
Chartered Accountants
Firm Regd. No. 002785S
K Venkatakrishnan
Partner
Membership No. 208591
Place : Chennai
Date : May 25, 2026

S. Viji
Chairman
DIN: 00139043

Harsha Viji
Executive Vice Chairman
DIN: 00602484

Bhavani Balasubramanian
Director
DIN: 09194973

Rajiv C. Lochan
Managing Director
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A.N. Raju
Joint Managing Director
DIN:00036201

M. Ramaswamy
Chief Financial Officer
ACA: 024937

P.N. Srikant
CCO & Company Secretary
ACS: 17154

Statement of Changes in Equity
for the Year Ended March 31, 2026

a) Equity Share Capital

(₹ in crores)

Particulars	Amount
Balance as at 31st March 2024	110.20
Add: Allotment of Shares by ESOP Trust to Employees	0.01
Balance as at 31st March 2025	110.21
Add: Allotment of Shares by ESOP Trust to Employees	–
Balance as at 31st March 2026	**110.21**

b) Other equity

Statement of Changes in Equity for the year ended 31st March, 2025

(₹ in crores)

Particulars	Reserves and Surplus							Items of Other Comprehensive Income				Total
	Capital Reserve	Share Options Outstanding Account	Statutory Reserve	Special Reserve	General Reserve	Capital Redemption Reserve	Retained Earnings	Foreign Currency Translation Reserve	Debt instruments through Other Comprehensive Income	Equity instrument through Other Comprehensive Income	Effective portion of cash flow hedge	
Balance as at 31st March, 2024	**52.85**	**6.83**	**2,272.50**	**418.45**	**4,140.17**	**15.00**	**3,472.52**	**6.68**	**(27.69)**	**610.72**	–	**10,968.02**
Changes in accounting policy or prior period errors	–	–	–	–	–	–	–	–	–	–	–	–
Restated balance as at 31st March, 2024	**52.85**	**6.83**	**2,272.50**	**418.45**	**4,140.17**	**15.00**	**3,472.52**	**6.68**	**(27.69)**	**610.72**	**–**	**10,968.02**
(A) Profit after tax for the year	–	–	–	–	–	–	1,879.44	–	–	–	–	1,879.44
(B) Other comprehensive income:												
(i) Items that will not be reclassified to profit or loss	–	–	–	–	–	–	–	–	–	–	–	–

(₹ in crores)

Particulars	Reserves and Surplus							Items of Other Comprehensive Income				Total
	Capital Reserve	Share Options Outstanding Account	Statutory Reserve	Special Reserve	General Reserve	Capital Redemption Reserve	Retained Earnings	Foreign Currency Translation Reserve	Debt instruments through Other Comprehensive Income	Equity instrument through Other Comprehensive Income	Effective portion of cash flow hedge	
Remeasurements of the defined benefit plans	–	–	–	–	–	–	(10.31)	–	–	–	–	(10.31)
Change in Fair value of equity instruments/other investments	–	–	–	–	–	–	–	–	–	518.63	–	518.63
Share of other comprehensive income from associates using equity method	–	–	–	–	–	–	(1.01)	–	–	–	–	(1.01)
(ii) Items that will be reclassified to profit or loss	–	–	–	–	–	–	–	–	–	–	–	–
Change in fair value of derivative instrument	–	–	–	–	–	–	–	–	–	–	(19.55)	(19.55)
Changes in fair value of financial instrument	–	–	–	–	–	–	–	–	–	–	–	–
Share of other comprehensive income from associates using equity method	–	–	–	–	–	–	–	–	74.14	–	–	74.14
Foreign currency Translation Reserve	–	–	–	–	–	–	–	1.54	–	–	–	1.54
Total Comprehensive income for the year (A)+(B)	–	–	–	–	–	–	**1,868.12**	**1.54**	**74.14**	**518.63**	**(19.55)**	**2,442.88**

(₹ in crores)

Particulars	Reserves and Surplus							Items of Other Comprehensive Income				Total
	Capital Reserve	Share Options Outstanding Account	Statutory Reserve	Special Reserve	General Reserve	Capital Redemption Reserve	Retained Earnings	Foreign Currency Translation Reserve	Debt instruments through Other Comprehensive Income	Equity instrument through Other Comprehensive Income	Effective portion of cash flow hedge	
Dividend payout (Interim)	–	–	–	–	–	–	(154.31)	–	–	–	–	(154.31)
Dividend payout (Final)	–	–	–	–	–	–	(176.34)	–	–	–	–	(176.34)
Options granted during the year	–	6.43	–	–	–	–	–	–	–	–	–	6.43
Cost of shares transferred on exercise of option	–	(0.02)	–	–	–	–	–	–	–	–	–	(0.02)
Deferred Employee Compensation Cost	–	0.54	–	–	–	–	–	–	–	–	–	0.54
On account of Sundaram Finance Employees' Welfare Trust	–	–	–	–	–	–	(0.21)	–	–	–	–	(0.21)
Transfer to Statutory Reserve	–	–	–	–	–	–	(323.29)	–	–	–	–	(323.29)
Transfer to Special Reserve	–	–	–	–	–	–	(34.17)	–	–	–	–	(34.17)
Share Options lapsed during the year	–	(0.38)	–	–	–	–	–	–	–	–	–	(0.38)
Transfer to General Reserve	–	(1.22)	–	–	1.22	–	–	–	–	–	–	–
Transfer from Retained earnings	–	–	323.29	34.17		–	–	–	–	–	–	357.46
Balance as at 31st March, 2025	**52.85**	**12.18**	**2,595.79**	**452.62**	**4,141.39**	**15.00**	**4,652.32**	**8.22**	**46.45**	**1,129.35**	**(19.55)**	**13,086.62**

b) Other equity

Statement of Changes in Equity for the year ended 31st March 2026

(₹ in crores)

Particulars	Reserves and Surplus							Items of Other Comprehensive Income				Total
	Capital Reserve	Share Options Outstanding Account	Statutory Reserve	Special Reserve	General Reserve	Capital Redemption Reserve	Retained Earnings	Foreign Currency Translation Reserve	Debt instruments through Other Comprehensive Income	Equity instrument through Other Comprehensive Income	Effective portion of cash flow hedge	
Balance as at 31st March, 2025	**52.85**	**12.18**	**2,595.79**	**452.62**	**4,141.39**	**15.00**	**4,652.32**	**8.22**	**46.45**	**1,129.35**	**(19.55)**	**13,086.62**
Changes in accounting policy or prior period errors"	–	–	–	–	–	–	–	–	–	–	–	–
Restated balance as at 31st March, 2025	**52.85**	**12.18**	**2,595.79**	**452.62**	**4,141.39**	**15.00**	**4,652.32**	**8.22**	**46.45**	**1,129.35**	**(19.55)**	**13,086.62**
(A) Profit after tax for the year	–	–	–	–	–	–	2,058.86	–	–	–	–	2,058.86
(B) Other comprehensive income:												
(i) Items that will not be reclassified to profit or loss	–	–	–	–	–	–		–	–	–	–	–
Remeasurements of the defined benefit plans	–	–	–	–	–	–	(9.34)	–	–	–	–	(9.34)
Change in Fair value of equity instruments/other investments	–	–	–	–	–	–		–	–	116.32	–	116.32
Share of other comprehensive income from associates using equity method	–	–	–	–	–	–	0.61	–	–	–	–	0.61

Particulars	Reserves and Surplus							Items of Other Comprehensive Income				Total
	Capital Reserve	Share Options Outstanding Account	Statutory Reserve	Special Reserve	General Reserve	Capital Redemption Reserve	Retained Earnings	Foreign Currency Translation Reserve	Debt instruments through Other Comprehensive Income	Equity instrument through Other Comprehensive Income	Effective portion of cash flow hedge	
(ii) Items that will be reclassified to profit or loss	–	–	–	–	–	–	–	–	–	–	–	–
Change in fair value of derivative instrument	–	–	–	–	–	–	–	–	–	–	40.21	40.21
Share of other comprehensive income from associates using equity method	–	–	–	–	–	–	–		(80.33)	–	–	(80.33)
Foreign currency Translation Reserve	–	–	–	–	–	–	–	7.65	–	–	–	7.65
Total Comprehensive income for the year (A)+(B)	–	–	–	–	–	–	**2,050.13**	**7.65**	**(80.33)**	**116.32**	**40.21**	**2,133.97**
Dividend payout (Interim)	–	–	–	–	–	–	(176.35)	–	–	–	–	(176.35)
Dividend payout (Final)	–	–	–	–	–	–	(231.46)	–	–	–	–	(231.46)
Adjustments on account of amalgamation (refer note : 43.01)	(34.67)		–	–	–	–	–	–	–	–	–	(34.67)
Options granted during the year	–	5.13	–	–	–	–	–	–	–	–	–	5.13
Cost of shares transferred on exercise of option	–	(0.02)	–	–	–	–	–	–	–	–	–	(0.02)
Deferred Employee Compensation Cost	–	0.67	–	–	–	–	–	–	–	–	–	0.67
On account of Sundaram Finance Employees' Welfare Trust	–	–	–	–	–	–	0.01	–	–	–	–	0.01
Transfer to Statutory Reserve	–	–	–	–	–	–	(373.61)	–	–	–	–	(373.61)
Transfer to Special Reserve	–	–	–	–	–	–	(49.59)	–	–	–	–	(49.59)

(₹ in crores)

Particulars	Reserves and Surplus							Items of Other Comprehensive Income				Total
	Capital Reserve	Share Options Outstanding Account	Statutory Reserve	Special Reserve	General Reserve	Capital Redemption Reserve	Retained Earnings	Foreign Currency Translation Reserve	Debt instruments through Other Comprehensive Income	Equity instrument through Other Comprehensive Income	Effective portion of cash flow hedge	
Share Options lapsed during the year	–	(0.47)	–	–	–	–	–	–	–	–	–	(0.47)
Transfer to General Reserve	–	(0.83)	–	–	0.83	–	–	–	–	–	–	–
Transfer from Retained earnings	–	–	373.61	49.59	–	–	–	–	–	–	–	423.21
Balance as at 31st March 2026	**18.18**	**16.68**	**2,969.40**	**502.21**	**4,142.22**	**15.00**	**5,871.44**	**15.87**	**(33.88)**	**1,245.67**	**20.66**	**14,783.44**

Statement of Changes in Equity for the year ended 31st March 2026

Description of nature and purpose of other equity:

a) Capital Reserve: Represents reserve created on account of amalgamations and arrangements

b) Share Options Outstanding Account: Represents reserve on grant of option to employees of the company / group company under Employee Stock option Scheme.

c) General reserve: Represents amount appropriated from retained earnings.

d) Statutory reserve: Represents reserve created as per Section 45-IC of the Reserve Bank of India Act, 1934.

e) Special reserve: Represents reserve created as per Section 36(1)(viii) of Income Tax Act,1961 and Section 29C of the National Housing Bank Act, 1987.

f) Capital redemption reserve Represents reserves created as per companies act

g) OCI Reserve : Equity/ Preference : represents the cumulative gains / losses arising on the fair valuation of equity / preference instruments measured at fair value through Other Comprehensive Income.

h) OCI Reserve : Cash flow hedge : Effective portion of cash flow hedges represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges

As per our report of even date attached
For **Brahmayya & Co.,**
Chartered Accountants
Firm Regd. No. 000511S
L Ravi Sankar
Partner
Membership No. 025929
For **R.G.N. Price & Co.,**
Chartered Accountants
Firm Regd. No. 002785S
K Venkatakrishnan
Partner
Membership No. 208591
Place : Chennai
Date : May 25, 2026

S. Viji
Chairman
DIN: 00139043

Harsha Viji
Executive Vice Chairman
DIN: 00602484

Bhavani Balasubramanian
Director
DIN: 09194973

Rajiv C. Lochan
Managing Director
DIN: 05309534

A.N. Raju
Joint Managing Director
DIN:00036201

M. Ramaswamy
Chief Financial Officer
ACA: 024937

P.N. Srikant
CCO & Company Secretary
ACS: 17154

Consolidated Cash Flow Statement

for the year ended 31st March 2026

(₹ in crores)

Particulars	2025-26		2024-25	
A. CASH FLOW FROM OPERATING ACTIVITIES:				
Profit before tax	2,680.57		2,447.39	
Add: Finance costs	4,745.31	7,425.88	4,225.98	6,673.37
Depreciation and Amortisation expense		245.67		222.55
Impairment/Provisions on financial instruments		553.31		251.87
(Gain)/loss on sale of property, plant and equipment		2.49		(34.42)
Share-based payment expense		5.34		6.54
Net gain on fair value changes		(140.43)		(123.78)
Net gain on derecognition of financial instruments under amortised cost category		(3.21)		–
Dividend income		(40.37)		(42.94)
Interest Income from investments		(372.82)		(263.46)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		**7,675.86**		**6,689.73**
(Increase)/ Decrease in Leased assets - net of sales	(161.39)		(205.20)	
(Increase)/ Decrease in Bank deposits	827.96		(772.91)	
(Increase)/ Decrease in SLR Investments (net)	(598.98)		(633.10)	
(Increase)/ Decrease in trade and other receivables	24.00		(23.20)	
(Increase)/ Decrease in Loans	(9,155.73)		(10,091.79)	
(Increase)/ Decrease in Other financial assets	(62.63)		(66.64)	
(Increase)/ Decrease in Non financial assets	(192.44)		(212.13)	
Increase/ (Decrease) in trade and other payables	(30.92)		62.67	
Increase/(Decrease) in financial liabilities	79.37		82.34	
Increase/(Decrease) in other non-financial liabilities and provisions	61.07	(9,209.69)	24.36	(11,835.60)
Cash generated from / (used in) Operations		(1,533.83)		(5,145.87)
Financial costs	(4,053.90)		(3,672.72)	
Income Taxes Paid	(304.49)	(4,358.39)	(166.66)	(3,839.38)
NET CASH FROM / (USED IN) OPERATING ACTIVITIES (A)		**(5,892.22)**		**(8,985.25)**
B. CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase and construction of property, plant and equipment		(54.89)		(46.09)
Purchase and generation of intangible assets		(7.53)		(11.28)
Purchase of investment in Equity instruments		–		(2.99)
Purchase of other investments		(48,697.54)		(31,556.52)

(₹ in crores)

Particulars	2025-26	2024-25
Sale of other investments	46,971.11	32,230.00
Proceeds from sale of property, plant and equipment, intangible assets and investment property	33.30	43.64
Interest received from Investments	324.75	202.23
Dividend income	59.45	72.12
NET CASH FROM / (USED IN) INVESTING ACTIVITIES (B)	**(1,371.35)**	**931.11**
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Payment of Lease Liability	(47.37)	(49.01)
Debt securities, deposits, sub-ordinated liabilities and other borrowings:		
Availment	46,404.54	41,189.99
Repayment	(38,470.88)	(32,989.40)
Dividend Paid	(407.81)	(330.65)
NET CASH FROM / (USED IN) FINANCING ACTIVITIES (C)	**7,478.48**	**7,820.93**
NET INCREASE IN CASH AND CASH EQUIVALENTS (A)+(B)+(C)	**214.90**	**(233.21)**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	310.72	543.93
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**525.62**	**310.72**
COMPONENTS OF CASH AND CASH EQUIVALENTS		
AT THE END OF THE YEAR		
Cash, Cheques & drafts on hand	50.42	66.36
Balances with Banks	475.20	244.36
	525.62	**310.72**

As per our report of even date attached
For **Brahmayya & Co.,**
Chartered Accountants
Firm Regd. No. 000511S
L Ravi Sankar
Partner
Membership No. 025929
For **R.G.N. Price & Co.,**
Chartered Accountants
Firm Regd. No. 002785S
K Venkatakrishnan
Partner
Membership No. 208591
Place : Chennai
Date : May 25, 2026

S. Viji
Chairman
DIN: 00139043

Rajiv C. Lochan
Managing Director
DIN: 05309534

Harsha Viji
Executive Vice Chairman
DIN: 00602484

A.N. Raju
Joint Managing Director
DIN:00036201

Bhavani Balasubramanian
Director
DIN: 09194973

M. Ramaswamy
Chief Financial Officer
ACA: 024937

P.N. Srikant
CCO & Company Secretary
ACS: 17154

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

MATERIAL ACCOUNTING POLICIES

General information:

Sundaram Finance Limited (the 'Company') is a Public Limited Company incorporated in India, having Corporate Identification Number (CIN) - L65191TN1954PLC002429 with its registered office located at No.21, Patullos Road, Chennai – 600 002. The Company has been incorporated under the provisions of the Indian Companies Act 1913 and its equity shares are listed on the National Stock Exchange (NSE) in India.

The consolidated financial statements comprises the Company, its subsidiaries and the Group's interest in joint ventures (referred collectively as the Group). The Company, together with its subsidiaries and joint venture is engaged in the business of financing of commercial vehicles, cars, construction equipment, other vehicles, housing finance in the retail segment, business of Investments, Mutual Funds, General Insurance and retail distribution of a wide array of financial services and products.

1. BASIS OF PREPARATION AND PRESENTATION

1.1 Statement of Compliance

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Companies Act, 2013 (the "Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The Balance Sheet, Statement of Profit and Loss, Statement of Cash Flow and Statement of Changes in Equity are together referred as the financial statement.

The financial statements have been prepared as a going concern in accordance with the Indian Accounting Standard ('Ind AS'), notified under section 133 of the Companies Act, 2013 read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 issued by the Ministry of Corporate Affairs (MCA).

Any directions issued by the RBI or other regulators are implemented as and when they become applicable. In addition, the guidance notes and announcement issued by the Institute of Chartered Accountants of India are also applied, except where the compliance with other statutory provisions requires different treatment. The accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

All the amounts included in Consolidated Financial Statements are reported in Indian Rupees (₹) and all values are rounded off to the nearest Crores except where otherwise indicated.

1.2 Accounting Convention

The Consolidated Financial Statements have been prepared under the historical cost convention except for certain financial instruments that are measured at fair values at the end of each reporting period.

1.3 Basis of Consolidation

The consolidated financial statement of the subsidiaries has been prepared on the following basis:

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Group.

The consolidated financial statement of the group combines the financial statement of the parent and its subsidiaries line by line by adding together the like items of the assets, liabilities, income and expenses. All the intra group assets, liabilities, income, expenses, unrealised profits/losses on intra group transaction are eliminated on consolidation.

The consolidated financial statements of the Joint ventures have been prepared on the following basis:

Interest in Joint ventures is accounted for using the equity method. An investment in Joint venture is initially recognised at cost and adjusted thereafter to recognise the Group's share of profit or loss and other comprehensive income. Gain or loss in respect of changes in other equity of Joint ventures resulting in dilution of stake in the Joint ventures is recognised in the Statement of Profit and Loss.

Goodwill on consolidation

Goodwill represents the purchase consideration in excess of the Group's interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquired entity. When the net fair value of the identifiable assets, liabilities and contingent liabilities acquired exceeds purchase consideration, the fair value of net assets acquired is reassessed and the bargain purchase gain is recognised in capital reserve.

Goodwill is measured at cost less accumulated impairment losses.

Impairment

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount is less than its carrying amount. An impairment loss on goodwill is recognised in the Consolidated Statement of Profit and Loss and is not reversed in the subsequent period.

2. MATERIAL ACCOUNTING POLICIES

2.1 Revenue recognition

A) Interest Income

As per Ind AS 109, Financial Instruments, Interest income from financial assets is recognised on an accrual basis using effective interest rate method (EIR). Fee and commission income and expense that are integral to the effective interest rate on a financial asset or liability are included in the effective interest rate. The effective interest rate method is the rate that exactly discounts estimated future cash receipts (including all fees, transaction costs and other premiums or discounts paid or received) through the expected life of the financial instrument to the carrying amount on initial recognition.

B) Lease Income

Lessor Accounting

Leases for which the Group is a lessor is classified as finance lease or operating lease based on the terms and conditions of the lease agreement.

Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

1. **Finance lease:** Amount due from lessees under finance leases are recorded in balance sheet as receivables, being the amount equal to net investment in lease. The net investment in lease is the gross investment in lease less unearned finance income.

   The lease income earned are recognised in the profit and loss account based on pattern reflecting constant periodic return on the Group's net investment in lease.

2. **Operating lease:** Assets leased out on operating lease are recognised as an asset under Property, Plant and Equipment in the balance sheet.

   Lease income from operating leases are recognised as income on straight line basis over the lease term. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Group's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

Lessee Accounting

The Group's lease asset classes primarily consist of leases for land and buildings. 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 recognises a right-of-use asset (''ROU'') and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The lease liability is the present value of the lease payments to be made over the lease term using the incremental borrowing rates.

The right-of-use assets are initially recognised 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 impairment at each reporting date.

C) Fees and commission income

Fees, charges and reimbursements due from customers as per the contractual terms of the loan are recognised on realisation.

Servicing fees on securitisation transactions are recognised upon completion of services.

Commission and brokerage income earned from distribution of financial services are recognised as and when they are due.

D) Dividend Income

Dividend income from investments is recognised when the right to receive payment has been established.

E) Recoveries

The Group recognises income on recoveries of financial assets written off on realisation or when the right to receive the same without any uncertainties of recovery is established.

2.2 Evaluation of Business Model:

The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the 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 instruments.

The Group considers all relevant information and evidence available when making the business model assessment such as:

a. how the performance of the business model and the financial assets held within that business model are evaluated and reported to the Group's key management personnel.

b. the risks that affect the performance of the business model (and the financial assets held within that business model) and the way in which those risks are managed.

At initial recognition of a financial asset, the Group determines whether newly recognised financial assets are part of an existing business model or whether they reflect a new business model. The Group reassesses its business model at each reporting year to determine whether the business model has changed since the preceding year.

2.3 Measurement of fair values

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 Group's accounting policies and disclosures require the measurement of financial and non-financial assets and liabilities at fair values. The Group has established policies and procedures with respect to measurement of fair values.

2.4 Financial instruments

A financial instrument is any contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity. Financial instruments also include derivative contracts such as foreign currency forward contracts and cross currency swaps. Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets / liabilities

Financial assets and financial liabilities are initially measured at fair value. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities measured at fair value through profit or loss are recognised immediately in profit or loss.

Transaction costs directly attributable to the acquisition or issue of financial assets and financial liabilities that are measured at amortised cost are added to or deducted from the fair value of the financial assets and financial liabilities, as appropriate, on initial recognition.

Classification and subsequent measurement:

Financial Assets

The Group classifies its financial assets as subsequently measured at either amortised cost or at fair value depending on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

At Amortised Cost

A financial asset is measured at amortised cost only if both of the following conditions are met:

- The asset is held within a business model whose objective is to hold them 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 amount outstanding.

Such financial assets are subsequently measured at amortised cost using the Effective Interest Rate method.

Classification and measurement of financial instruments depends on the results of the Solely Payments of Principal and Interest on the principal amount outstanding (''SPPI'') and the business model test.

Solely Payments of Principal and Interest ("SPPI")

The Group assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount)

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgement and considers relevant factors.

Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI.

At Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are subsequently 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 and selling financial assets and the contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

At Fair Value through Profit or Loss (FVTPL)

Any financial instrument, which does not meet the criteria for categorisation as amortised cost or as Fair Value Through Other Comprehensive Income (FVTOCI), is classified as at Fair Value Through P&L (FVTPL). In addition, the Group may elect to classify a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the profit and loss.

Equity Investments

The Group accounts for equity investments in subsidiaries, associates and joint ventures at cost less impairment.

All other equity investments are designated at Fair Value Through Other Comprehensive Income (FVTOCI). The fair value changes on the instrument, excluding dividends, are recognised under Other Comprehensive Income (OCI). There is no recycling of the amounts from OCI to the statement of profit and loss on sale of investment.

Investment in Compulsorily Convertible Preference Shares (CCPS)

The Group designates investment in CCPS at FVTOCI. The fair value changes on the instrument, excluding dividends, are recognised under OCI. There is no recycling of the amounts from OCI to the statement of profit and loss on sale of investment.

Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 – This level includes financial assets that are measured by reference to quoted prices in active markets for identical assets or liabilities.

Level 2 – This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. price) or indirectly (i.e. derived from prices).

Level 3 – This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method except for financial liabilities at FVTPL. A financial liability is classified as FVTPL if it is held-for-trading or it is a derivative or it is designated as FVTPL on initial recognition. Interest expense, foreign exchange gains (losses) and any gains and losses on de-recognition are recognised in the profit or loss.

Derivatives & Hedge Accounting

The Group designates certain derivatives held for risk management as hedging instruments in qualifying hedging relationships. These derivatives qualify for hedge accounting and meet the criteria for cash flow hedge. The effective portion of the gain or loss arising on the fair value measurement of the hedging instrument is recognised in other comprehensive income.

Contract Asset and Contract Liability.

The Group's right to consideration in exchange for goods or services that have been transferred to a customer is recognised as Contract Assets.

The Group's obligation to transfer goods or services to a customer for which consideration has been received is recognised as Contract Liabilities.

Value of contract Asset/liability is determined based on the time spent on each project or on period basis for Annual maintenance contract.

2.5 Impairment of Financial Assets

The Group applies the Expected Credit Loss (ECL) model for recognising impairment losses on financial assets.

The accounting standard, Ind AS 109 does not specifically prescribe any methodology for computing ECL. However, entities are required to adopt sound and market acceptable methodologies which are in line with the size, complexity and risk-profile of the financial entity for computing the ECL. The Group uses three main components to measure ECL. These are, Exposure at Risk (EAR), Probability of Default (PD) and Loss Given Default (LGD). Exposure at Risk (EAR) is defined as the sum of Principal outstanding and interest accrued at the reporting date. PD is defined as the probability of borrowers defaulting on their obligations. LGD represents the economic loss, adjusted for cure rate, as a percentage of exposure at the time of default.

As per Ind AS 109, the Expected Credit Losses on financial instruments are classified under three stages.

Stage 1: Every financial asset is classified as stage 1, upon initial recognition. In addition, stage 1 contains all transactions with limited default risk.

Stage 2: Financial assets whose default risk has risen significantly since initial recognition and which are not classified as cases with limited default risk.

Stage 3: Financial assets that display objective evidence of impairment at the reporting date.

Accordingly, loan assets are categorised under three different stages, as under:

Stage 1: Where instalments are Current and 1-30 days overdue.

Stage 2: Where instalments are 31 days – 90 days overdue and

Stage 3: Where instalments are overdue beyond 90 days

12 months ECL represents the expected default events on the financial asset that are possible within 12 months after the reporting date.

Where the credit risk on the financial assets has not increased significantly since initial recognition, the loss is measured at an amount equal to 12 months ECL.

Where the credit risk on the financial assets has increased significantly since initial recognition, the loss is measured at an amount equal to the lifetime expected credit loss.

Lifetime Expected Credit Loss represent the expected credit loss from default events over the expected life of a financial asset.

The Probability of Default (PD)model has been developed for all the major asset classes using a statistical and iterative approach. The design and construction of the model involves identification of various credit parameters and variables that have a strong and direct correlation to propensity of default.

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The PD model reflects to the probability of default, taking into consideration the inherent credit quality of the borrower and the residual tenor of each contract. It relies on not only historical information and the current economic environment but also considers forward-looking information such as the forecasts on the macroeconomic outlook, including emerging risks.

The PD for stage 3 contracts is considered at 100%.

Where a customer has one contract in stage 3 and one or more contracts in stage 1 / stage 2, the PD for all the contracts is considered at 100%.

The PD is considered at 100% for (a) Customers in stage 3 and (b) Customers who were earlier in stage 3 and currently in stage 1/ Stage 2 whose arrears have not been fully updated since their slippage into Stage 3.

As per ECL policy, the Group provides 100% for the identified fraud cases and accounts where recoverability is uncertain.

Loss Given Default (LGD)

LGD represents the economic loss, adjusted for cure rate, as a percentage of exposure at the time of default. Economic loss is the estimated shortfall in realisation of dues, in the event of default. Contracts that have turned delinquent do not necessarily involve ultimate losses, since many of them are resolved through corrective actions. The cure rate is calculated as the percentage of number of contracts which were in Stage 2/Stage 3 and collected in full or moved to stage 1 in a year.

Similarly, LGD has been estimated using the past write off experiences and collateral approach. The model of ECL so computed is yearly evaluated and impact thereof is recognised in the Statement of Profit and Loss.

The carrying amounts of assets are reviewed at each balance sheet date to ascertain impairment based on internal / external factors. An impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the net selling price of the assets and their value in use.

Policy on write off: Loans are written off when the value of underlying security/other collateral is not sufficient to cover the loan exposure or where the underlying security / customer are not traceable. In such cases, the Group takes legal recourse for recovery of shortfall of dues, if any.

De-recognition of financial assets and financial liabilities

Financial asset: A financial asset or a part thereof is primarily de-recognised when:

The right to receive contractual cash flows from the asset has expired, or

The Group has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains all or substantially all the risks and rewards of the transferred assets, the transferred assets are not de-recognised.

On de-recognition of a financial asset, the difference between the carrying amount of the asset and the consideration received is recognised in profit or loss.

Financial liabilities: The Group de-recognises a financial liability when its contractual obligations are discharged, cancelled or expired.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when the Group has a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.6 Employee Benefits

Short term Employee benefits

Short term employee benefits for services rendered by employees are recognised during the period when the services are rendered.

Post-Employment benefits

Defined contribution plans

1. **Superannuation:** The Group contributes to the Superannuation Fund, which is administered by trustees and managed by the Life Insurance Corporation of India (LIC) / SBI Life Insurance Company Limited. The contributions are charged to the Statement of Profit and Loss.

2. **Employees' Pension Scheme and Employees' State Insurance Scheme:** The Group also contributes to a government administered Employees' Pension Scheme under the Employees Provident Fund Act and to Employees' State Insurance Schemes on behalf of its employees.

3. **Provident Fund**

   Contributions of the subsidiaries and associates of the Group are made to the Government administered Provident Fund and Employees' pension scheme under the Employees' Provident Fund Act and through Employees' State Insurance scheme on behalf of its employees. The contributions are charged to statement of Profit and Loss.

Defined benefit plans

1. **Gratuity:** The Group makes an annual contribution to a Gratuity Fund administered by trustees and managed by LIC/ SBI Life Insurance Company Limited. The Group accounts its liability based on actuarial valuation, as at the balance sheet date, using projected unit credit method.

   The change in defined benefit plan liability is split into changes arising out of service, interest cost and re-measurements and the change in defined benefit plan asset is split between interest income and re-measurements. Changes due to service cost and net interest cost / income is recognised in the statement of profit and loss.

   Re-measurement of the net defined benefit liability/(asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability /asset) are recognised in other comprehensive income.

2. **Provident Fund:** Contributions of the Company are made to the Company's Employees Provident Fund Trust in accordance with the fund rules. The interest rate payable by the trust to the beneficiaries every year is notified by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investment of the trust and the notified interest rate based on actuarial valuation. The monthly contribution made by the Company is recognised as employee benefit expense in the Statement of Profit and Loss.

Other Long-Term Employee Benefits

Leave Encashment: The Group accounts its liability based on actuarial valuation, as at the balance sheet date, using projected unit credit method.

2.7 Share Based Payments:

Employee Stock Options: The Group has an employee stock option scheme in accordance with SEBI guidelines 1999. It recognises the compensation expense relating to share based payments in accordance with Ind AS 102 – Share based payments.

The equity settled share-based payments to employees is measured at the fair value of the equity instrument at the grant date.

The equity settled shares vest in a graded manner over the vesting period. The fair value determined on the grant date of equity settled share payment is expensed on straight line basis over the vesting period of the respective tranches of such grants based on Group's estimate of equity instruments that will eventually vest with a corresponding increase in equity. At the end of each financial year, the Group revises its estimate of the number of equity instruments that are expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit and loss in such a way that the cumulative expense reflects the revised estimate with a corresponding adjustment to equity.

The cash settled share-based payments vest in a graded manner over the vesting period and are measured initially at fair value of the liability and re-measured at the end of each reporting period until the liability is settled.

The option carries neither right to Dividend nor voting rights.

2.8 Income Taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognised in net profit in the Consolidated Statement of Profit and Loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in other comprehensive income.

Current tax

Current tax is measured at the amount expected to be paid in respect of taxable income for the year in accordance with the Income Tax Act, 1961. Current tax comprises the tax payable on the taxable income or loss for the year and any adjustment to the tax payable in respect of previous years. It is measured using tax rates 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.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income.

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. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences can be utilised. 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.

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 assets and liabilities are offset only if the Group:

a) Has a legally enforceable right to set off current tax assets against current tax liabilities; and

b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

Current and Deferred tax for the Year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Business Combination

Business combinations have been accounted as per the acquisition method prescribed in Ind AS 103.

When a business combination is achieved in stages, any previously held equity interest in the acquired is remeasured at its acquisition-date fair value and the resulting gain or loss, if any, is recognised in the consolidated statement of profit and loss or other comprehensive income, as appropriate.

The excess of

(i) Sum of

- the consideration transferred
- the amount of any non-controlling interests in the acquired entity and
- the acquisition-date fair value of any previously held equity interest in the acquired entity over

ii) The acquisition-date fair value of the net identifiable assets acquired is recognised as "Goodwill" or else as "Gain on bargain purchase".

Any "Gain on a bargain purchase" is recognised in other comprehensive income and accumulated in equity as Capital Reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase, otherwise the gain is recognised directly in equity as Capital Reserve.

Transaction costs in connection with a business combination are expensed as incurred.

2.9 Property plant and equipment

The property plant and equipment are the assets held for use in the supply of services.

Property, plant and equipment's are stated in the balance sheet at cost (net of duty/ tax credit availed) less accumulated depreciation and accumulated impairment losses.

Cost of acquisition is inclusive of freight, non-refundable duties & taxes and other directly attributable cost of bringing the asset to its working condition for the intended use.

Freehold land is not depreciated.

An item is recognised as property plant and equipment if and only if it is probable that future economic benefits associated with the item will flow to the Group and its costs can be measured reliably. Subsequent expenditure is added to the carrying amount or recognised as separate asset, when the Group expects future economic benefits from that item.

Depreciation is recognised to write off the cost of assets less their residual values over their useful lives, using the written down value method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Estimated useful lives of the assets, based on technical assessment, which are different in certain cases from those prescribed in Schedule II of the Companies Act 2013, are as follows:

(In Years)

Assets	Own	Operating Lease
Plant and Machinery	15	5
Computer and end user devices	3-7	3
Computer servers and network	6-10	6
Vehicles	5	4
Office equipment	3-8	–
Electrical installations	15	–
Furniture and Fixtures	3-10	–

Assets	Operating Lease
Improvement to lease hold premises	Equally over the maximum period of the lease initially agreed upon and in case of improvement to existing leased premises, over the balance lease period.

The property plant and equipment are reviewed for impairment whenever the events or changes indicate that their carrying value may not be recoverable.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

An item of the property plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of the item of property plant equipment is determined as the difference between the sale proceeds and carrying amount of the asset and is recognised in profit and loss. When

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

the use of property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

2.10 Investment property

Property held to earn rental income or for capital appreciation or both and that is not occupied by the Group is classified as Investment Property.

It is measured initially at cost of acquisition including transaction costs, borrowing cost and other directly attributable cost in bringing the asset to its working condition for its intended use. Subsequent expenditure is capitalised to the asset carrying amount only when it is probable that the future economic benefit associated with the expenditure will flow to the Group.

The fair value of investment property has been determined by property valuer, having recognised qualifications and experience.

Depreciation is provided on written down value method by adopting useful life prescribed under schedule II to the Companies Act, 2013 after retaining 5% of original cost as residual value for buildings. The useful life of buildings is between 30 to 60 years.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property is recognised in the statement of profit and loss in the same period.

Discontinued Operations

Discontinuing operation is a component of an entity that either has been disposed of or is classified as "Held for sale".

Assets and Liabilities in connection with Discontinuing operations are classified under "Held for sale" if their carrying amount is intended to be recovered principally through sale rather than through continued use.

The condition for classification of "Held for sale" is met when the Assets and liabilities are available for immediate sale and the same is highly probable of being completed within one year from the date of classification under "Held for sale".

Assets "Held for sale" are measured at lower of carrying amount and fair value less cost to sell.

2.11 Intangible assets

Intangible assets are identified non-monetary assets without physical existence. Intangible assets with finite useful lives that are acquired separately are capitalised and carried at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets are recognised in books only when it is probable that future economic benefits associated with the asset will flow to the Group and the cost can be measured reliably.

The cost of the intangible asset shall include the purchase price, including non-refundable duties and taxes, all the directly attributable costs to bring the intangible to the present location, working condition and intended use.

Intangible assets represent computer software whose cost is amortised over their expected useful life 2 to 5 years on a straight-line basis.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Impairment loss, if any, is provided to the extent the carrying amount of assets exceeds their recoverable amount. Recoverable amount is the higher of an assets net selling price and the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life.

Intangible Assets under development

Development expenditure on new products is capitalised as intangible asset if all the following are demonstrated.

- Technical feasibility of completing the asset
- Intention to complete the asset
- The ability to use or sell the asset
- Probability that the intangible asset will generate future economic benefits
- Availability of adequate technical, financial and other resources to complete the intangible asset
- The ability to measure reliably the expenditure attributable during the development stage.

2.12 Dividend

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are accounted on payment basis as they are revocable till actually paid.

2.13 Cash flow Statement

Cash flows are reported using the indirect method, whereby net profit after tax is adjusted for the effects of transactions of non-cash nature, tax and any deferrals or accruals of past or future cash receipts or payments. The cash flows are prepared for the operating, investing and financing activities of the Group. Cash comprises of cash on hand and demand deposits with banks. Cash equivalents are short-term deposits with banks (with an original maturity of three months or less from the date of placement) and cheques on hand. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

2.14 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised only when the Group has a present obligation (legal or constructive) as a result of past events, and it is probable that it is required to settle the obligation, and a reliable estimate can be made of the amount of obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the obligation at the reporting date, considering the risk and uncertainties surrounding the obligation.

Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the Group (or)

There is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

2.15 Earnings Per Share

The basic earnings per share have been computed by dividing the net income attributable to equity shareholders by weighted average number of shares outstanding during the year.

The diluted earnings per share have been computed using weighted average number of shares adjusted for effects of all potentially dilutive equity shares.

Operating Segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The Chairman of the Group is responsible for allocating resources and assessing performance of the operating segments and accordingly is identified as the CODM. The Group's CODM reviews financial information presented, for purposes of making operating decisions and assessing financial performance of the Group.

3. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the balance sheet and statement of profit and loss. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The actual results may differ from these estimates. The Group’s management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Any revision to the accounting estimates is recognised prospectively in the current and future periods.

Accounting estimates and judgements are used in various line items in the financial statements for e.g.:

- Business model assessment [Refer note no. 2.2]
- Fair value of financial instruments (Refer note no. 2.3)
- Impairment of financial assets [Refer note no. 2.5]

4. OTHER ACCOUNTING POLICIES:

Service income

Revenue is recognised upon transfer of control of promised services to customer in an amount that reflects the consideration we expect to receive as per the agreement with the customer.

Trusteeship Fee, investment management and advisory fees

The trusteeship fee, investment management and advisory fee are accounted on accrual basis.

Amortisation Policy on Brokerage Expenses – Mutual Fund

Scheme expenses: New fund offer expenses are recognised in the profit or loss account in the year they are incurred. Brokerage expenses incurred are amortised over a period of the scheme / months as per the policy

Amortisation Policy on Brokerage Expenses – AIF: Brokerage is amortised in proportion to Fees charged on AUM or Fees Charged on commitment amount as the case may be.

Foreign Currency transaction

Transactions in foreign currency are accounted at the exchange rates prevailing on the date of the transaction. The foreign currency borrowing being a monetary liability is restated to INR (being the functional currency of the Group) at the prevailing rates of exchange at the end of every reporting period with the corresponding exchange gain/ loss being recognised in profit or loss. The Group enters into forward exchange contracts, forward rate agreements, coupon only swaps and interest rate swaps. The Group undertakes such transactions for hedging its balance sheet. The foreign currency borrowing and derivative swaps are treated as separate transactions.

The derivatives (swaps, forward rate agreements and forward contracts) are classified at fair value through profit or loss (FVTPL) under Ind AS 109, Financial Instruments with the resultant gain or loss being taken to profit or loss.

Particulars of Consolidation

The financial statements of the following subsidiaries have been consolidated as per Ind AS 110 “Consolidated Financial Statements”.

Name of the Company	% of Holdings as on	
	31.03.2026	31.03.2025
Sundaram Asset Management Company#	100	100
Sundaram Trustee Company	100	100
LGF Services Limited	100	100
Sundaram Finance Employee Welfare Trust	100	100
Sundaram Home Finance Limited	100	100
Sundaram Fund Services Limited	100	100

The investments in the following subsidiaries of Sundaram Asset Management Company (SAMC) have been considered for the company's consolidation

Name of the Company	% of Holdings as on	
	31.03.2026	31.03.2025
Subsidiaries		
Sundaram Asset Management Singapore Pte Ltd	100	100
Sundaram Alternate Assets Limited	100	100

The investment in the following joint venture has been consolidated as per "Ind AS 28 -Investment in Associates and Joint ventures".

Name of the Company	% of Holdings as on	
	31.03.2026	31.03.2025
Royal Sundaram General Insurance Company Limited	50.00	50.00

Note 5: Cash and cash equivalents

(₹ in crores)

Particulars	31st March 2026	31st March 2025
Cash on hand	6.82	9.62
Balances with Banks	475.20	244.37
Cheques, drafts on hand	43.60	56.73
Total	**525.62**	**310.72**

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Note 6: Bank Balance other than specified in Note 5 above

(₹ in crores)

Particulars	31st March 2026	31st March 2025
Unpaid dividend account	7.31	6.50
Balances with banks*	986.75	1,814.71
Total	**994.06**	**1,821.21**

* includes,

a) ₹925.72 crores (as on 31.03.2025 ₹859.20 crores) provided as collateral for assets securitised.

b) In accordance with the Reserve Bank of India directives, the company has created a floating charge on the bank deposits ₹25.00 crores (as on 31.03.2025 ₹135.00 crores) towards statutory liquidity requirements in favour of trustees representing the deposit holders of the Company.

c) A Bank Guarantee amounting to ₹1.82 crores (as on 31.03.2025 - ₹1.82 crores) has been provided for demand raised under TNVAT Act in respect of VAT on sale of repossessed vehicles.

d) Bank Guarantee amounting to ₹ 0.10 crores. (as on 31.03.2025 - ₹0.12 crores) for Legal proceedings with respect to repossessed assets.

e) Bank deposit Nil (as on 31.03.2025 - Nil) placed for obtaining Letter of Credit on behalf of our Customers.

Note 7 : Derivative Financial Instruments

The details of the outstanding derivative instruments and their fair values are as below:

Part I (₹ in crores)

Particulars	31st March 2026			31st March 2025		
	Notional amount	Fair Value		Notional amount	Fair Value	
		Assets	Liabilities		Assets	Liabilities
(i) Currency derivatives:						
- Currency swaps	–	–	–	–	–	–
- Forward Contracts	–	–	–	–	–	–
Subtotal (i)	–	–	–	–	–	–
(ii) Interest rate derivatives:						
- Forward Rate Agreements & Interest Rate Swaps	7,895.90	–	21.53	5,353.45	–	26.13
Subtotal (ii)	**7,895.90**	–	**21.53**	**5,353.45**	–	**26.13**
Total Derivative Financial Instruments (i)+(ii)	**7,895.90**	–	**21.53**	**5,353.45**	–	**26.13**
Derivative Financial Asset / Liability (net)	–	–	**21.53**	–	–	**26.13**

Part II - Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:

(₹ in crores)

Particulars	31st March 2026			31st March 2025		
	Notional amount	Fair Value		Notional amount	Fair Value	
		Assets	Liabilities		Assets	Liabilities
(i) Cash flow hedging: - Interest rate derivatives	7,895.90	–	21.53	5,353.45	–	26.13
(ii) Undesignated derivatives	–	–	–	–	–	–
Total Derivative Financial Instruments (i)+(ii)	**7,895.90**	**–**	**21.53**	**5,353.45**	**–**	**26.13**
Derivative Financial Asset / Liability (net)	**–**	**–**	**21.53**	**–**	–	**26.13**

Notes:

1) The Company has designated the Interest rate swaps (IRS), which were entered to mitigate interest rate risk on its variable interest rate rupee term loans, as hedging instruments. The risk management strategy and the use of derivatives are explained in Note 38 - Financial Risk Management Framework.

Note 7A: Derivatives designated as Hedging Instruments

The impact of the hedging instrument on the balance sheet as at 31st March 2026 is as follows:

(₹ in crores)

Hedged Instrument	Notional Amount	Carrying Amount	Line item in the Balance sheet	Change in fair value used for measuring ineffectiveness for the period
Interest rate swap	7,895.90	(21.53)	Derivative Financial Instruments	53.73

The impact of hedged items on the Balance sheet is as follows:

(₹ in crores)

Hedged Item	Change in value used for measuring ineffectiveness	Cash flow hedge reserve as on 31.03.2026
Floating rate borrowings	–	20.66

The effect of cash flow hedge in the statement of profit and loss and other comprehensive income is as follows:

(₹ in crores)

Hedged Item	Total hedging gain / (loss) recognised in OCI	Ineffectiveness recognised in the profit and loss	Line item in the statement of profit and loss that include the hedge ineffectiveness	Amount reclassified from cash flow hedge reserve to Profit or loss	Line item in the statement of profit or loss that includes the reclassification adjustment
Floating rate borrowings	53.73	–	NA	–	NA

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 8 Receivables

(₹ in crores)

Particulars	31st March 2026	31st March 2025
Trade receivables		
- Secured, considered good	–	–
- Unsecured, considered good	99.55	89.45
- Receivables - credit impaired	–	–
Less: Impairment loss on the above	(0.09)	(0.04)
Sub-total - Trade receivables	**99.46**	**89.41**
- Secured, considered good	30.50	38.64
- Unsecured, considered good	0.15	0.12
Less: Impairment loss on the above	(0.05)	(0.20)
Sub-total - Other receivables	**30.60**	**38.56**
Total	**130.06**	**127.97**

No debts are due from directors or other officers or any of them either severally or jointly with any other person. No debts are due from firms, Limited Liability Partnerships or private companies in which any director is a partner or a director or a member.

Trade Receivables ageing schedule as at 31-03-2026

(₹ in crores)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 Months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	–	23.94	–	–	–	–	23.94
(ii) Undisputed Trade Receivables – credit impaired	–	–	–	–	–	–	–
(iii) Disputed Trade Receivables- considered good	–	–	–	–	–	–	–
(iv) Disputed Trade Receivables – credit impaired	–	–	–	–	–	–	–
(v) Unbilled revenue – considered good	6.40	–	–	–	–	–	6.40
(vi) Trade receivable considered good - Unsecured	0.35	68.86	–	–	–	–	69.21
Total	**6.75**	**92.80**	–		–	–	**99.55**

Trade Receivables ageing schedule as at 31-03-2025

(₹ in crores)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 Months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	–	18.22	–	–	–	–	18.22
(ii) Undisputed Trade Receivables – credit impaired	–	–	–	–	–	–	–
(iii) Disputed Trade Receivables- considered good	–	–	–	–	–	–	–
(iv) Disputed Trade Receivables – credit impaired	–	–	–	–	–	–	–
(v) Unbilled revenue – considered good	5.33	–	–	–	–	–	5.33
(vi) Trade receivable considered good - Unsecured	0.42	65.48	–	–	–	–	65.90
Total	**5.75**	**83.70**	–	–	–	–	**89.45**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 9: Loans^

(₹ in crores)

Particulars	31st March 2026	31st March 2025
Hypothecation loans	55,335.34	48,251.90
Term Loans	1,157.27	1,085.65
Housing Loans	10,847.15	10,062.64
Non Housing Loans	6,142.67	5,408.48
Advance for business assets	291.67	295.90
Amount retained on Assets securitised / assigned	0.18	0.37
Loans repayable on Demand	44.17	35.30
Bills Purchased and Bills Discounted	–	–
Net investment in lease	292.05	177.37
Other loans @	81.45	62.92
Total Loans - Gross	**74,191.95**	**65,380.53**
Less: Impairment loss allowance	(937.16)	(732.85)
Total Loans - Net	**73,254.79**	**64,647.68**
Of the above		
Secured by tangible assets	73,571.32	64,605.91
Covered by Bank/Government Guarantees	23.27	53.74
Secured by Deposits placed	7.71	7.89
Unsecured	589.65	712.99
Total Loans - Gross	**74,191.95**	**65,380.53**
Less: Impairment loss allowance	(937.16)	(732.85)
Total Loans - Net	**73,254.79**	**64,647.68**
Loans in India		
Public Sector	–	–
Others *	74,191.95	65,380.53
Total Loans - Gross	**74,191.95**	**65,380.53**
Less: Impairment loss allowance	(937.16)	(732.85)
Total Loans in India - Net - (A)	73,254.79	64,647.68
Loans outside India	**–**	**–**
Less: Impairment loss allowance	–	–
Total Loans outside India - Net - (B)	–	–
Total loans (A) + (B)	**73,254.79**	**64,647.68**

@ includes loans to employees and loan against deposits

* includes loans to Individuals, Sole proprietorship, Partnership, LLPs, Private and Public Limited companies.

There are no Loans or Advances in the nature of loans granted to promoters, directors, KMPs and the related parties that are:
(a) repayable on demand or
(b) without specifying any terms or period of repayment

^ During the year, the group has assigned loans of ₹1,295.24 Cr (PY - ₹1,590.94 Cr) and retained 10% of the Loans as part of Minimum Retention Requirement. The amount outstanding on such loans in books as at 31st March 2026 is ₹104.48 Cr (PY - ₹69.38 Cr.) (At amortised cost).

Note 10: Investments

(₹ in crores)

Particulars		31st March 2026	31st March 2025
Measured as per equity method			
Investments in Equity Instruments:			
- Joint Ventures			
Royal Sundaram General Insurance Co. Limited		886.20	931.53
	Total - A	**886.20**	**931.53**
At fair value through other comprehensive income:			
Investment in Equity Instruments		1,551.39	1,409.44
Investment in Preference Shares		–	5.65
Investment in Mutual Funds		68.02	63.54
Investment in Alternative Investment Funds		1.56	1.48
	Total - B	**1,620.97**	**1,480.11**
At fair value through profit or loss:			
Investment in Mutual Funds		1,102.18	772.96
Investment in Alternative Investment Funds		796.55	525.51
Investment in Equity Instruments		0.82	0.72
	Total - C	**1,899.55**	**1,299.19**
At amortised cost:			
Investment in Government Securities ** @		2,139.41	1,501.96
Investment in Non-Convertible Debentures @		1,471.48	766.56
Investment in Pass Through Certificates		231.04	142.21
Investment in Commercial Paper		784.13	361.10
		4,626.06	**2,771.83**
Less: Allowance for Impairment loss ^		(3.77)	(1.64)
	Total - D	**4,622.29**	**2,770.19**
Total Investments (Net of allowance for impairment loss)	**A+B+C+D**	**9,029.01**	**6,481.03**

^ Provision made in compliance to the RBI guidelines on Investments in AIFs.

** In accordance with the RBI / NHB directives, the group has created a floating charge on the statutory liquid assets comprising investment in Government Securities of face value ₹1,339.95 cr. (amortised cost - ₹1,372.64 cr.).

@ Represent Quoted Investments

Note 11: Other Financial assets

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
Carried at amortised cost		
- Security deposits	19.48	18.17
- Receivables on assigned loans	158.44	99.19
- Other advances	10.87	9.38
Less: Impairment loss on the above	(1.59)	(1.72)
Total	**187.20**	**125.02**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 12 Disclosure pursuant to Ind AS 12 "Income Taxes

(a) Major components of Tax expense/(Income) :

(₹ in crores)

Sl. No.	Particulars	2025-26	2024-25
(a)	**Profit or Loss section :**		
	(i) Current income tax :		
	Current income tax expense	695.29	566.17
	(ii) Deferred tax :		
	Tax expense on origination and reversal of temporary differences	(20.12)	68.41
	Income tax expense reported in Profit or Loss [(i) + (ii)]	**675.17**	**634.58**
(b)	**Other Comprehensive Income (OCI) section :**		
	(i) Items not to be reclassified to profit or loss in subsequent periods	–	–
	Current tax / deferred tax expense/(income) :		
	On Fair value change on Equity / Preference shares and remeasurement of defined benefit plans	16.62	(3.79)
	(ii) Items to be reclassified to profit or loss in subsequent periods :	–	–
	Deferred tax expense/(income) :	–	–
	On Fair value change on cashflow hedge	13.52	(6.58)
	Income tax expense reported in Other Comprehensive Income [(i) + (ii)]	**30.14**	**(10.37)**
	Income tax expense reported in retained earnings (a+b)	**705.31**	**644.95**

b) Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate applicable in India :

(₹ in crores)

Sl. No.	Particulars	2025-26	2024-25
(a)	Profit before tax and exceptional items	2,756.18	2,447.39
(b)	Exceptional items	(75.61)	–
(c)	Profit before tax	2,680.57	2,447.39
(d)	Corporate tax rate as per Income Tax Act 1961	25.17%	25.17%
(e)	Tax on Accounting profit	674.65	615.96
(f)	(i) Tax on income deductible / exempt from tax :		
	Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961	12.04	8.60
	(ii) Tax on expenses not tax deductible :		
	CSR expenses/Donations	(8.80)	(7.49)
	(iii) Tax effect on various other items and figures as below	(3.76)	(19.73)
	Total effect of tax adjustments [(i) + (ii) + (iii)]	**(0.52)**	**(18.62)**
(g)	**Tax expense recognised during the year**	**675.17**	**634.58**
(h)	**Effective tax Rate**	**25.19%**	**25.18%**

c) Reconciliation of Deferred Taxes for the Year Ended 2025-26

(₹ in crores)

Particulars	01.04.2025	Recognised Through Profit and Loss Account	Recognised Through Other Comprehensive Income	Recognised Through Retained Earnings	31.03.2026
Difference between book depreciation and tax depreciation	27.40	5.55	–	–	32.95
Loans and impairment on loans	139.20	28.75	–	–	167.95
Investments	(194.80)	(2.54)	(16.61)	–	(213.95)
Others	7.06	(28.35)	–	–	(21.29)
Total	**(21.14)**	**3.41**	**(16.61)**	**–**	**(34.34)**

d) Reconciliation of Deferred Taxes for the Year Ended 2024-25

(₹ in crores)

Particulars	01.04.2024	Recognised Through Profit and Loss Account	Recognised Through Other Comprehensive Income	Recognised Through Retained Earnings	31.03.2025
Difference between book depreciation and tax depreciation	34.90	(7.50)	–	–	27.40
Loans and impairment on loans	54.31	78.31	6.58	–	139.20
Investments	(84.48)	(113.41)	3.09	–	(194.80)
Others	39.98	(32.92)	–	–	7.06
Total	**44.71**	**(75.52)**	**9.67**	**–**	**(21.14)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 13 : Investment Property

(₹ in crores)

Particulars	Land*	Building*	Total
GROSS BLOCK AT COST			
As at 31.03.2025	54.78	2.17	56.95
Additions	0.07	1.93	2.00
Deductions	0.09	–	0.09
Asset Held for Sale	4.57	1.12	5.69
Asset Transfer to PPE	–		–
Other Adjustments	–	–	–
As at 31.03.2026	**50.19**	**2.98**	**53.17**
DEPRECIATION			
Upto 31.03.2025	–	1.35	1.35
Additions	–	0.07	0.07
Deductions	–	–	–
Asset Held for Sale	–	0.52	0.52
Asset Transfer to PPE	–	–	–
Other Adjustments	–	–	–
Upto 31.03.2026	**–**	**0.90**	**0.90**
Carrying Value as at 31.03.2026	**50.19**	**2.08**	**52.27**

(₹ in crores)

Particulars	Land*	Building*	Total
GROSS BLOCK AT COST			
As at 31.03.2024	75.94	2.22	78.16
Additions	–	–	–
Deductions	1.72	–	1.72
Asset Held for Sale	19.44	0.05	19.49
Other Adjustments	–	–	–
As at 31.03.2025	**54.78**	**2.17**	**56.95**

DEPRECIATION			
Upto 31.03.2024	–	1.30	1.30
Additions	–	0.06	0.06
Deductions	–	–	–
Asset Held for Sale	–	0.01	0.01
Asset Transfer to PPE	–	–	–
Other Adjustments	–	–	–
As at 31.03.2025	**–**	**1.35**	**1.35**
Carrying Value as at 31.03.2025	**54.78**	**0.82**	**55.60**

Title deeds of all the Immovable Properties are held in the name of the Company.

The fair value measurement for all the investment property has been done by Registered Valuer.
The fair valuation of the investment property is ₹257.22 crores (31.03.2025 : ₹241.11 crores).

* The below properties are held for sale:

Property at R K Pet, Tiruvallur, Tamilnadu (Carrying value ₹10.84 crores)

Items relating to Investment property recognised in Profit & Loss account for the year ended are as given below:

(₹ in crores)

Particulars	2025-26	2024-25
Rental income	1.07	1.65
Direct Operating expenses on properties generating rental income	0.03	0.03
Direct Operating expenses on properties not generating rental income	0.02	0.26

The investment properties are freely realisable.

There is no contractual obligation to purchase, construct or develop investment property.

Asset Held for Sale

During the year ended 31st March 2026, the company has decided to dispose the properties as given below:

Property at R K Pet, Tiruvallur, Tamilnadu (Carrying value ₹10.84 crores)

Property at Chembur, Mumbai, Maharastra (Carrying value ₹ 0.60 crores)

Property at Perungudi, Tamilnadu (Carrying value ₹8.32 Crores)

Movement during the year is as follows:

(₹ in crores)

Particulars	Amount
Carrying Value as on 31.03.2025	**28.29**
Addition	14.07
Deduction	(22.60)
Carrying Value as on 31.03.2026	**19.76**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 14: Property, Plant and equipment

(₹ in crores)

Particulars	Freehold Land	Freehold Buildings	Leasehold office / Residential Premises*	Plant and Machinery and Computers	Furniture and Fixtures	Vehicles	Office Equipment	Assets on Operating Lease			Total
								Plant and Machinery and Computers	Vehicles	Medical Equipments	
GROSS BLOCK AT COST											
As at 31.03.2025	**50.02**	**29.94**	**8.03**	**107.80**	**32.46**	**49.63**	**28.56**	**46.21**	**632.90**	**11.43**	**996.98**
Additions	–	0.09	3.19	21.21	9.46	7.64	6.69	27.17	189.47	–	264.92
Deductions	–	1.92	–	9.84	2.56	4.56	1.36	0.66	146.86	8.95	176.71
Asset Held for Sale	7.49	1.30	0.92	–	–	–	–	–	–	–	9.71
Translation Adjustments	–	0.02	0.06	0.38	0.16	0.45	0.11	–	–	–	1.18
As at 31.03.2026	**42.53**	**26.83**	**10.36**	**119.55**	**39.52**	**53.16**	**34.00**	**72.72**	**675.51**	**2.48**	**1076.66**
DEPRECIATION											
Upto 31.03.2025	–	12.03	0.28	70.12	15.85	24.34	13.41	15.61	227.26	9.34	388.24
Additions	–	1.04	1.92	17.26	5.34	7.61	4.06	14.71	120.07	0.34	172.35
Deductions	–	2.39	0.00	9.32	2.29	3.43	1.13	0.61	81.70	7.60	108.47
Asset Held for Sale	–	–	0.32	–	–	–	–	–	–	–	0.32
Translation Adjustments	–	–	–	0.38	0.16	0.45	0.11	–	–	–	1.10
Upto 31.03.2026	**–**	**10.68**	**1.88**	**78.44**	**19.06**	**28.97**	**16.45**	**29.71**	**265.63**	**2.08**	**452.90**
Carrying Value as at 31.03.2026	**42.53**	**16.15**	**8.48**	**41.11**	**20.46**	**24.19**	**17.55**	**43.01**	**409.88**	**0.40**	**623.76**

(₹ in crores)

Particulars	Freehold Land	Freehold Buildings	Leasehold office / Residential Premises	Plant and Machinery and Computers	Furniture and Fixtures	Vehicles	Office Equipment	Assets on Operating Lease			Total
								Plant and Machinery and Computers	Vehicles	Medical Equipments	
GROSS BLOCK AT COST											
As at 31.03.2024	58.73	30.09	10.20	100.89	25.34	47.27	23.03	21.75	504.30	11.43	833.03
Additions	–	–	3.30	15.50	7.71	7.69	7.08	29.71	205.22	–	276.21
Deductions	–	0.05	5.49	8.60	0.59	5.33	1.55	5.25	76.62	–	103.48
Asset Held for Sale	8.71	0.10	–	–	–	–	–	–	–	–	8.81
Translation Adjustments	–	–	0.02	0.01	–	–	–	–	–	–	0.03
As at 31.03.2025	**50.02**	**29.94**	**8.03**	**107.80**	**32.46**	**49.63**	**28.56**	**46.21**	**632.90**	**11.43**	**996.98**
DEPRECIATION											
Upto 31.03.2024	–	10.80	4.58	61.63	12.29	19.97	11.44	11.35	157.64	8.38	298.08
Additions	–	1.24	1.16	16.36	4.05	8.31	3.28	8.75	111.54	0.96	155.65
Deductions	–	0.02	5.48	7.88	0.49	3.94	1.31	4.49	41.92	–	65.53
Asset Held for Sale	–	–	–	–	–	–	–	–	–	–	–
Translation Adjustments	–	–	0.02	0.01	–	–	–	–	–	–	0.03
Upto 31.03.2025	**–**	**12.02**	**0.28**	**70.12**	**15.85**	**24.34**	**13.41**	**15.61**	**227.26**	**9.34**	**388.23**
Carrying Value as at 31.03.2025	**50.02**	**17.92**	**7.75**	**37.68**	**16.61**	**25.29**	**15.15**	**30.60**	**405.64**	**2.09**	**608.75**

* The below property held for sale:
Property at Chembur, Mumbai, Maharastra (Carrying value ₹0.60 crores)
Property at Perungudi, Tamilnadu (Carrying value ₹8.32 Crores)

Building on leasehold land includes of flats in co-operative societies
Title deeds of all the Immovable Properties are held in the name of the Company.
No Revaluation of Property, Plant and Equipment has been carried out during the year.
Refer Note 19 for Mortgage on Immovable Property.
The Company does not have any benami property and no proceeding has been initiated or pending against the Company for holding any benami property.

Note 15 – Right of use – Assets

(₹ in crores)

Particulars	ROU Land	ROU Buildings	ROU Vehicles	ROU Computers	Finance Lease Land	Total
GROSS BLOCK AT COST						
As at 31.03.2025	6.75	213.09	2.11	–	0.39	222.33
Additions	–	69.77	–	6.11	–	75.88
Deductions	–	43.41	0.15	–	–	43.56
Other Adjustments	–	2.78	1.62	–	–	4.40
As at 31.03.2026	**6.75**	**236.67**	**0.34**	**6.11**	**0.39**	**250.25**
DEPRECIATION						
Up to 31.03.2025	5.68	85.98	0.31	–	–	91.97
Additions	0.86	37.16	0.02	1.36	–	39.40
Deductions	–	31.91	–	–	–	31.91
Other Adjustments	–	0.03	–	–	–	0.03
Upto 31.03.2026	**6.54**	**91.20**	**0.33**	**1.36**	**–**	**99.43**
Carrying Value as at 31.03.2026	**0.21**	**145.46**	**0.02**	**4.75**	**0.39**	**150.82**

(₹ in crores)

Particulars	ROU Land	ROU Buildings	ROU Vehicles	ROU Computers	Finance Lease Land	Total
GROSS BLOCK AT COST						
As at 31.03.2024	6.75	181.29	0.15	–	0.39	188.58
Additions	–	69.71	1.96	–	–	71.67
Deductions	–	32.98	–	–	–	32.98
Other Adjustments	–	4.93	–	–	–	4.93
As at 31.03.2025	**6.75**	**213.09**	**2.11**	**–**	**0.39**	**222.33**
DEPRECIATION						
Up to 31.03.2024	4.82	77.31	0.09	–	–	82.22
Additions	0.86	34.74	0.22	–	–	35.82
Deductions	–	26.09	–	–	–	26.09
Other Adjustments	–	(0.02)	–	–	–	(0.02)
Upto 31.03.2025	**5.68**	**85.98**	**0.31**	**–**	**–**	**91.96**
Carrying Value as at 31.03.2025	**1.07**	**127.11**	**1.80**	**–**	**0.39**	**130.37**

Note 16
a) Goodwill

(₹ in crores)

Particulars	Amount
Gross carrying value as at 01.04.2024	472.48
Additions / Impairment /disposals/Other Adjustments	0.03
Net carrying calue as at 31.03.2025	472.51
Additions / Impairment /disposals/Other Adjustments	(0.03)
Net carrying calue as at 31.03.2026	**472.48**

b) Other Intangibles Assets & Intangible Assets Under Development

(₹ in crores)

Particulars	Computer Software		Rights	Total	Intangibles Under Development
	Purchased	Self Generated			
GROSS BLOCK AT COST					
As at 31.03.2025	58.03	31.36	234.79	324.18	1.25
Additions	4.49	4.46	–	8.95	8.73
Deductions	0.18	–	–	0.18	4.96
Other Adjustments	–	–	–	–	–
As at 31.03.2026	**62.34**	**35.82**	**234.79**	**332.95**	**5.02**
DEPRECIATION					
Up to 31.03.2025	48.46	16.96	76.25	141.67	–
Additions	5.25	5.13	23.47	33.85	–
Deductions	0.08	–	–	0.08	–
Other Adjustments	–	–	–	–	–
Upto 31.03.2026	**53.63**	**22.09**	**99.72**	**175.44**	**–**
Carrying Value as at 31.03.2026	**8.71**	**13.73**	**135.07**	**157.51**	**5.02**

(₹ in crores)

Particulars	Computer Software		Rights	Total	Intangibles Under Development
	Purchased	Self Generated			
GROSS BLOCK AT COST					
As at 31.03.2024	51.98	26.31	234.79	313.08	5.26
Additions	10.02	5.05	–	15.07	4.77
Deductions	3.97	–	–	3.97	8.78
Other Adjustments	–	–	–	–	–
As at 31.03.2025	**58.03**	**31.36**	**234.79**	**324.18**	**1.25**
DEPRECIATION					
Up to 31.03.2024	49.16	12.68	52.78	114.62	–
Additions	3.27	4.28	23.47	31.02	–
Deductions	3.97	–	–	3.97	–
Other Adjustments	–	–	–	–	–
Upto 31.03.2025	**48.46**	**16.96**	**76.25**	**141.67**	**–**
Carrying Value as at 31.03.2025	**9.57**	**14.40**	**158.54**	**182.51**	**1.25**

Note 17: Other Non-Financial Assets

(₹ in crores)

Particulars	31st March 2026	31st March 2025
Stamp and stamp papers on hand	3.79	3.24
Prepaid expenses	96.34	92.28
Balances with Government authorities	83.30	115.42
Capital Advances	0.80	1.52
Other advances*	8.82	7.42
Total	**193.05**	**219.89**

* Amount paid for which goods / services are to be received.

Note 18: Payables

(₹ in crores)

Particulars	31st March 2026	31st March 2025
Trade payables		
(i) Total outstanding dues of micro enterprises and small enterprises		
Outstanding Liability	**4.27**	**8.79**
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		
Dealer Balances	120.05	166.37
Outstanding Liability	67.20	47.04
Sub-Total	**187.25**	**213.41**
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	20.53	22.53
Sub-Total	**20.53**	**22.53**

Trade Payables ageing schedule as at 31-03-2026

(₹ in crores)

Outstanding for following periods from due date of payment						
Particulars	**Not Due**	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) MSME	0.20	4.07	–	–	–	4.27
(ii) Others	95.89	91.34	0.01	–	–	187.24
(iii) Disputed dues – MSME	–	–	–	–	–	–
(iv) Disputed dues – Others	–	–	–	–	–	–
(v) Unbilled	–	–	–	–	–	–
Total	**96.09**	**95.42**	**0.01**	**-**	**–**	**191.52**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Trade Payables ageing schedule as at 31-03-2025

(₹ in crores)

	Outstanding for following periods from due date of payment					
Particulars	**Not Due**	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) MSME	0.99	7.80	–	–	–	8.79
(ii) Others	125.48	87.92	0.01	–	–	213.41
(iii) Disputed dues – MSME	–	–	–	–	–	–
(iv) Disputed dues - Others	–	–	–	–	–	–
(v) Unbilled	–	–	–	–	–	–
Total	**126.47**	**95.72**	**–**	**–**	**–**	**222.20**

Note 19 : Debt Securities

(₹ in crores)

Particulars	31st March 2026	31st March 2025
Carried at amortised cost		
Non-Convertible debentures	22,840.69	17,275.73
Commercial paper	4,019.10	5,654.73
Total	**26,859.79**	**22,930.46**
Of the above		
Debt securities in India	26,859.79	22,930.46
Debt securities outside India	–	–
Total	**26,859.79**	**22,930.46**

(i) The Secured Non - Convertible Debentures are secured by Hypothecation of specific Loan receivables / Lease agreements with a cover of 100% /125% as per the terms of issue.

Note 20 : Borrowings other than debt securities

(₹ in crores)

Particulars	31st March 2026	31st March 2025
Carried at amortised cost		
Secured		
Term Loan from banks	26,739.73	22,311.52
Term Loan from National Housing Bank (Refinance Loan)	918.67	1,684.88
Working capital demand loans and Cash credit	3,600.17	2,890.96
Unsecured		
Others	2.66	4.21
Total	**31,261.23**	**26,891.57**
Of the above		
Borrowings in India	**31,261.23**	**26,891.57**
Borrowings Outside India	**–**	**–**
Total	**31,261.23**	**26,891.57**

a) The term loan from banks are secured by hypothecation of specific assets covered by a charge on hypothecation loan receivable / Lease Agreements.

b) The Refinance from NHB is secured by negative lien on assets / specific charge on loan assets of a Subsidiary Company other than Statutory Liquid Assets having floating charge in favour of Trustees. It is repayable in quarterly instalments.

c) Term loans were deployed for the purpose for which they were obtained.

d) Working capital demand loans and cash credit are secured by a charge on hypothecation loan receivable/ lease agreement , ranking pari passu ,excluding assets which are specifically charged to others.

e) Funds raised on short term basis have not been utilised for long term purposes.

f) The Company has not defaulted in the repayment of dues to its lenders.

g) Quarterly Returns or Statements of current assets filed by the Group with Banks or Financial Institutions are in agreement with the Books of Accounts.

h) The Group has not been declared as wilful defaulter by any Bank or Financial Institution or other lender or government or any government authority.

Note 21: Deposits

(₹ in crores)

Particulars	31st March 2026	31st March 2025
Carried at amortised cost		
- Public Deposits	8,506.69	8,281.83
- From Others	366.35	395.32
Total	**8,873.04**	**8,677.15**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 22: Subordinated Liabilities

(₹ in crores)

Particulars	31st March 2026	31st March 2025
Carried at amortised cost		
Subordinated Non Convertible Debentures		
- India	2,642.24	2,584.45
- Outside India	–	–
Total	**2,642.24**	**2,584.45**

Note 23: Other Financial Liabilities

(₹ in crores)

Particulars	31st March 2026	31st March 2025
Amounts due on assets securitised or assigned	111.71	87.85
Unpaid matured deposits and interest accrued thereon	82.50	66.07
Unpaid dividend	7.31	6.50
Payable to Employees	168.46	139.02
Advance received from customers	33.80	27.12
Lease Liability	154.24	131.69
Other liabilities*	162.96	144.95
Total	**720.98**	**603.20**

* Other liabilities include amount payable to creditor for expenses, payable to customers for security deposits received and commission payable to non-whole-time directors.

Note 24: Provisions

(₹ in crores)

Particulars	31st March 2026	31st March 2025
Provision for employee benefits	152.25	80.60
Provision for Other expenses^	18.14	16.94
Total	**170.39**	**97.54**

^ Provision for other expenses include provision made for legal cases / claims.

Note 25: Other Non- Financial liabilities

(₹ in crores)

Particulars	31st March 2026	31st March 2025
Other Liabilities #	67.41	60.77
Revenue received in advance	1.10	2.70
Total	**68.51**	**63.47**

includes government dues, taxes payable, GST payable, salary deductions payable and ₹6.96 crores (as on 31.03.2025 - ₹4.25 crores) advance received towards assets held for sale.

Note 26 : Equity Share Capital

(₹ in crores)

Particulars	31st March 2026	31st March 2025
Authorised Capital		
27,81,00,000 Equity Shares of ₹10/- each	278.10	278.10
Issued and Subscribed :		
11,11,03,860 Equity Shares of ₹10/- each fully paid up	111.10	111.10
Less:		
8,86,289 (Mar 2025-8,90,829) Equity Shares of ₹10/- each held by ESOP trust but not yet alloted to Employees	0.89	0.89
Adjusted , Issued and Subscribed Share Capital	**110.21**	**110.21**

a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year :

Particulars	31st March 2026	31st March 2025
Issued and Subscribed :		
Balance at the beginning of the Year	11,11,03,860	11,11,03,860
Less: Shares held by Sundaram Finance Employees' Welfare Trust	8,86,289	8,90,829
Adjusted, Issued and Subscribed Share Capital	**11,02,17,571**	**11,02,13,031**

(Refer note no 26d of the Standalone Financial statements for shareholding of promoters)

b) The Company has only one class of equity shares having a par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share. The final dividend is subject to the approval of the shareholders in the ensuing annual general meeting.

c) There are no Share holder holding more than 5% of shares in the current year and previous year

d) Aggregate number of equity shares issued for consideration other than cash / Bonus shares during the period of five years immediately preceding the reporting date: Nil

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 26 (e) : Other Equity

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
Capital Reserve		
At the beginning of the year	52.85	52.85
Adjustments on account of amalgamation (refer note : 43.01)	(34.67)	
Change in the value of Holdings		
At the end of the year	**18.18**	**52.85**
Capital Redemption Reserve		
At the beginning of the year	15.00	15.00
Additions during the year	–	–
At the end of the year	**15.00**	**15.00**
Share Options Outstanding Account		
At the beginning of the year	12.18	6.83
Options Granted during the year	5.13	6.43
Cost of shares transferred on exercise of option	(0.02)	(0.02)
Deferred Employee Compensation Cost	0.67	0.54
Transfer to general reserve	(0.83)	(1.22)
Share Options lapsed during the year	(0.47)	(0.38)
At the end of the year	**16.68**	**12.18**
Statutory Reserve		
At the beginning of the year	2,595.79	2,272.50
Add: Changes during the year	373.61	323.29
At the end of the year	**2,969.40**	**2,595.79**
Special Reserve		
At the beginning of the year	452.62	418.45
Add: Changes during the year	49.59	34.17
At the end of the year	**502.21**	**452.62**
General Reserve		
At the beginning of the year	4,141.39	4,140.17
Add:Transfer from Share Options Outstanding account	0.83	1.22
At the end of the year	**4,142.22**	**4,141.39**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
Retained Earnings		
At the beginning of the year	**4,652.32**	**3,472.52**
Profit After tax for the year	2,058.86	1,879.44
Other comprehensive income:		
(i) Items that will not be reclassified to profit or loss		
Remeasurements of the defined benefit plans	(9.34)	(10.31)
Share of other comprehensive income from associates using equity method	0.61	(1.01)
(ii) Items that will be reclassified to profit or loss		
On account of Sundaram Finance Employees' Welfare Trust	0.01	(0.21)
Dividend payout (Final)	(231.46)	(176.34)
Dividend payout (Interim)	(176.35)	(154.31)
Transfer to Statutory reserve	(373.61)	(323.29)
Transfer to Special reserve	(49.59)	(34.17)
At the end of the year	**5,871.44**	**4,652.32**
Foreign Currency Translation Reserve		
At the beginning of the year	8.22	6.68
Add: Changes during the year	7.65	1.54
At the end of the year	**15.87**	**8.22**
Debt instruments through Other Comprehensive Income		
At the beginning of the year	46.45	(27.69)
Add: Changes during the year	(80.33)	74.14
At the end of the year	**(33.88)**	**46.45**
Equity instrument through Other Comprehensive Income		
At the beginning of the year	1,129.35	610.72
Change in the Fair value of equity and preference investments	116.32	518.63
At the end of the year	**1,245.67**	**1,129.35**
Effective portion of cash flow hedge		
At the beginning of the year	(19.55)	–
Fair value change on cashflow hedge	40.21	(19.55)
At the end of the year	**20.66**	**(19.55)**
Total equity	**14,783.44**	**13,086.62**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

STATEMENT OF PROFIT AND LOSS NOTES

Note 27: Interest Income

(₹ in crores)

Particulars	2025-26	2024-25
On Financial assets measured at amortised cost:		
Loans	7,799.18	6,764.85
Investments	286.76	210.71
Deposit with Banks	103.29	101.90
On Financial assets classified at Fair value through profit or loss :		
Investments	86.07	52.75
Total	**8,275.30**	**7,130.21**

Note 28: Fees and Commission Income

(₹ in crores)

Particulars	2025-26	2024-25
Relating to		
- Loans	249.96	211.82
- Selldown servicing fee	18.44	21.78
- Income from other Financial Services	109.08	102.76
- Trusteeship Fees	1.98	3.37
Total	**379.46**	**339.73**

Note 29: Net gain/(loss) on fair value changes

(₹ in crores)

Particulars	2025-26	2024-25
A. Net gain/(loss) on financial instruments at fair value through profit or loss		
(i) On trading portfolio	–	–
- Investments	–	–
- Derivatives	–	–
- Others	–	–
(ii) On Financial instruments designated at fair value through profit or loss	–	–
B. Others		
Net gain/(loss) on financial instruments at fair value through profit or loss on		
- Investments	140.43	123.78
- Derivatives	–	–
C. Total Net gain/(loss) on fair value changes (A + B)	140.43	123.78
Of the above, fair value changes:		
- Realised	106.71	103.74
- Unrealised	33.72	20.04
Total	**140.43**	**123.78**

Note 30: Other Income

(₹ in crores)

Particulars	2025-26	2024-25
Derecognition of property, plant and equipment	8.37	34.42
Foreign currency transaction and translation (other than considered as finance cost)	–	(0.45)
Others		
- Interest income	42.61	27.19
- Rental income	1.07	1.65
- Other non-operating income	12.15	14.54
Total	**64.20**	**77.35**

Note 31: Finance costs

(₹ in crores)

Particulars	2025-26	2024-25
On Financial liabilities carried at amortised cost:		
Interest on		
Deposits	672.39	628.73
Term loans	1,945.27	1,869.35
Debt securities	1,897.52	1,488.27
Subordinated liabilities	205.90	217.97
Other interest expense and borrowing cost*	24.23	21.66
Total	**4,745.31**	**4,225.98**

* includes interest on Lease liabilities ₹ 11.00 crores (2024-25 : ₹ 8.56 crores)

Note 32: Employee Benefits Expenses

(₹ in crores)

Particulars	2025-26	2024-25
Salaries and Wages	958.98	854.23
Contribution to provident and other funds	69.02	52.99
Share Based Payments to employees	5.34	6.54
Staff welfare expenses	25.80	31.98
Total	**1,059.14**	**945.74**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 33: Administrative and other Expenses

(₹ in crores)

Particulars	2025-26	2024-25
Rent, taxes and energy costs**	28.33	18.02
Repairs and maintenance	80.73	67.63
Communication Costs	22.36	20.38
Printing and stationery	6.01	5.86
Advertisement and publicity	3.09	4.72
Director's fees, allowances and expenses	6.30	4.67
Auditor's fees and expenses	3.40	2.90
Legal and Professional charges	46.41	40.71
Insurance	3.39	2.97
Outsourcing cost	23.48	34.62
Travel and conveyance	54.41	48.23
Corporate Social Responsibility (CSR) expenses	34.98	29.78
Other expenditure	74.12	98.36
Total	**387.01**	**378.85**

** includes expenses relating to short term leases ₹6.15 crores (2024-25 : ₹2.95 crores)

Note 34: Impairment on Financial Instruments

(₹ in crores)

Particulars	2025-26	2024-25
On Financial instruments measured at amortised cost:		
Loans	553.63	312.48
Investments	2.02	(0.01)
Repossessed assets	(4.15)	8.26
Others	1.70	0.17
Provision for Alternate Investment Funds (AIF) (refer Note 10)	0.11	(69.03)
Total	**553.31**	**251.87**

Note 35: Exceptional item:

On November 21, 2025, Government of India notified four new Labour Codes. The Company has reported the incremental impact of changes in new Labour Codes under "Exceptional Items" in the Consolidated statement of profit and loss for the current year, amounting to ₹ 75.61 crores.

Note 36: Capital Management:

The Group's capital management strategy is to ensure that it has sufficient capital for business operations, strategic investment, and regulatory requirements, to provide reasonable return to the shareholders. Equity share capital and other equity are considered for Capital management.

The Group monitors the Capital adequacy ratio, Debt equity ratio and Solvency ratio for the purpose of adequacy of capital.

Note 37: Revenue

Performance obligation

The performance obligations in the entity's contract with customers are satisfied upon completion of service. The contracts with customers have no significant financing components. Revenue is recognised on time proportion basis using agreed rates. Other revenues are recognised when the customer obtains control of services rendered by the company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 38: Financial instruments – Fair value measurements

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

a. Financial Assets / Liabilities that are measured at Fair value through P&L/OCI:

(₹ in crores)

Particulars	Fair Value Hierarchy	March 31, 2026	March 31, 2025
Financial Assets			
Investments			
Mutual Funds	Level 1	1,170.20	836.50
Alternate Investment Funds	Level 1	797.41	526.99
Equity Instruments	Level 2	0.82	0.72
Financial Liabilities			
Derivatives	Level 2	21.53	26.13

Fair value is estimated based on the market inputs for the classification as per level 2.

b. i) Equity Shares designated at Fair value through Other Comprehensive Income:

The Group designated the investments in equity shares (other than subsidiaries, associates and joint ventures) at FVTOCI, because the Group intends to hold these investments for long-term strategic purpose.

(₹ in crores)

Particulars	Fair Value Hierarchy	March 31, 2026	March 31, 2025
Experian Credit Information Company of India Private Ltd.*	Level 3	11.20	11.20
TSF Investments Limited ^	Level 1	1,540.19	1,398.24
Total		**1,551.39**	**1,409.44**

^ Dividend income of ₹40.37 cr. was recognised during the year. (FY 24-25 -₹42.88 cr.)

*As per Ind AS 109, Cost has been considered as the best estimate of the fair value.

ii) Compulsory Convertible Preference Shares (CCPS) designated at Fair value through Other Comprehensive Income (Level 3):

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
Investment in Series A CCPS of RBSG Capital Private Limited	–	5.65

Pursuant to the proposed terms of sale of business assets and liabilities by RBSG Capital Private Limited on a going concern basis, the investment in preference shares is assessed as non-recoverable at reporting date.

c. The following table shows the carrying amounts and fair values of financial assets and financial liabilities measured at amortised cost, including their levels in the fair value hierarchy:

(₹ in crores)

Particulars	Carrying Amount		Fair Value Hierarchy	Fair Value	
	31st March 2026	31st March 2025		31st March 2026	31st March 2025
Financial Assets:					
Cash and cash equivalents	525.62	310.72	Level 1	525.60	310.72
Bank Balances	994.06	1,821.21	Level 3	1,010.08	1,828.50
Receivables	130.06	127.97	Level 3	130.06	127.97
Loans	73,254.79	64,647.68	Level 3	73,105.01	64,704.68
Investments in Govt. securities	2,139.41	1,501.96	Level 1	2,103.47	1,516.41
Investments (Others)	2,483.58	1,268.82	Level 3	2,491.65	1,277.29
Other Financial assets	187.20	125.02	Level 3	187.28	125.02
Total	**79,714.72**	**69,803.38**		**79,553.15**	**69,890.58**
Financial Liabilities					
Payables	212.05	244.72	Level 3	212.12	244.72
Debt Securities	26,859.79	22,930.46	Level 3	26,868.17	23,080.86
Borrowings (Other than Debt Securities)	31,261.23	26,891.58	Level 3	31,244.62	26,898.38
Deposits	8,873.04	8,677.15	Level 3	8,882.43	8,759.95
Subordinated Liabilities	2,642.24	2,584.45	Level 3	2,656.24	2,639.78
Other Financial Liabilities	720.98	603.20	Level 3	720.98	603.20
Total	**70,569.33**	**61,931.56**		**70,584.56**	**62,226.90**

Fair value is arrived at using discounted future cash flows at market rates for the classification as per level 3 hierarchy.

Note 39: Financial Risk Management framework

Risk is an inherent and integral part of the financial services business, and the Group has been judiciously managing this through an efficient risk mitigation system, with a view to achieve the Group's stated objectives of Growth with Quality and Profitability. The risks primarily include credit risk, liquidity risk and market risk.

The policies and procedures laid down by the Group for the purpose of risk identification, measurement and management, compare well with contemporary best practices followed by industry peers. The various committees constituted by the respective Group's Board such as Risk Management Committee, Asset Liability Management Committee, Investment Committee etc. have enunciated detailed policies for assessment of various types of risks, and fixed tolerance limits as appropriate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

39.1 Credit Risk

Credit risk is the risk of financial loss to the Group if a customer fails to meet his contractual obligations, and arises principally from the Group's loan receivables.

The Group has in place a robust credit policy which clearly defines the credit filters and the terms of acceptance of proposals for financing different categories of borrowers and asset classes.

The credit appraisal process, inter alia, includes filters for stratification of customers, compliance with know your customer (KYC) norms, Field investigation, Credit bureau verification, exposure ceilings, asset risk and segment and geography risks. The risk metrics also address Loan to Value, loan tenure, based on the useful life of the asset, end-use of the asset and credit enhancements, as appropriate.

The Group's exposure is primarily to retail customers, thereby making for a well-diversified risk portfolio. The time-tested monitoring and recovery mechanism ensures timely recovery of instalments and where required, necessary action for resolution of delinquent accounts is initiated, including legal proceedings. Finally, physical presence and in-depth knowledge of the markets in which the Group operates enables early identification of emerging risks thereby facilitating prompt remedial action.

Following tables provide an overview of the gross carrying amount and credit loss allowance broken down into stages:

a. Loans and Advances* (₹ in crores)

Gross Carrying Amount								
Stages->	March 31, 2026				March 31, 2025			
	1	2	3	Total	1	2	3	Total
Balance at the beginning of the year	62,237.27	2,680.56	901.07	65,818.90	53,257.24	2,044.09	697.01	55,998.36
New assets originated Net off collections	15,117.61	(1,035.36)	(227.03)	13,855.22	14,557.16	(758.92)	(192.04)	13,606.20
Transfers due to change in creditworthiness	(2,126.31)	1,481.14	609.81	(35.36)	(2,133.42)	1,533.10	569.98	(30.34)
Financial assets that have been derecognised	(4,483.37)	(139.51)	(26.78)	(4,649.66)	(3,369.60)	(97.90)	(35.28)	(3,502.78)
Write off during the year	(80.46)	(61.64)	(202.15)	(344.25)	(74.11)	(39.81)	(138.60)	(252.52)
Balance at the end of the year	**70,664.74**	**2,925.19**	**1,054.91**	**74,644.85**	**62,237.27**	**2,680.56**	**901.07**	**65,818.90**

* Includes operating lease of ₹459.96cr. as on March 31, 2026, and ₹438.35Cr. as on March 31, 2025

(₹ in crores)

Expected Credit Loss								
Stages->	March 31, 2026				March 31, 2025			
	1	2	3	Total	1	2	3	Total
Balance at the beginning of the year	138.79	156.66	437.39	732.85	160.77	147.68	359.98	668.43
New business originated/ change in creditworthiness	113.19	125.51	290.57	529.27	78.39	79.22	204.25	361.85
Transfers due to change in creditworthiness	14.17	6.07	33.63	53.87	5.46	(8.91)	23.39	19.93
Financial assets that have been derecognised	(16.05)	(17.67)	(0.85)	(34.57)	(31.71)	(21.51)	(11.63)	(64.85)
Write off during the year	(80.46)	(61.64)	(202.15)	(344.25)	(74.11)	(39.81)	(138.60)	(252.52)
Balance at the end of the year	**169.65**	**208.93**	**558.59**	**937.16**	**138.79**	**156.66**	**437.39**	**732.85**

Concentration of Credit risk %

(i) Concentration by Geographical risk

Particulars	March 31, 2026	March 31, 2025
South	61.95	61.15
North	22.67	23.29
West	11.72	11.91
East	3.66	3.65
Total	**100.00**	**100.00**

(ii) Concentration by Asset Class:

Particulars	March 31, 2026	March 31, 2025
Commercial Vehicles	35.00	35.27
Cars	20.52	19.99
Housing	14.56	15.31
Non-Housing	8.22	8.22
Construction Equipment	8.51	8.44
Tractors & Farm Equipment	5.61	5.56
Others	7.58	7.21
Total	**100.00**	**100.00**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

b. Other Assets

The Group computes Expected credit loss on other financial assets including trade receivables based on a provision matrix which is constructed using historical credit loss experience as adjusted to reflect current conditions.

(₹ in crores)

Stages->	March 31, 2026				March 31, 2025			
	1	2	3	Total	1	2	3	Total
Gross Carrying Amount	318.11	0.68	0.19	318.98	254.80	0.10	0.07	254.97
Expected Credit Loss	1.57	–	0.15	1.72	1.92	–	0.06	1.98
Net Carrying Amount	**316.54**	**0.68**	**0.04**	**317.26**	**252.87**	**0.10**	**0.02**	**252.99**

c. Loan Commitments and Financial Guarantees:

(₹ in crores)

Stages–>	March 31, 2026				March 31, 2025			
	1	2	3	Total	1	2	3	Total
Gross Carrying Amount	1,238.84	3.10	–	1,241.95	971.43	2.11	0.94	974.48
Expected Credit Loss	7.11	0.01	–	7.11	4.97	0.01	0.01	4.99
Net Carrying Amount	**1,231.73**	**3.09**	**–**	**1,234.84**	**966.46**	**2.10**	**0.93**	**969.49**

Credit risk management practices

(i) **Policy on write off:** Credit impaired loans are written off when the value of underlying security/other collateral is not sufficient to cover the loan exposure or where the underlying security / customer are not traceable. In such cases, the Group takes legal recourse for recovery of shortfall of dues, if any.

(ii) **Narrative description of collateral:** The underlying assets, which are financed, are the primary collateral held. These are typically commercial vehicles, cars, construction equipment, farm equipment, properties mortgaged, hypothecation of loan receivables etc. Additional collateral, by way of credit enhancement, is obtained based on the management's credit evaluation of the customer.

d. Debt Securities:

All debt investments are allocated to stage 1 under initial recognition. If the rating assigned to the security at the time of investment is downgraded by two notches and / or where there is a delay in interest servicing by more than 30 days, this would result in stage 2 classification. Further downgrade of rating and/or delay in interest servicing by more than 90 days/default of payment of principal would result in stage 3 classification.

For investment in debt instruments, one-year transition matrix provided by the rating agencies is used as the PD. Loss given default (LGD) parameters assume a recovery rate of 65%, 75% and 50% for unsecured senior, unsecured subordinated and secured debt securities respectively.

A breakup of investment in debt securities into different stages is given as under:

(₹ in crores)

Particulars	March 31, 2026		March 31, 2025	
	Gross Carrying Amount		Gross Carrying Amount	
	FVTPL/ FVOCI	Amortised Cost	FVTPL/ FVOCI	Amortised Cost
Government securities	–	2,139.41	–	1,501.96
Mutual Fund	1,170.20	–	836.50	–
Alternative Investment Funds	798.11	–	526.98	–
Pass through certificates	–	231.05	–	142.22
Non-Convertible Debentures	–	1,471.48	–	766.56
Commercial paper	–	784.13	–	361.10
Total	**1,968.31**	**4,626.07**	**1,363.48**	**2,771.84**

The Gross carrying amount in respect of investments classified under amortised cost are at stage 1

(₹ in crores)

Particulars	Expected Credit loss	
	March 31, 2026	March 31, 2025
Balance at the beginning of the year	1.64	70.68
Additional Provisions (Net) / Provision on AIF Investments	2.13	1.09
Transfers due to change in creditworthiness	–	–
Financial assets that have been derecognised/Reversal of provision on AIF Investments	–	(70.13)
Write off during the year	–	–
Balance at the end of the year	**3.77**	**1.64**

The expected credit loss pertains to investments classified under amortised cost at Stage 1/ AIF provision as per RBI regulations.

39.2 Liquidity Risk

Liquidity risk relates to our potential inability to meet all payment obligations when they fall due or only being able to meet them at excessive costs. The objective of the liquidity risk management framework is to ensure that the Group can fulfil its payment obligations at all times and can manage liquidity and funding risks within its risk appetite. The Asset Liability Committee regularly monitors the liquidity position and the duration of assets/liabilities and ensures that liquidity is strictly managed as per the policy

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Following are the contractual maturities of financial liabilities / financial assets at the reporting date. The amounts are gross and undiscounted and include estimated interest payments / receipts and exclude the impact of netting agreements.

(₹ in crores)

March 31, 2026	Upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Financial Liabilities							
Payables	138.65	28.24	10.22	28.62	5.33	0.98	212.05
Debt Securities	4,017.88	2,003.37	4,544.00	14,542.11	4,269.02	2,825.35	32,201.73
Borrowings (Other than Debt Securities)	7,519.38	4,196.54	5,766.84	14,760.17	1,408.60	1,008.47	34,660.00
Deposits	1,045.79	1,270.63	2,065.70	5,030.51	397.54	–	9,810.17
Subordinated Liabilities	38.75	211.75	103.62	1,147.89	1,216.57	786.70	3,505.28
Other Financial Liabilities	354.62	100.79	23.80	107.89	36.48	97.39	720.98
Derivative Financial Liabilities	–	–	49.13	–	–	–	49.13
Total	**13,115.07**	**7,811.32**	**12,563.31**	**35,617.19**	**7,333.54**	**4,718.89**	**81,159.34**
Financial Assets							
Cash and cash equivalents	526.62	–	–	–	–	–	526.62
Bank Balances	392.84	155.02	46.69	450.43	–	–	1,044.98
Receivables	130.08	0.12	–	–	–	–	130.20
Loans	8,709.51	7,303.34	13,519.07	36,304.00	12,368.03	19,023.25	97,227.20
Investments	1,650.77	306.69	865.98	2,062.06	480.31	2,555.44	7,921.25
Other Financial Assets	24.70	15.25	26.29	67.06	35.39	20.10	188.79
Derivative Financial Assets	–	–	–	–	–	–	–
Total	**11,434.53**	**7,780.42**	**14,458.03**	**38,883.55**	**12,883.73**	**21,598.79**	**1,07,039.05**

(₹ in crores)

March 31, 2025	Upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Financial Liabilities							
Payables	239.59	12.23	2.06	0.01	0.11	1.69	255.69
Debt Securities	3,455.08	3,328.57	3,969.28	9,672.25	4,449.80	1,336.65	26,211.63
Borrowings (Other than Debt Securities)	6,261.63	2,600.71	6,237.12	11,987.08	2,092.76	1,161.53	30,340.84
Deposits	1,116.81	1,264.45	2,001.74	4,810.82	416.48	–	9,610.30
Subordinated Liabilities	108.66	61.75	103.62	1,513.69	780.52	1,335.38	3,903.62
Other Financial Liabilities	287.75	40.84	18.95	65.57	106.92	56.06	576.09
Derivative Financial Liabilities	–	–	–	–	–	–	–
Total	**11,469.52**	**7,308.56**	**12,332.77**	**28,049.42**	**7,846.59**	**3,891.31**	**70,898.17**
Financial Assets							
Cash and cash equivalents	310.71	–	–	–	–	–	310.71
Bank Balances	39.56	495.79	964.30	331.41	–	–	1,831.06
Receivables	125.51	–	2.46	–	–	–	127.97
Loans	7,947.15	6,416.50	11,780.08	31,828.76	10,981.81	16,967.06	85,921.36
Investments	771.33	630.16	271.00	1,045.61	574.03	1,518.18	4,810.31
Other Financial Assets	18.28	9.49	16.50	43.11	19.90	17.75	125.03
Derivative Financial Assets	–	–	–	–	–	–	–
Total	**9,212.53**	**7,551.93**	**13,034.34**	**33,248.89**	**11,575.74**	**18,502.99**	**93,126.43**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

39.3 Market Risk

Market risk is the risk of loss arising from potential adverse changes in the value of the firm's assets and liabilities from fluctuation in market variables like liquidity, interest rate and foreign exchange (Currency risk) and equity prices.

a. Interest rate risk

The Group's exposure to changes in interest rates relates to its investment in debt securities/ outstanding floating rate liabilities. The major lending of the Group is in the form of Hypothecation loan on Vehicles at fixed rates and Housing loan / Loan against property at floating rates. The loans are financed by various fixed / floating Rate borrowings. While the Loan assets are generally recovered over the tenure of the underlying contract equally, the liabilities are repayable over the tenure or on maturity. Hence, the interest rate risk and liquidity (mismatches in the duration of assets and liabilities) are inherent and inevitable.

The interest rate profile of the Group's interest-bearing financial instruments is as follows:

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
Financial Assets		
Fixed rate Instruments		
Loans	56,171.32	49,393.49
Investments	4,622.98	2,770.78
Bank Balances	994.06	1,821.21
Sub Total (A)	**61,788.36**	**53,985.48**
Variable rate Instruments		
Lease assets	752.38	615.72
Loans	16,784.36	15,076.83
Sub Total (B)	**17,536.74**	**15,692.55**
Total (A) + (B)	**79,325.10**	**69,678.03**
Financial Liabilities		
Fixed rate Instruments		
Debt Securities	26,856.30	25,514.90
Borrowings (Other than debt securities)*	16,872.42	17,863.25
Deposits	8,955.54	8,743.22
Sub Total (C)	**52,684.26**	**52,121.37**
Variable rate Instruments		
Financial liabilities with floating interest rate	17,034.54	9,028.32
Sub Total (D)	**17,034.54**	**9,028.32**
Total (C) + (D)	**69,718.80**	**61,149.69**

* Includes variable rate borrowings subsequently covered to fixed rate borrowings through interest rate swap contracts.

Fair value sensitivity analysis for fixed rate instruments

The Group's fixed rate instruments which are carried at amortised cost are not measured for interest rate risk. In respect of other instruments, the risks are measured through fair value.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

(₹ in crores)

Particulars	March 31, 2026		March 31, 2025	
	100 bps increase	100 bps decrease	100 bps increase	100 bps decrease
Variable rate instruments	62.35	(24.21)	72.10	(72.24)
Cash flow sensitivity (Net)	**62.35**	**(24.21)**	**72.10**	**(72.24)**

Interest rate sensitivity

To measure the interest rate sensitivity the Group adopts the duration gap analysis which is measured for assets and liabilities maturing in next 12 months as well as for the overall assets and liabilities. Also, for Interest rate risk management, the Duration Gap model is used on assets and liabilities maturing in the next 12 months, to assess the change in Net Interest Income (NII) for a 1% increase in interest rate.

b. Currency Risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which borrowings are denominated and the respective functional currency, i.e. INR. The transactions of the Group are primarily denominated in INR.

Exposure to currency risk on account of Services business:

Particulars	Currency	March 31, 2026		March 31, 2025	
		Foreign Currency	₹ in crores	Foreign Currency	₹ in crores
Cash and Cash Equivalents	AED	92,301	0.27	1,02,703	0.24
Bank Balances	AED	60,545	0.16	58,244	0.14
Investments	USD	200	–	200	0.00
Other Financial Assets	AED	4,090	0.01	4,090	0.01
Other Financial Liabilities	AED	–	–	63,016	0.15

Equity Risk:

The Group has investments in listed/unlisted companies, which are measured at FVTPL and FVTOCI. The valuation is dependent on market conditions.

Note 40: Financial Instruments - Transferred that are not derecognised in their entirety

The Group as part of its business model periodically enters into securitisation transactions via Pass Through Certificates (PTC) route. As per RBI guidelines, the Group maintained credit enhancement for securitisation transactions which covers the expected losses and thereby retains the risk associated with the assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(₹ in crores)

Particulars	March 31, 2026	March 31, 2025
Carrying amount of transferred assets	7,116.01	6,258.37
Carrying amount of associated liabilities	7,440.83	6,508.15
Fair value of assets	7,111.57	6,225.86
Fair value of associated liabilities	7,435.29	6,524.36
Net position at Fair value	(323.72)	(298.50)

Note 41: Employee benefits

Post-employment benefits: Defined Contribution plan

(₹ in crores)

Amount recognised as expense in Employee benefit expense	2025-26	2024-25
Contribution to Provident Fund	27.80	23.83
Contribution to Pension Fund	12.65	11.70
Contribution to Superannuation Fund	0.09	0.07
Contribution to State Insurance Scheme	1.27	1.32
Contribution to Labour Welfare Fund	0.14	0.07
Total	**41.95**	**36.99**

Defined benefit plans

Defined benefit plan exposes the Group to a number of risks, the most significant of which are detailed below:

Investment risk: This may arise from volatility in Asset value due to market fluctuations and impairment of assets due to credit losses. The defined benefit plans may hold equity type assets, which may carry volatility and associated risk.

Interest risk: A decrease in bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plan's investment in debt instruments.

Salary cost Inflation risk: The present value of some of the defined benefit plan obligations are calculated with reference to the future salaries of plan participants. Increase in salary due to adverse Inflationary pressures might lead to higher liabilities.

Longevity risk: The present value of defined benefit plan obligation is calculated by reference to the best estimate of the mortality of plan participants. Increase or decrease in such rate will affect the plan liability.

Asset Liability Mismatching or Market Risk: The entire Plan Assets are invested in insurer managed funds with Life Insurance Corporation of India (LIC), the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets & the description of the Asset-Liability matching strategies used by the plan are not available.

Details of defined benefit plans as per actuarial valuation are as below:

Gratuity (Funded)

(₹ in crores)

Particulars	FUNDED	
	Gratuity	
	31.03.2026	31.03.2025
Amounts recognised in profit or loss:		
Current service cost	14.13	10.70
Past service cost	57.15	(0.10)
Net interest expense/(income)	1.49	0.59
Total amount included in employee benefits expense	**72.77**	**11.19**
Amounts recognised in other comprehensive income:		
Remeasurement (gains)/losses:		
Actuarial (gains)/losses arising from changes in		
- Financial assumptions	(2.28)	2.92
- Experience adjustments	16.36	9.02
- Demographic Assumptions	(1.16)	(2.86)
Return on plan assets, excluding amount included in net interest expense/ (income)	(0.46)	(1.12)
Total amount recognised in other comprehensive income	**12.47**	**7.96**
Changes in the defined benefit obligation:		
Opening defined benefit obligation	142.84	127.68
Past service cost	57.15	(0.10)
Current service cost	14.13	10.70
Liability Transferred in/ (out)	0.27	(1.52)
Interest expense	10.79	8.55
Remeasurement (gains)/losses arising from changes in	–	–
- Financial assumptions	(2.28)	2.92
- Experience adjustments	16.37	9.02
- Demographic assumptions	(1.16)	(2.86)
Benefits paid	(8.93)	(11.56)
Closing defined benefit obligation	**229.17**	**142.84**
Changes in fair value of plan assets during the year:		
Opening fair value of plan assets	136.25	115.75
Interest income	9.29	7.97
Return on plan assets (excluding interest income)	0.46	1.12
Contribution by employer	57.26	23.71
Liability Transferred in/ (out)	0.28	(0.73)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(₹ in crores)

Particulars	FUNDED	
	Gratuity	
	31.03.2026	31.03.2025
Benefits paid	(8.93)	(11.56)
Actuarial gain / (loss) on plan assets	–	–
Closing fair value of plan assets	**194.64**	**136.26**
Net asset / (liability) recognised in balance sheet:		
Defined benefit obligation	229.17	142.84
Fair value of plan assets	194.61	136.26
Surplus/(Deficit)	34.56	(6.58)

(in %)

Particulars	FUNDED	
	Gratuity	
	31.03.2026	31.03.2025
Actuarial assumptions		
Discount rate	7.10% – 7.24%	6.70% – 6.76%
Expected Return on plan assets	7.16% – 7.24%	6.97% – 7.65%
Attrition rate (Age Based)		
Attrition rate (Service Based)	4.50% – 25%	4.50% – 14%
Salary escalation	7% – 10%	7% – 8%

During the year, some hitherto outsourced employees were hired on a fixed term contract basis. For these employees, the attrition rate considered at 30% and salary escalation at 5%.

Leave encashment & Compensated absences (unfunded):

The Group earmarks liability towards leave benefit and provides for payments to vested employees. The benefits under the plan are in the form of a payment to employees as per the leave policy of the Group.

(in %)

Particulars	UNFUNDED	
	LONG TERM COMPENSATED ABSENCE - PRIVILEGE LEAVE	
	31.03.2026	31.03.2025
Actuarial assumptions		
Discount rate	7.16% – 7.24%	6.70%–6.76%
Salary escalation	8% – 10%	7% – 8%
Attrition rate (Age Based)		
Attrition rate (Service Based)	4.50% – 25%	4.50% – 14%

Leave encashment entitlement not available for Fixed Term Contract employee (FTC)

Note 42: Share Based Payments

The Company grants ESOP to Senior Management employees in accordance with the terms of the Plan.

(a) Description of the ESOP plan that existed during the period:

Particulars	Grant 17	Grant 16	Grant 15	Grant 14	Grant 14
Options granted	10,639*	15,003	21,878	6,732	10,854
Date of grant	26.05.2025	24.05.2024	26.05.2023	25.05.2022	25.05.2022
Vesting date / period	01.06.2028	01.06.2027	01.06.2026	One Year	3 years grant with 30%, 30% and the balance vesting after 1, 2 & 3 years respectively
Exercise period	01.06.2028 – 30.11.2028	01.06.2027 – 30.11.2027	01.06.2026 – 30.11.2026	Within 5 years after respective vesting	
Fair value of the options (₹ per share)	5,267.07	4,546.54	2,511.80	1,735.65	1,735.65

Note : * In Grant 17 - 283 Shares of Resigned Employee not considered.

Exercise price (per share) is ₹10/- for all the above options

(b) Description of the Stock Appreciation Rights (SAR) plan that existed during the period:

Particulars	Grant 14
Board meeting date	25.05.2022
Options granted	1,276
Date of grant	25.05.2022
Vesting date / period	3 years grant with 30%, 30% and the balance vesting after 1,2 & 3 years respectively
Exercise period	Within one day after respective vesting

Exercise price (per share) is ₹10/- for all the above options

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Effect of Share based payments transactions on financial statement of the entity:

(₹ in crores)

Particulars	2025-26	2024-25
Expenses recognised in Profit & Loss account	5.34	6.54

Group share based payments:

The company as part of ESOP scheme has issued share options to employees of various group Companies. The company does not get reimbursed for the cost of such group share options and such costs are treated as investment in the group companies.

Unvested share options issued to employees of various group companies are as under:

(in numbers)

Particulars	Grant 17	Grant 16	Grant 15	Grant 14
Sundaram Asset Management Company Limited	777	604	2,682	–
Sundaram Home Finance Limited	1,653	1,639	1,638	660
Royal Sundaram General Insurance Co.Ltd	–	629	1,231	–
TSF Investments limited (formerly Sundaram Finance Holdings Limited)	–	–	188	–
Total	**2,430**	**2,872**	**5,739**	**660**

Measurement of fair value

The fair values of the options issued have been arrived at using the Black Scholes Model.

The key assumptions used in computing the fair value are :

(in numbers)

Particulars	Grant 17	Grant 16	Grant 15	Grant 14
Risk free interest rate (1 year to 3 years)	5.75%	7.06%	6.97%	6.34% to 7.07%
Life of the option	3 years	3 years	3 years	1 to 3 years
Expected Volatility	52.45%	36.28%	23.70%	22.73%
Fair value of the option (per share)-ESOP Plan	5,267.07	4,546.54	2,502.49	1 year: Nil 2 year: 1,726.94 3 year : 1,727.58
Fair value of the option (per share)-SAR Plan	Nil	Nil	Nil	1 year: Nil 2 year: 4,546.54 3 year: 5,137.00

The expected volatility is based on historical share price volatility. The life of the option has been based on general option holder behaviour.

Reconciliation of the share options outstanding as on 31.03.2026

The number and weighted-average exercise prices of share options under various grants are as follows:

(in numbers)

Grant Details	Grant 17 – ESOP	Grant 16 – ESOP	Grant 15 – ESOP	Grant 14 – ESOP	Grant 13 – ESOP
Particulars	**No. of options**				
Outstanding at the beginning of the period		14,317	21,167	6,502	1,650
Granted during the period	10,639	–	–	–	–
Forfeited / expired during the period	90	535	683	96	–
Exercised during the period	–	–	–	3,650	850
Outstanding at the end of the period	10,549	13,782	20,484	2,756	800
Exercisable at the end of the period	–	–	–	2,756	800

Weighted average exercise price per option is ₹10/- for all the above grants

Exercise price and remaining Contractual life for the share options outstanding at the end of the period

(in numbers)

Particulars	March 31, 2026	March 31, 2026	March 31, 2026	March 31, 2026
	Grant 17	**Grant 16**	**Grant 15**	**Grant 14**
Contractual life	27 Months	15 months	3 months	Nil

Exercise price per option is ₹10/- for all the above grants

Reconciliation of the share options outstanding as on 31.03.2025

The number and weighted-average exercise prices of share options under various grants are as follows:

(in numbers)

Grant Details	Grant 16 – ESOP	Grant 15 – ESOP	Grant 14 – ESOP	Grant 13 – ESOP
Particulars	**No. of options**			
Outstanding at the beginning of the period	–	21,451	9,949	4,279
Granted during the period	15,003	–	–	–
Forfeited / expired during the period	686	284	–	–
Exercised during the period	–	–	3,447	2,629
Outstanding at the end of the period	14,317	21,167	6,502**	1,650*
Exercisable at the end of the period	–	–	2,189**	1,650*

Weighted average exercise price per option is ₹10/- for all the above grants

* represents options under 3 year grant (year 3) which are not exercisable as on 31.03.2025

** represents options under 1 year grant / 3 year grant (year 3) not exercised as on 31.03.2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(in numbers)

Grant details	Grant 14 - SAR
Particulars	**No. of options**
Outstanding at the beginning of the period	466
Exercised during the period	466
Outstanding at the end of the period	–
Exercisable at the end of the period	–

Weighted average exercise price per option is ₹10/- for all the above grants.

Exercise price and remaining Contractual life for the share options outstanding at the end of the period

Particulars	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025
	Grant 16	**Grant 15**	**Grant 14**	**Grant 13**
Contractual life	27 Months	15 Months	2 Months	NIL

Exercise price per option is ₹10/- for all the above grants

Note 43: General

43.01 Business Combination

During the quarter ended December 31, 2025, Sundaram Alternate Assets Limited (SAAL), a wholly owned subsidiary of Sundaram Finance Limited, acquired 100% stake in Capital Gate Investment Advisors Private Limited (CGIA). Subsequently, the Scheme of Amalgamation, for merger of CGIA with SAAL was approved by the Regional Director on March 30, 2026, and became effective on April 12, 2026, upon filing with the Registrar of Companies, Chennai, with an appointed date of January 1, 2026.

Pursuant to the Scheme, the difference of ₹34.67 crores between the investment in CGIA and the aggregate net assets taken over as at the appointed date has been recognised in Capital Reserve.

43.02 : Provisions for other expenses

Movement of provisions	Amount (₹ in crores)
Carrying amount as on 31.03.2025	16.94
Add: Provisions made during the year	3.05
Less: Amount used or reversed during the year	1.85
Carrying amount as on 31.03.2026	**18.14**

43.03. Contingent liabilities

(₹ in crores)

Contingent liabilities	31.03.2026	31.03.2025
a) Bank guarantee and Letter of credit	2.25	2.27
b) Claims against the company not acknowledged as debts	8.37	9.92
c) Tax disputes	107.35	58.29

Tax disputes in respect of Income Tax, and VAT demands are pending before various appellate forums/authorities, and the outcome/liability would be determined only upon the receipt of decisions. The Company is of the opinion that the demands are not sustainable and expects to succeed in its appeal.

The contested tax demands have been ascertained based on relief allowed by the appellate authorities, on similar issues in earlier assessment years.

43.04 Segment Reporting (₹ in crores)

Business Segments	Asset Financing		Other Operations		Eliminations		Consolidated Total	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
REVENUE								
Segment Revenue	9,071.07	7,818.83	737.85	666.80			9,808.92	8,485.63
Inter segment sales	-	-	2.43	1.64	2.43	1.64	–	–
Total Revenue	9,071.07	7,818.83	740.28	668.44	2.43	1.64	9,808.92	8,485.63
RESULT								
Segment Result	2,445.71	2,143.28	285.05	258.66	–	–	2,730.76	2,401.94
Unallocated income (net of expense)						–	25.42	45.45
Exceptonal Item							75.61	
Profit before tax							2,680.57	2,447.39
Less: Income tax							675.17	634.58
Net Profit (before adjustment for non controlling interest)							2,005.40	1,812.81
Add: Share of Profit in Associates/Joint control Entities							53.46	66.63
Profit after Tax							**2,058.86**	**1,879.44**
OTHER INFORMATION	**31.03.2026**	**31.03.2025**	**31.03.2026**	**31.03.2025**	**31.03.2026**	**31.03.2025**	**31.03.2026**	**31.03.2025**
Segment Assets*	82,161.33	71,685.63	2,275.09	2,119.22	–	–	84,436.42	73,804.85
Unallocated Assets							1,358.99	1,531.82
Total Assets							**85,795.41**	**75,336.67**
Segment Liabilities	70,646.45	61,935.86	181.58	181.51	–	–	70,828.03	62,117.37
Unallocated Liabilities							73.73	22.47
Total Liabilities							**70,901.76**	**62,139.84**
Capital Expenditure	277.07	282.97	7.53	7.75			284.60	290.72
Depreciation	214.36	190.83	31.31	31.73	–	–	245.67	222.56
Non-cash expenses other than depreciation	553.31	251.87	–	–			553.31	251.87

*includes assets held for sale

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

43.05 Estimated amount of contracts remaining to be executed on capital account. (₹ in crores)

Particulars	31.03.2026	31.03.2025
Estimated amount of contracts remaining to be executed on capital account (net of advance)	31.44	34.00
Uncalled commitment in Alternative Investment Fund Schemes / Investments	168.55	134.66

43.06 Registration of charges or satisfaction (₹ in crores)

Particulars	31.03.2026	31.03.2025
(a) Where any charges or satisfaction yet to be registered with ROC beyond the statutory period, (b) Details and reasons thereof shall be disclosed	Nil	Nil

43.07 Utilisation of Borrowed funds and Share Premium (Diversion of Funds):

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 person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

No funds have been received by the Group from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend to 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.

43.08 Undisclosed income

There is no surrender or disclosure of income separately on account of search or survey under Income tax since all transactions are recorded in the books.

43.09 Crypto Currency or Virtual Currency

The Group has neither traded nor invested in Crypto currency or virtual currency during the year.

43.10 RELATED PARTIES DISCLOSURES:

Related party disclosures, as per INDAS 24 - for Year ended 31st March 2026, are given below:

RELATED PARTIES:

Joint Ventures:

Royal Sundaram General Insurance Co. Ltd.

Key Management Personnel:

Mr. Harsha Viji, Executive Vice Chairman

Mr. Rajiv C. Lochan, Managing Director

Mr. A.N. Raju, Joint Managing Director

Directors:

Mr. S. Viji

Mr. T T Srinivasaraghavan

Mr. Srivats Ram

Dr. Raghuttama Rao

Mr. Ganesh Lakshminarayan

Ms. Bhavani Balasubramanian

Dr. Kshama Fernandes

Mr. R Venkatraman

Ms. Anuradha Rao

Enterprises over which Key Management Personnel (KMP) and his relatives can exercise significant influence

M/s. Azorius Holdings Private Limited

M/s. Uthirattadhi Sriram Holdings Private Ltd.

All the arrangements and transactions entered into by the company with related parties, for the Year ended 31.03.2026 were in ordinary course of business and on arm's length price

Related Party Transactions for the Year ended 31st March 2026

The nature and volume of transactions for Year ended 31st March 2026 with the above related parties are as follows.

(₹ in crores)

Particulars	Joint Ventures	2025-26	2024-25
INCOME			
Lease Rental Income	0.27	0.27	0.05
Income from Services	10.30	10.30	6.22
Dividend	19.08	19.08	29.19
Rent Receipts	0.81	0.81	0.79
Income from other Financial Services	19.90	19.90	20.34
Other Non Operating Income	0.23	0.23	0.10
EXPENDITURE			
Interest	25.11	25.11	28.77
Rent Paid	0.01	0.01	0.01
Insurance Premium	2.99	2.99	2.89
ASSETS			
Investments - Share Based	0.05	0.05	0.25
Insurance Premium paid in advance	3.99	3.99	7.58
Other Deposits	0.14	0.14	–
LIABILITIES			
Issue of Non Convertible Debentures	76.02	76.02	24.99
Redemption of Non Convertible Debentures	50.00	50.00	25.00

(₹ in crores)

Compensation paid to Key Managerial Personnel	2025-26	2024-25
Short term benefits	21.26	18.14
Post retirement benefits	0.71	0.66
Share based payments	1.07	1.31

(₹ in crores)

Transactions with Key Managerial Personnel	2025-26	2024-25
Interest on deposits	1.90	1.93
Dividend Paid	19.50	15.81
Dividend Paid to Enterprises over which KMP and their relatives are exercising significant influence	8.62	6.99

(₹ in crores)

Payment made to Directors / Relatives	2025-26	2024-25
Interest on Deposits paid to Directors/Relatives	3.01	5.74
Commission paid to Directors	2.46	2.05
Sitting fees paid to Directors	0.70	0.31

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Disclosure of Material Transactions With Related Parties

(₹ in crores)

Particulars	Related Parties	2025-26	2024-25
INCOME			
Lease Rental Income	Royal Sundaram General Insurance Co. Ltd.	0.27	0.05
Income from Services	Royal Sundaram General Insurance Co. Ltd.	10.30	6.22
Dividend	Royal Sundaram General Insurance Co. Ltd.	19.08	29.19
Rent Receipts	Royal Sundaram General Insurance Co. Ltd.	0.81	0.79
Income from other Financial Services	Royal Sundaram General Insurance Co. Ltd.	19.90	20.34
Other Non Operating Income	Royal Sundaram General Insurance Co. Ltd.	0.23	0.10

(₹ in crores)

Particulars	Related Parties	2025-26	2024-25
EXPENDITURE			
Interest	Royal Sundaram General Insurance Co. Ltd.	25.11	28.77
Rent Paid	Royal Sundaram General Insurance Co. Ltd.	0.01	0.01
Insurance Premium	Royal Sundaram General Insurance Co. Ltd.	2.99	2.89

(₹ in crores)

Particulars	Related Parties	2025-26	2024-25
ASSETS			
Investments - Share Based	Royal Sundaram General Insurance Co. Ltd.	0.05	0.25
Insurance Premium paid in advance	Royal Sundaram General Insurance Co. Ltd.	3.99	7.58
Other Deposits	Royal Sundaram General Insurance Co. Ltd.	0.14	
LIABILITIES			
Issue of Non Convertible Debentures	Royal Sundaram General Insurance Co. Ltd.	76.02	24.99
Redemption of Non Convertible Debentures	Royal Sundaram General Insurance Co. Ltd.	50.00	25.00

Balances With Related Parties as at 31st March 2026

(₹ in crores)

BALANCES OUTSTANDING	Joint Ventures	Key Management Personnel/ Close Member of Key Management Personnel	Director/ Relatives	Enterprises over which KMP and his relatives are exercising significant influence	31.03.2026	31.03.2025
ASSETS						
Investments	585.95	–	–	–	585.95	585.91
Other Assets	11.71	–	–	–	11.71	9.59
LIABILITIES						
Equity Holdings	–	5.27	6.34	2.33	13.94	14.95
Non Convertible Debentures	233.13	–	–	–	233.13	419.05
Deposits	–	22.11	32.55	–	54.66	60.67
Other Liabilities	0.50	–	–	–	0.50	0.46
Remuneration payable	–	11.75	–	–	11.75	14.83

Balances With Related Parties as at 31st March 2026

(₹ in crores)

Balances Outstanding	31.03.2026	31.03.2025
ASSETS		
Investments in Equity Shares		
Royal Sundaram General Insurance Co. Ltd	585.95	585.91
Total	**585.95**	**585.91**

Disclosure of Material Balances with Related Parties as at 31st March 2026 (₹ in crores)

BALANCES OUTSTANDING	Joint Ventures	Key Management Personnel/ Close Member of Key Management Personnel	Director/ Relatives	Enterprises over which KMP and his relatives are exercising significant influence	31.03.2026	31.03.2025
Other Assets						
Royal Sundaram General Insurance Co. Ltd.	11.71	–	–	–	11.71	9.59
Total	**11.71**	–	–	–	**11.71**	**9.59**
LIABILITIES						
Equity Holdings		5.27	6.34	2.33	13.94	14.95
Non Convertible Debentures						
Royal Sundaram General Insurance Co. Ltd.	233.13				233.13	419.05
Deposits		22.11	32.55		54.66	60.67
Other Liabilities						
Royal Sundaram General Insurance Co. Ltd.	0.50				0.50	0.46
Remuneration payable		11.75			11.75	14.83
Total	**0.50**	**11.75**	–	–	**12.25**	**15.29**

₹ 0.00 represents amount less than ₹50000

43.11 Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary/Joint Control Entities

(₹ in Crores)

Name of the entity	Net Assets, i.e., Total assets minus total liabilities (Consolidated)				Share in Consolidated profit or loss				Share in the consolidated Other Comprehensive Income				Share in Consolidated Total Comprehensive Income			
	2025-26		2024-25		2025-26		2024-25		2025-26		2024-25		2025-26		2024-25	
	As % of net assets	Amount	As % of net assets	Amount	As % of profit or loss	Amount	As % of profit or loss	Amount	As % of OCI	Amount	As % of OCI	Amount	As % of TCI	Amount	As % of TCI	Amount
Sundaram Finance Ltd.	77.11	12,715.39	75.47	11,139.10	78.12	1,834.17	76.64	1,542.65	196.87	147.90	80.13	451.47	81.81	1,982.07	77.40	1,994.12
Subsidiaries:																
Sundaram Home Finance Ltd	13.99	2,307.46	14.21	2,096.95	12.01	281.88	12.15	244.66	(5.63)	(4.23)	(0.12)	(0.66)	11.46	277.65	9.47	244.00
Sundaram Asset Management Company Ltd.(Consolidated)	3.06	504.90	3.54	522.37	7.39	173.61	7.63	153.53	10.26	7.70	0.82	4.64	7.48	181.31	6.14	158.16
Sundaram Finance Employee Welfare Trust	0.41	66.87	0.41	59.97	0.15	3.43	0.16	3.17	4.62	3.47	6.19	34.87	0.29	6.91	1.47	38.03
Sundaram Trustee Company Ltd.	0.02	3.40	0.03	4.55	0.05	1.08	0.11	2.23	0.00	–	0.00	–	0.04	1.08	0.09	2.23
LGF Services Ltd	0.02	3.52	0.02	3.50	0.00	0.09	0.00	0.08	0.00	–	0.00	–	0.00	0.09	0.00	0.08
Sundaram Fund Services Ltd	0.01	1.18	0.01	1.13	0.00	0.05	0.00	0.03	0.00	–	0.00	–	0.00	0.05	0.00	0.03
Non Controlling Interests in Subsidiaries																
Joint Control Entities																
Royal Sundaram General Insurance Co. Ltd	5.37	886.19	6.31	931.52	2.28	53.45	3.31	66.63	(106.12)	(79.72)	12.98	73.12	(1.08)	(26.27)	5.42	139.75
	100.00	16,488.91	100.00	14,759.10	100.00	2,347.77	100.00	2,012.98	100.00	75.12	100.00	563.44	100.00	2,422.89	99.99	2,576.41
Adjustment arising out of Consolidation		(1,595.26)		(1,562.27)		(288.91)		(133.54)						(288.91)		(133.54)
		14,893.65		**13,196.83**		**2,058.86**		**1,879.44**		**75.12**		**563.44**		**2,133.98**		**2,442.87**

43.12 Disclosure under the MSMED Act 2006

(₹ in crores)

	Particulars	31.03.2026	31.03.2025
ia)	Principal amount remaining unpaid*	4.27	8.79
ib)	Interest amount remaining unpaid	NIL	NIL
ii)	Interest and principal amount paid beyond appointed date	NIL	NIL
iii)	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointment day during the year) but without adding the interest specified under this Act.	NIL	NIL
iv)	Interest accrued and remaining unpaid	NIL	NIL
v)	Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	NIL	NIL

* Subsequently liability is discharged

43.13 The Board of Directors have recommended a final dividend of ₹24/-per share

(240%) for the year ended 31st March 2026 in May 2026. This together with interim dividend of ₹16 per share (160%) paid would aggregate to a total dividend of ₹40/- per share (400%).

43.14 Earnings per Share

Particulars	Year Ended 31.03.2026	Year Ended 31.03.2025
Profit /(Loss) attributable to equity shareholders (₹ in crores)	2,058.86	1,879.44
Weighted average number of equity shares	11,02,17,491	11,02,13,031
Earnings per share – Basic & Diluted (in ₹)	186.81	170.53
Face value of Share	10	10

43.15 Events After Reporting Date

There have been no other events after the reporting date apart from above that require disclosure in the financial statements.

43.16 Previous year's figures have been regrouped wherever necessary to confirm to current year's classification.

As per our report of even date attached
For **Brahmayya & Co.,**
Chartered Accountants
Firm Regd. No. 000511S

L Ravi Sankar
Partner
Membership No. 025929

For **R.G.N. Price & Co.,**
Chartered Accountants
Firm Regd. No. 002785S

K Venkatakrishnan
Partner
Membership No. 208591
Place : Chennai
Date : May 25, 2026

S. Viji
Chairman
DIN: 00139043

Harsha Viji
Executive Vice Chairman
DIN: 00602484

Bhavani Balasubramanian
Director
DIN: 09194973

Rajiv C. Lochan
Managing Director
DIN: 05309534

A.N. Raju
Joint Managing Director
DIN:00036201

M. Ramaswamy
Chief Financial Officer
ACA: 024937

P.N. Srikant
CCO & Company Secretary
ACS: 17154

FORM AOC-I

(Pursuant to first provision to sub-section (3) of section 129 of the Companies Act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries/Associate companies/Joint Ventures

Part "A": Subsidiaries

(₹ in crores)

1	Sl. No.	1	2	3	4	5
2	Name of the subsidiary	Sundaram Asset Management Company Limited and it's subsidiaries	Sundaram Home Finance Ltd	Sundaram Trustee Company Limited	LGF Services Limited	Sundaram Fund Services Ltd
3	Date since when the Subsidiary was acquired	26-02-1996	02-07-1999	02-12-2003	23-01-2004	27-06-2008
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA	NA	NA	NA
5	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA	NA	NA	NA	NA
6	Share capital	96.25	101.25	0.05	0.25	1.50
7	Other Equity	408.65	2,206.21	3.35	3.27	(0.32)
8	Total assets	635.70	17,667.01	3.81	3.56	1.20
9	Total Liabilities	130.80	15,359.55	0.41	0.04	0.02
10	Investments	254.07	413.83	3.44	0.48	–
11	Turnover	581.40	1,867.57	2.21	0.16	0.08
12	Profit/(Loss) before taxation	231.28	362.75	1.42	0.12	0.05
13	Tax Expense	57.67	80.87	0.34	0.03	0.00
14	Profit/(Loss) after taxation*	173.61	281.88	1.08	0.09	0.05
15	Other Comprehensive Income	7.70	(4.23)	–	–	–
16	Total Comprehensive Income	181.31	277.65	1.08	0.09	0.05
17	Proposed Dividend	80.27	36.22	1.08	0.08	–
18	% of shareholding	100.00%	100.00%	100.00%	100.00%	100.00%

Subsidiaries yet to commence operations : NIL

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(₹ in crores)

	Name of Associates/Joint Ventures	Royal Sundaram General Insurance Company Ltd
1	Latest audited Balance Sheet Date	31.3.2026
2	Date on which the associate/JV was acquired	22.8.2000
3	Shares of Associate/Joint Venture held by the company on the year end	
	No of Shares	22,45,00,000
	Amount of Investment in Joint Venture	585.95
	Extent of Holding %	50.00%
4	Description of how there is significant influence	Joint Venture
5	Reason why the Associate / Joint Venture is not consolidated	NA
6	Networth attributable to Shareholding as per latest audited Balance Sheet	886.19
7	Total Comprehensive Income for the year	
	i. Considered in Consolidation	(26.27)
	ii. Not Considered in Consolidation	(26.27)

Associates/Joint ventures yet to commence operations : NIL

Associates/Joint ventures liquidated or sold during the period : NIL

S. Viji
Chairman
DIN: 00139043

Harsha Viji
Executive Vice Chairman
DIN: 00602484

Bhavani Balasubramanian
Director
DIN: 09194973

Rajiv C. Lochan
Managing Director
DIN: 05309534

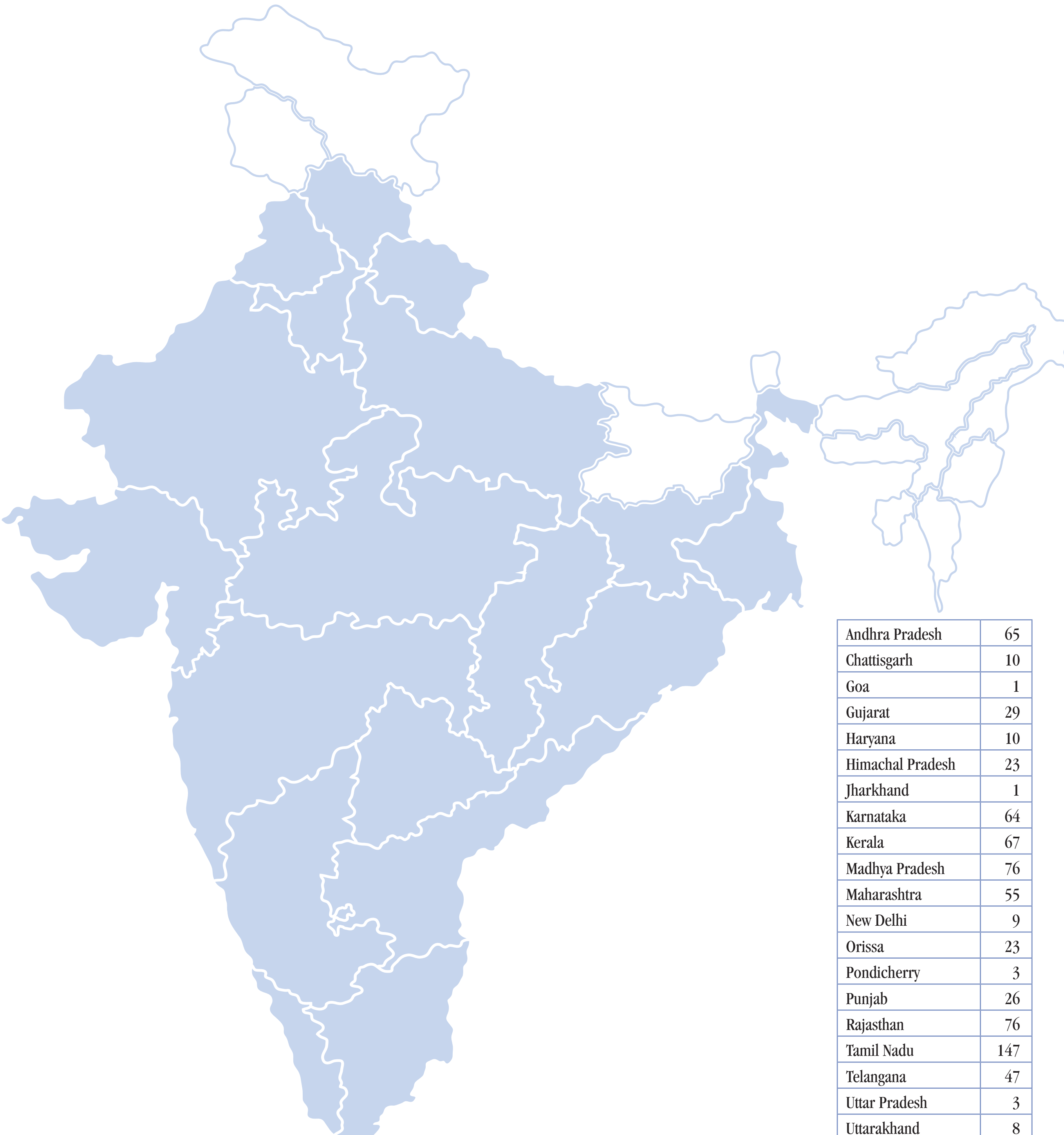
A.N. Raju
Joint Managing Director
DIN:00036201

M. Ramaswamy
Chief Financial Officer
ACA: 024937

P.N. Srikant
CCO & Company Secretary
ACS: 17154

Place : Chennai
Date : May 25, 2026

Sundaram Finance Branch Network – 763 Branches



Andhra Pradesh	65
Chattisgarh	10
Goa	1
Gujarat	29
Haryana	10
Himachal Pradesh	23
Jharkhand	1
Karnataka	64
Kerala	67
Madhya Pradesh	76
Maharashtra	55
New Delhi	9
Orissa	23
Pondicherry	3
Punjab	26
Rajasthan	76
Tamil Nadu	147
Telangana	47
Uttar Pradesh	3
Uttarakhand	8
West Bengal	20
Grand Total	**763**