ICFL/LS/94/2026-27

September 1, 2026

BSE Limited
Listing Department, 1st Floor,
P J Towers, Dalal Street, Fort,
Mumbai - 400 001.
Scrip Code: 541336

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051.
Symbol: INDOSTAR

Dear Sir / Madam,

Sub.: Intimation under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") - Notice of 17th (Seventeenth) Annual General Meeting of the Company along with the Annual Report for the Financial Year 2025-26

Pursuant to Regulation 29, 30, 34, 50, 53 of SEBI Listing Regulations, please find enclosed the Notice of 17th Annual General Meeting of the Members ("AGM Notice") of IndoStar Capital Finance Limited which is scheduled to be held on Friday, September 25, 2026 at 11:00 a.m. (IST) through Video Conferencing / Other Audio-Visual Means and Annual Report for the Financial Year 2025-26, are being sent to the Members and Debenture holders through electronic mode in accordance with the provisions of the Companies Act, 2013, SEBI Listing Regulations and circulars issued by Ministry of Corporate Affairs and Securities and Exchange Board of India.

Further, as per Regulation 36(1)(b) and 58(1)(b) of the SEBI Listing Regulations, a letter providing the web-link, exact path along with a static Quick Response code to access the Annual Report for Financial Year 2025-26 is being sent to those Members and Debenture holders who have not registered their e-mail address(es) with the Company / Registrar and Transfer Agent / Depository Participant(s).

The Company has provided its Shareholders the facility to cast their vote by electronic means i.e., Remote e-voting and e-voting system during the AGM on all the resolution(s) as set out in the AGM Notice. The information pertaining to e-voting are as under:

1	Cut-off date for determining eligibility for the remote e-voting & e-voting at the AGM	Friday, September 18, 2026
2	Date and time of commencement of remote e-voting	Monday, September 21, 2026, 09:00 a.m. (IST)
3	Date and time of end of remote e-voting	Thursday, September 24, 2026, 05:00 p.m. (IST)

The AGM Notice and Annual Report are also available on the website of the Company at www.indostarcapital.com.

Please take the above on record.

Thanking you,

Yours faithfully,
For **IndoStar Capital Finance Limited**

SHIKHA JAIN
Digitally signed by SHIKHA JAIN
Date: 2026.09.01 16:06:16 +05'30'

Shikha Jain
Company Secretary & Compliance Officer
(Membership No. A59686)

Encl: As above

INDOSTAR
YOUR PATH TO A BETTER LIFE

BUILT TO LEAP FORWARD

Annual Report 2025-26



BUILT TO LEAP FORWARD

Every long jump
has a defining instant.



It is the moment the athlete leaves the ground, not with certainty of the distance ahead, but with complete confidence in the momentum that has been built. In that single leap, preparation gives way to possibility, and intent is transformed into action.

2025-26 represents that moment for IndoStar.

The Company has entered a new trajectory, shaped by a focused retail strategy, stronger operating fundamentals, disciplined risk management and an execution-led culture. Having strengthened its foundations through the year, the Company now enters its next phase with greater resilience, sharper focus and stronger readiness for growth. With a simplified business model and an organisation built to scale, IndoStar is Built to Leap Forward, carrying the momentum to grow stronger, move further and create lasting value.

Like the long jump itself, this journey is not defined by the act of taking off, but by the distance that follows. Every stride ahead will be measured by disciplined execution, sustainable performance and the value created for customers, partners, employees and shareholders.

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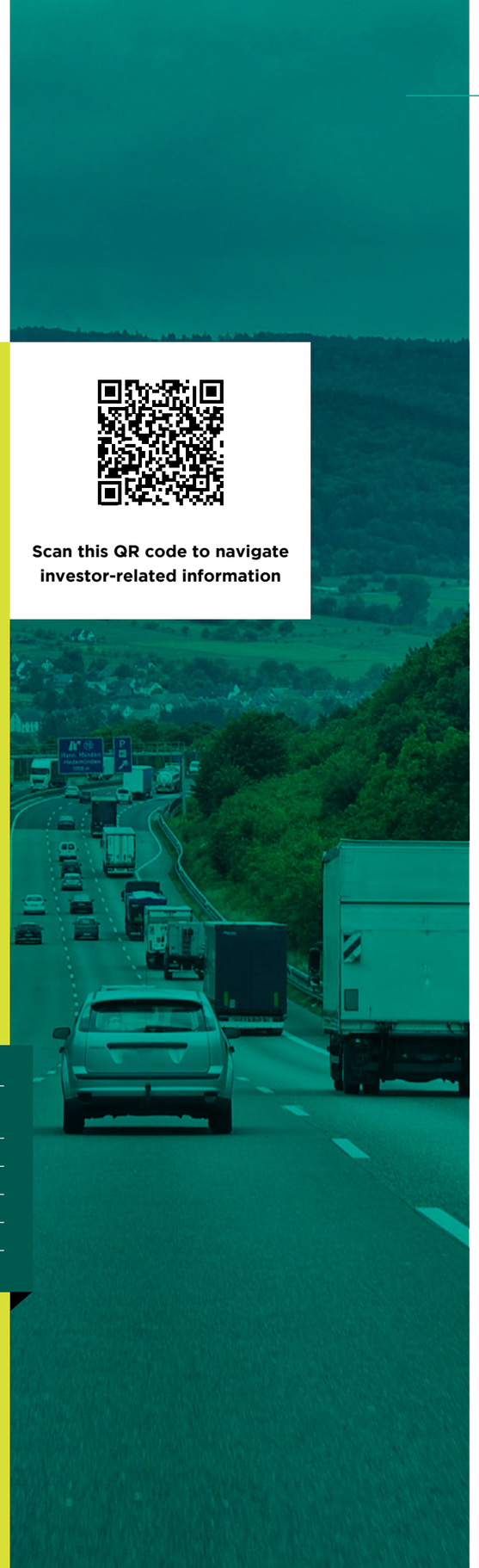
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Notice of 17th Annual General Meeting

Scan this QR code to navigate investor-related information



Investor Information

Market Capitalisation (as on March 31, 2026)	:	₹ 3,065 crore
CIN	:	L65100MH2009PLC268160
BSE Code	:	541336
NSE Symbol	:	INDOSTAR
AGM Date	:	September 25, 2026
AGM Mode	:	Through Video Conferencing

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

Corporate Information

BOARD OF DIRECTORS

Non-Executive Independent Chairperson

Ms. Naina Krishna Murthy

Executive Director

Mr. Randhir Singh
Managing Director & Executive Vice Chairman

Non-Executive Independent Directors

Mr. Hemant Kaul
Ms. Sujatha Mohan

Non-Executive Directors

Mr. Bobby Parikh
Mr. Aditya Joshi
Mr. Devdutt Marathe
Mr. Vishal Goenka

CHIEF FINANCIAL OFFICER

Mr. Jayesh Jain

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Shikha Jain

LEADERSHIP TEAM

Mr. Nitin Gyanchandani
Chief Risk Officer

Mr. Amandeep Singh Sandhu
Chief Operating Officer - Vehicle Finance

Mr. Amit Kumar Khan
Chief Operating Officer - Micro Lap

Mr. K. V. Bharadwaj
Chief Credit Officer

Mr. Binoy Parikh
Chief Compliance Officer

Mr. Shivam Choudhary
Chief Technology Officer

Ms. Jasmine Bawa
Chief Human Resources Officer

Mr. Kaushal Mithani
Head - Treasury

Mr. Kekin Savla
Head - Finance

Mr. Krishnamoorthy Swaminathan
Head - Operations

Mr. P. Krishnan
Principal Officer (Insurance - Corporate Agency Business)

Mr. Mihir Bhavsar
Chief Information Security Officer

Mr. Kashinath Palekar
Head - Internal Audit

STATUTORY AUDITORS

M S K A & ASSOCIATES LLP
602, Floor 6, Raheja Titanium,
Western Express Highway,
Geetanjali Railway Colony,
Ram Nagar, Goregaon (E),
Mumbai – 400 063.

CIN

L65100MH2009PLC268160

REGISTERED & CORPORATE OFFICE

Silver Utopia, Third Floor,
Unit No. 301-A, Opposite P & G Plaza, Cardinal Gracious Road,
Chakala, Andheri (E), Mumbai - 400 099
Tel No.: +91 22 4315 7000
Email: investor.relations@indostarcapital.com
Website: www.indostarcapital.com

DEBENTURE TRUSTEE

IDBI Trusteeship Services Limited
Asian Building, Ground Floor, 17,
R Kamani Marg, Ballard Estate,
Mumbai - 400 001
Tel No.: +91 22 4080 7000
Fax No.: +91 22 6631 1776
Email: itsl@idbitrustee.com

REGISTRAR & TRANSFER AGENT

MUFG Intime India Private Limited
C - 101, 247 Park, L.B.S. Marg,
Vikhroli (West),
Mumbai - 400 083
Tel No.: +91 22 4918 6270
Fax No.: +91 22 4918 6060
Email: rnt.helpdesk@linkintime.co.in

BANKERS/FINANCIAL INSTITUTIONS

AU Small Finance Bank
Axis Bank
Bajaj Finance Limited
Bandhan Bank
Canara Bank
Central Bank of India
CSB Bank
DBS Bank India Limited
DCB Bank
Hero Fincorp Limited
IDBI Bank
IDFC First Bank
Indian Overseas Bank
IndusInd Bank Limited
Karnataka Bank
Karur Vysya Bank
Poonawalla Fincorp Limited
RBL Bank
State Bank of India
Suryoday Small Finance Bank
Tata Capital Limited
Unity Small Finance Bank

THE RUNWAY BUILDS THE LEAP



Every remarkable long jump begins long before the athlete reaches the take-off board. The leap may capture attention, but it is the result of countless hours spent building strength, refining technique and developing the discipline to perform with consistency.

Every training session improves power

Every sprint perfects rhythm

Every repetition builds confidence

The runway becomes more than a track. It becomes the foundation where preparation gathers momentum and potential is transformed into performance.

For IndoStar, the years leading to 2025-26 have been defined by the same philosophy. The Company's focus was not on chasing immediate outcomes, but on strengthening the fundamentals that would enable sustainable growth for years to come. Every strategic decision, every operational improvement and every investment was another step towards building a stronger and more resilient institution.

Preparing for the Leap

Building Strength

Strengthened the balance sheet by writing off NPAs and making provisions for Security Receipts (SR) improved loan origination, credit underwriting and created a resilient retail focused lending franchise supported by Capital Adequacy strengthening to 36.1% and Debt-to-Equity improving to 1.5x.

Extending the Runway

The management team deepened what had already been built - a pan-India network spanning 454 branches across 24 States and Union Territories, serving customers across 16,000+ pincodes - a distribution footprint few peers in this segment can match. This existing infrastructure became the platform for the next growth engine: Micro LAP was launched entirely by co-locating within the Vehicle Finance network, expanding from 61 to 108 branches within a single year, without a single new branch built from the ground up. The runway was not extended by laying more track. It was extended by learning to run faster on the track already laid.

Perfecting Technique

Enhanced underwriting, risk management capabilities to improve execution and portfolio resilience. Policy tightening and scorecard-led underwriting drove a ~48% reduction in delinquencies on CY2025 disbursals versus CY2024.

Building Speed

Accelerating digital transformation to enable faster sourcing, seamless customer journeys and more efficient decision-making, with greater use of digital workflows, including e-agreements and e-NACH mandates, helping streamline processes and enhance operational agility.

Finding Balance

Vehicle Finance is a challenging business to build and scale, but operates in a relatively less competitive segment than Gold Loan Financing, Housing Finance and Prime LAP.

Diversifying the portfolio by building the Small Ticket Micro LAP business in addition to the Vehicle Finance business spanning passenger vehicle, medium, heavy and light commercial vehicle, buses, farm equipment, construction equipment, whilst creating a more granular and sustainable business mix across both business lines. Medium & Heavy Commercial Vehicle share of disbursements fell from 57% to 31% over three years, while Passenger Vehicles grew from 8% to 23%, while the share of Small Commercial Vehicles was 11%, Farm Equipment was at 6% and others being at 8%.

Developing Discipline

Standardising processes, strengthening governance and aligning the organisation under a common execution framework through IndoStar 2.0 and Project LEAP (Lean, Efficient, Agile & Profitable).

Preparing for Long Jump

Invested in people, culture and leadership while maintaining disciplined capital allocation to build a business equipped for long-term performance. We expanded our frontline sales force to about 1,600 as on March 31, 2026, alongside senior leadership additions across Vehicle Finance, Micro LAP, Technology, HR, Compliance and Data Analytics.

Because every successful leap is earned on the runway. The distance achieved is simply the outcome of the preparation that came before it.

About IndoStar

A Focused Retail NBFC, Built for Sustainable Growth



IndoStar Capital Finance Limited ('ICFL', 'IndoStar' or 'the Company') is a professionally managed, institutionally owned, middle-layer Non-Banking Financial Company (NBFC) registered with the Reserve Bank of India.

Co-promoted by Brookfield and Everstone, with Brookfield as the majority shareholder, the Company has been listed on the BSE and NSE since 2016 and has built a strong retail lending franchise over its seventeen-year journey.

Today, IndoStar is a focused, pure-play retail NBFC with two core secured lending businesses, Vehicle Finance and Micro Loan Against Property (Micro LAP). With a disciplined retail-first strategy, the Company delivers tailored financing solutions to transport operators, farmers, self-employed professionals, first-time vehicle owners and small business owners across Tier 2 to Tier 5 towns.

Supported by a pan-India branch network, technology-enabled operations, robust underwriting and prudent risk management, IndoStar is committed to expanding financial access while delivering sustainable growth and creating long-term value for its customers and stakeholders.





Vision

Partnering with our customers on their journey to financial success.

Mission

To be a major financial service provider to our target customers through empowered happy employees, and deliver a competitive shareholder return while maintaining the highest ethical behaviour standards.

Core Values

Resilience

Ability to withstand and bounce back from difficult, adverse or challenging situations.

Ethics

Understanding the essence of the Code of Conduct and governing business principles.

Accountability

Responsibility and ownership to the committed actions, decisions and the outcomes of those actions.

Collaboration

Work as a team towards a common goal, through shared knowledge, to achieve a desired outcome.

High Performance

Achieving exceptional results by exceeding expectations, and consistent performance.

Geographic Presence

Delivering Access across India

IndoStar's distribution network is a strategic asset that underpins its retail lending franchise. The Company has established a strong presence in markets where access to formal credit remains under-penetrated and growth opportunities are significant.

Built on a common branch network, technology platform and disciplined underwriting framework, both Vehicle Finance and Micro Loan Against Property (Micro LAP) benefit from a scalable operating model that enhances customer reach, operating efficiency and future growth.

Customers Served across

16,000+

Pincodes

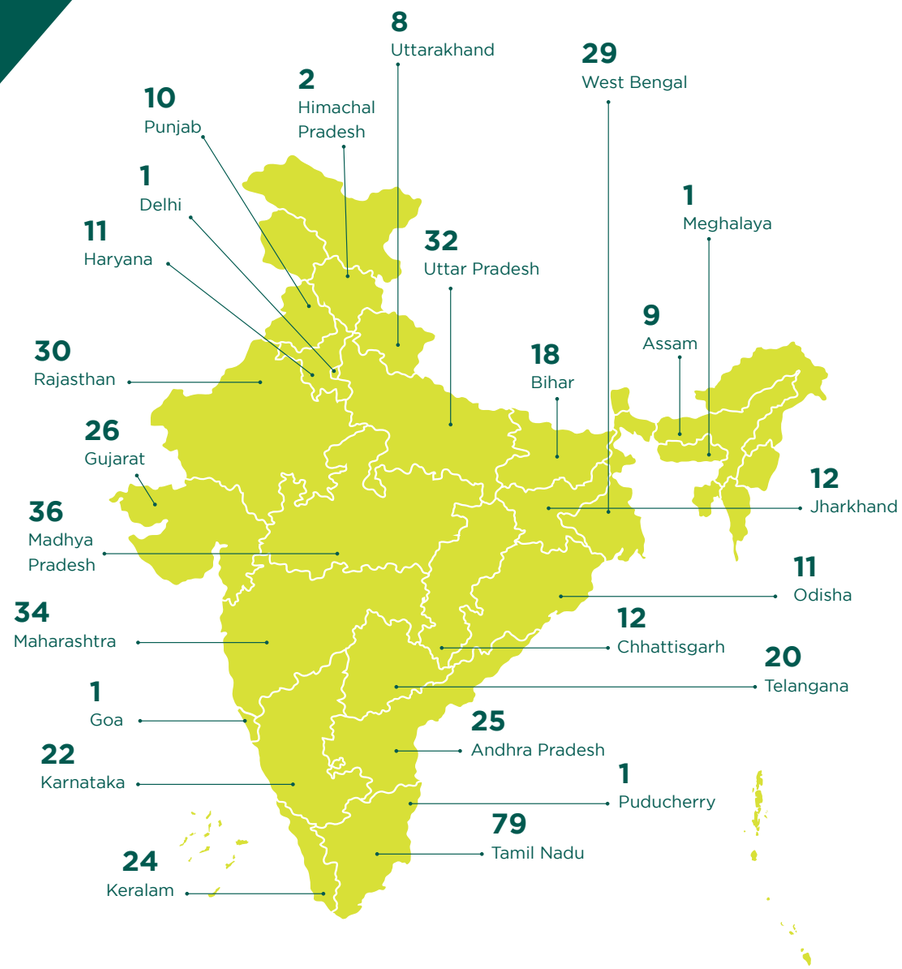
24

States & Union Territories

454

Branches

State-Wise Branch Network



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

Network Strengths

- Extensive presence across underpenetrated markets
- Strong customer proximity and local market understanding
- Scalable distribution platform supporting multiple retail products
- Technology-enabled operations and disciplined risk management
- Capacity to support future growth with minimal incremental infrastructure

THE MOMENT OF TAKE-OFF



There is a defining moment in every long jump when preparation gives way to possibility.

After every sprint, every strength session and every disciplined stride, the athlete reaches the take-off board. There is no hesitation. The momentum built over countless hours is released in a single, decisive movement. The leap is not a leap of faith. It is a leap of conviction, powered by the confidence that every element has been prepared for this moment.

2025-26 marked that moment for IndoStar.

The take-off itself is a single, deliberate act – brief, decisive, and unlike anything that comes before or after it.

FY 2024-25 was a year of rebuilding and strengthening. Credit processes were overhauled, system-level controls enhanced and underwriting recalibrated. Monthly credit reviews, an Early Warning Framework and risk-priced underwriting sharpened credit discipline. The Company also received its Corporate Agency Licence from IRDAI, broadening its customer proposition.

FY 2025-26 turned that preparation into a decisive act. The divestment of the housing finance subsidiary and infusion of capital through conversion of Share Warrant strengthened the balance sheet. The senior leadership bench was also strengthened across Vehicle Finance, Micro LAP, Technology, HR, Compliance and Data Analytics, bringing deeper expertise and sharper accountability.

The Leap Begins

The result was sharper retail focus and a stronger platform for sustainable growth.

A retail-focused strategy matured into a scalable business model. Retail AUM crossed a significant milestone, Vehicle Finance disbursements reached a new peak and Micro LAP opened a new growth opportunity.

Digital capabilities strengthened customer acquisition and operational agility, with e-application, e-NACH and e-agreement improving customer journeys, while turnaround time reduced meaningfully in the second half of the year.

Disciplined underwriting, robust collections and comprehensive provisioning strengthened portfolio quality and addressed the credit cost of the stressed portfolio.

Funding capabilities also improved, with lower incremental borrowing costs and the maiden public issue of Non-Convertible Debentures further diversifying the funding base.

This was the year preparation gave way to a decisive act - not yet the distance, but the moment that makes the distance possible.

This was not the year of measurable profit. It was the year of measurable readiness - the year a stronger foundation gave the confidence to move beyond rebuilding and towards creating sustained value in the years ahead.

A Retail First Franchise

A sharper focus on secured retail lending strengthened the quality and granularity of the portfolio.

New Growth Horizons

The launch of Micro LAP expanded the Company's presence into an adjacent, high-potential customer segment while reinforcing the Company's MSME proposition.

Precision in Execution

Enhanced credit assessment, disciplined collections and integrated risk management supported sustainable portfolio expansion.

A Platform for the Future

The capabilities built across people, processes and technology positioned IndoStar to pursue its next phase of growth with confidence.

Governance Strengthening

Strengthened governance through professional leadership, robust Board oversight and a comprehensive risk framework spanning credit, liquidity, operational, regulatory and information security risks.

Momentum at Scale

A wider branch footprint, stronger sourcing capabilities and technology-enabled execution accelerated growth across markets.

The take-off is not the destination. It is the beginning of the flight. And for IndoStar, 2025-26 marks the start of a journey defined by greater scale, stronger performance and the ambition to go further.

Product Portfolio

Driving Retail Growth through Focused Lending Businesses

IndoStar is accelerating through its new phase of growth as a focused retail NBFC, with Vehicle Finance and Micro Loan Against Property (Micro LAP) serving as its two strategic lending businesses. Together, these complementary segments address the evolving credit needs of underserved customers across semi-urban and rural India while leveraging shared strengths in distribution, technology, underwriting and collections.

As these businesses continue to scale, each strengthens the other through a common operating platform, expanding customer relationships, data-led decision-making and operational efficiencies. This integrated model enhances portfolio quality, improves productivity and reinforces IndoStar's ability to grow responsibly, creating a stronger, more resilient retail lending franchise for the future.

Vehicle Finance

Vehicle Finance remains IndoStar's largest retail lending business and the cornerstone of its secured retail portfolio, with Assets Under Management of over ₹ 7,500 crore as at March 31, 2026. Over the past several years, the business has evolved from a portfolio largely concentrated in Medium & Heavy Commercial Vehicles into a diversified vehicle finance franchise spanning Commercial Vehicles, Passenger Vehicles, Construction Equipment and Farm Equipment.

This evolution reflects the Company's broader retail strategy. As customer financing requirements became more varied and opportunities expand across vehicle categories, IndoStar has progressively widened its product portfolio to build a more balanced retail business. A broader product mix has enabled the Company to participate in multiple customer segments, diversify revenue streams and reduce concentration within any single vehicle category.

This transition has also reshaped the way the business operates. Financing a passenger vehicle, a tractor or construction equipment involves different customer profiles, ticket sizes and risk characteristics. This prompted the Company to strengthen product expertise, invest in specialised sales capabilities and continuously refine its underwriting framework.

Having established a diversified portfolio over the last few years, 2025-26 marked the next phase of the journey. The focus shifted towards improving the quality of incremental business, strengthening credit discipline and reinforcing portfolio resilience.



Portfolio Composition

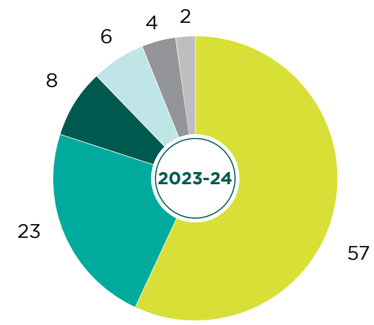
Product Portfolio

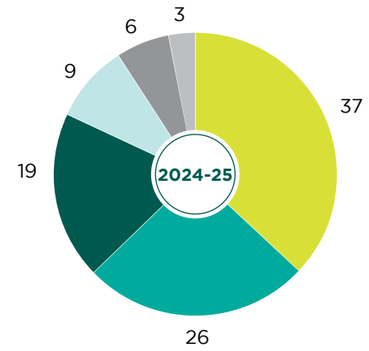
- Commercial Vehicles, including Medium & Heavy Commercial Vehicles, Light Commercial Vehicles, Intermediate Commercial Vehicles and Small Commercial Vehicles - including pick-ups and buses
- Passenger Vehicles - across commercial and private use
- Construction Equipment
- Farm Equipment

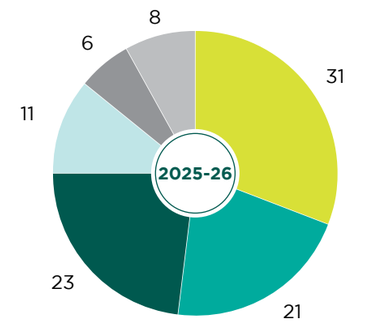
Portfolio Highlights

- The product mix has become progressively more balanced, with the share of Medium & Heavy Commercial Vehicles in disbursements reducing from 57% in 2023-24 to 31% in 2025-26
- Passenger Vehicles emerged as a key growth segment, increasing their contribution from 8% to 23% of disbursements over the same period
- The share of Construction Equipment almost doubled, rising from 6% to 11%, reflecting the Company's calibrated expansion into adjacent vehicle categories
- Similar shifts are visible in the Assets Under Management mix, demonstrating that diversification has translated into a structurally broader portfolio rather than a temporary change in origination volumes

Product-Wise Disbursement Mix (%)



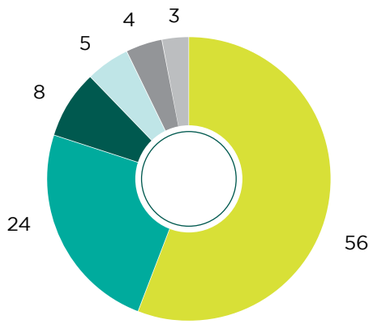




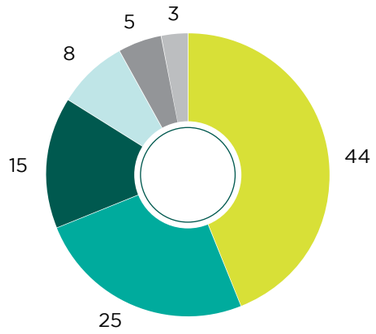
- Medium & Heavy Commercial Vehicle
- Small, Light & Intermediate Commercial Vehicle
- Passenger Vehicles
- Construction Equipment
- Farm Equipment
- Others*

*Others include Pick up and Bus

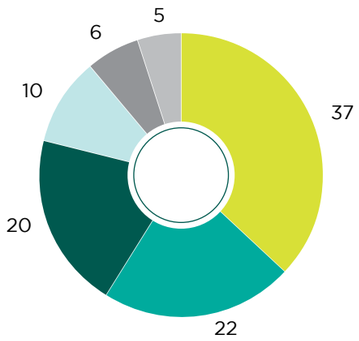
Product-Wise AUM Mix (%)



As on March 31, 2024



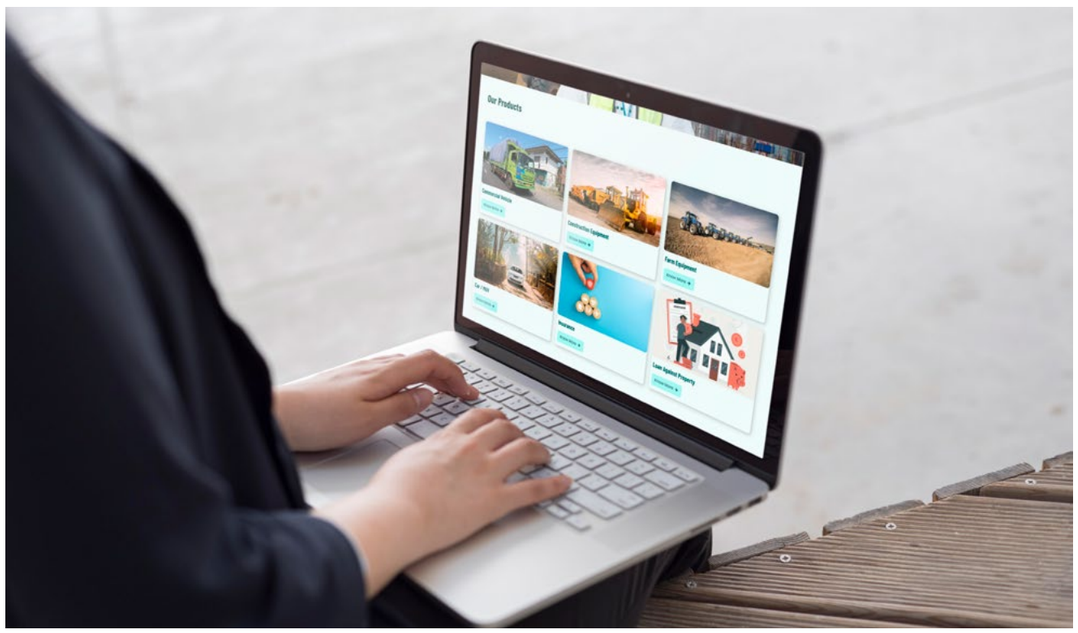
As on March 31, 2025



As on March 31, 2026

- Medium & Heavy Commercial Vehicle
- Small, Light & Intermediate Commercial Vehicle
- Passenger Vehicles
- Construction Equipment
- Farm Equipment
- Others*

*Others include Pick up and Bus



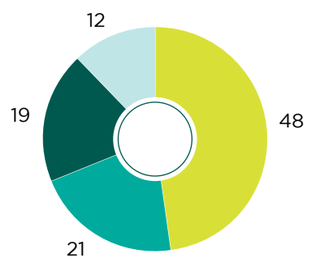
Distribution that Supports Growth

A diversified portfolio requires an equally diversified distribution network. IndoStar's Vehicle Finance business operates through 454 branches across 24 States and Union Territories, with more than 70% of branches located in Tier III to Tier V markets. These markets continue to present significant opportunities as formal credit penetration remains relatively low and demand for productive asset financing continues to grow.



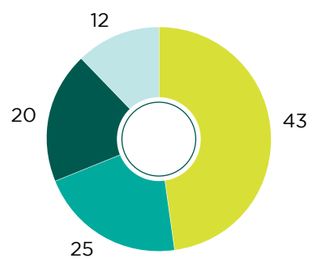
Regional Portfolio Mix (%)

Disbursement Mix



As on March 31, 2026

AUM Mix

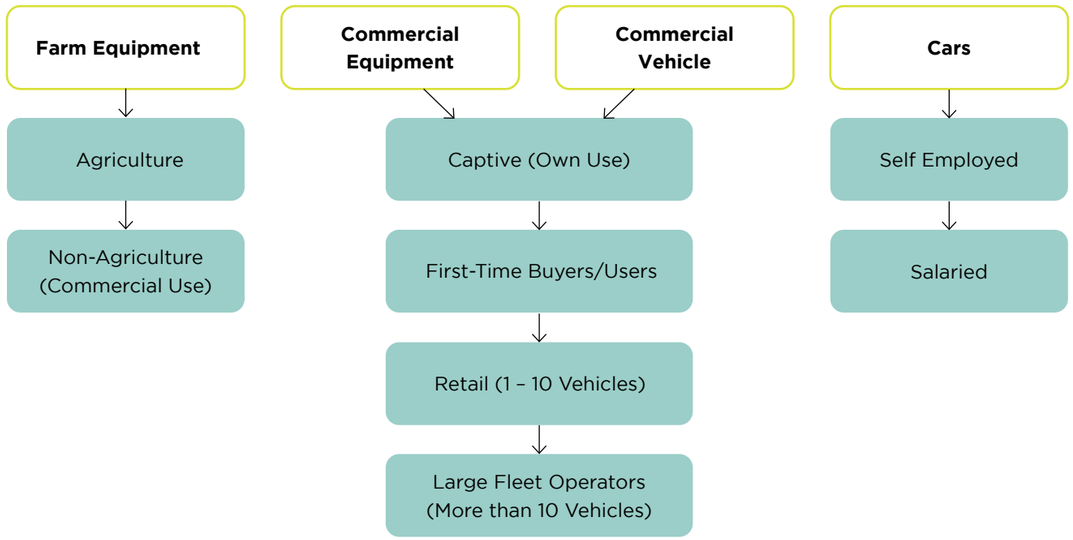


As on March 31, 2026

- South
- West
- East
- North

The branch network serves as a common platform for the Company's retail businesses. Shared infrastructure, standardised processes and a common technology stack enable the Company to improve productivity while creating opportunities to deepen relationships with existing customers.

Primary Customer Segments



The diversity of the customer base complements the product portfolio, creating a business that is spread across multiple economic activities rather than being dependent on a single borrower profile.

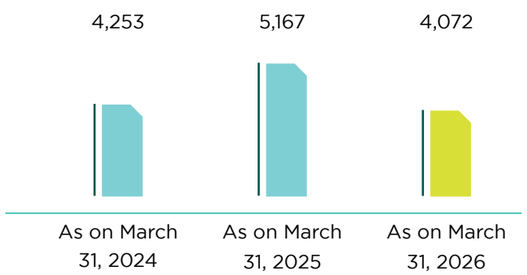
Performance during the Year

The benefits of these initiatives are reflected in the operating performance of the business.

Vehicle Finance maintained Assets Under Management of over ₹ 7,500 crore, while disbursements were ₹ 4,072 crore during 2025-26. Annual Vehicle Finance disbursements moderated from ₹ 5,167 crore in 2024-25 to ₹ 4,072 crore in 2025-26, reflecting a deliberate recalibration of growth as the Company tightened underwriting norms and applied more disciplined credit selection. This measured approach prioritised the quality of new business over near-term disbursement growth, laying the foundation for a more resilient portfolio.

Yearly Disbursement Trend (₹ crore)

Vehicle Finance



Key Operating Parameters

₹ 6.8 lakhs
Average Ticket Size

16,000+
Incremental Customers

73.3%
Loan-to-Value

17.5%
Disbursement Yield

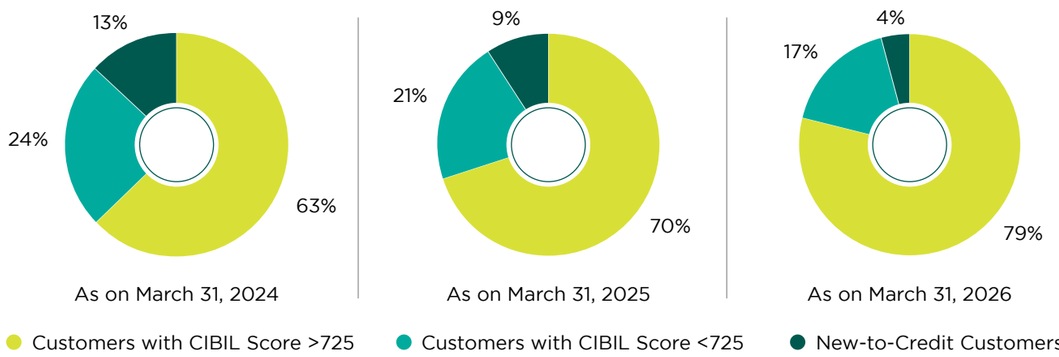
These metrics reflect a business that continues to grow while maintaining discipline in customer selection and credit assessment. Growth has been supported by stronger execution across the branch network and increasing participation across diversified product categories.

From Diversification to Portfolio Quality

As the portfolio became broader and more granular, maintaining consistent credit standards across products and customer segments became increasingly important. During 2025-26, the Company continued to strengthen customer selection, underwriting and portfolio monitoring so that improvements in portfolio diversification were matched by improvements in portfolio quality.

The quality of new customer acquisition improved meaningfully during the year. Customers with a CIBIL score above 725 increased from 63% in 2023-24 to 79% in 2025-26. At the same time, the share of new-to-credit customers declined from 13% to 4%, reflecting a more selective approach to customer acquisition.

Customer Quality



Strengthening Credit Architecture

To reinforce these outcomes, the Company introduced several enhancements across the lending lifecycle:

- Formalised a minimum bureau score threshold of 700
- Exited selected higher-risk customer segments and geographies
- Recalibrated product-specific Loan-to-Value norms
- Increased portfolio quality weightage in KRAs across relevant teams, embedding risk ownership directly into performance metrics
- Empowered the credit function with stronger authority and independence to enforce policy discipline
- Integrated structured collection feedback into credit policy decisions, closing the loop between what collections teams see on the ground and how underwriting evolves
- Expanded bureau-led underwriting and scorecard-based, risk-priced decisioning

Each of these initiatives contributes to a common objective. Better customer selection improves the quality of originations. Stronger underwriting improves consistency in lending decisions. Continuous portfolio monitoring enables earlier identification of emerging stress and supports timely interventions.

Strengthening Collections

The Company is further strengthening its collections framework by sharpening execution across soft delinquency (<90 DPD) and hard delinquency (>90 DPD) buckets, with distinct approaches planned for each stage to enable more focused interventions and faster resolution. In parallel, the Company is expanding its legal team to reinforce recovery efforts for higher-risk accounts and strengthen resolution of cases requiring legal action. Together, these measures are aimed at improving collection outcomes, containing forward flow and further strengthening asset quality.

Portfolio Resilience

Portfolio quality is the outcome of disciplined execution across the lending lifecycle, from customer selection and underwriting to collections and portfolio monitoring. While the impact of these measures is realised over time, leading indicators during 2025-26 point towards improving portfolio quality.

The quality of recent originations strengthened during the year, reflected in improvement of Non-Starter (NS) levels to 1.05% in 2025-26 from 3.29% in 2024-25. Early Delinquency (ED) also improved significantly to 2.24% from 5.22% over the same period.

The Company also maintained a prudent provisioning approach. The Provision Coverage Ratio (Stage 3) improved to 55.2% in 2025-26 from 48.6% in 2024-25, while the Provision Coverage Ratio on Loan Assets, including management overlay, increased to 5.0% from 3.2%. This provides an additional layer of balance sheet protection against potential credit losses.

Gross Stage 3 stood at 4.77% in 2025-26, compared with 4.52% in 2024-25, while Net Stage 3 improved to 2.09% from 2.46%. Together with the improvement in early portfolio quality indicators and strengthened provisioning, these trends reflect the Company's continued focus on building a more resilient portfolio and sustaining credit discipline as the business grows.



Portfolio Quality Dashboard

	2023-24	2024-25	2025-26
Gross Stage 3 (%)	4.97	4.52	**4.77**
Net Stage 3 (%)	2.09	2.46	**2.09**
Provision Coverage Ratio (Stage 3) (%)	59.1	48.6	**55.2**
Provision Coverage Ratio (Loan Assets) (%)*	4.9	3.2	**5.0**
Non-Starter (NS) (%)	2.68	3.29	**1.05**
Early Delinquency (ED) (%)	2.70	5.22	**2.24**

*Including management overlay

Positioned for the Next Phase

India's vehicle finance industry continues to benefit from structural drivers, including infrastructure development, fleet replacement, increasing formalisation of the used vehicle market and wider adoption of digital lending.

The Company enters this phase with a stronger operating platform than it had just a few years ago. Its portfolio is more diversified, its customer base is broader, its distribution network has greater scale and its credit architecture has become more robust. Organisational design is also evolving to match industry best practice - the business is progressing towards a verticalised structure aligned with how leading peers in secured retail lending operate, enabling dedicated focus and sourcing discipline across Commercial Vehicles, Construction Equipment, Farm Equipment and Passenger Vehicles as distinct, specialised businesses. These capabilities reinforce one another and provide a strong foundation for sustainable growth while preserving the disciplined approach that continues to guide the business.

Micro Loan Against Property (Micro LAP)

Micro, small and self-employed businesses form the backbone of India's economy, yet access to formal secured credit remains limited for many entrepreneurs despite ownership of residential or commercial property. Recognising this structural gap, IndoStar launched its Micro Loan Against Property (Micro LAP) business in 2024 as a strategic extension to its retail lending franchise.

The business provides secured financing to small entrepreneurs for working capital, business expansion and other productive needs. Unlike traditional LAP products that primarily serve larger borrowers, Micro LAP is designed around smaller ticket sizes, local market understanding and relationship-led customer acquisition. By combining property-backed security with disciplined underwriting, the Company has built a lending model that addresses an underserved segment while maintaining a prudent risk profile.

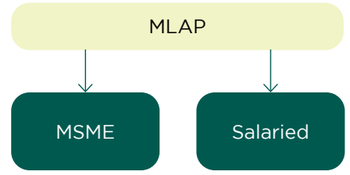
2025-26 marked another year of steady progress. The business expanded its distribution footprint, strengthened customer acquisition and continued to build a high-quality portfolio, laying the foundation for sustainable long-term growth.

Addressing the Financing Needs of Small Businesses

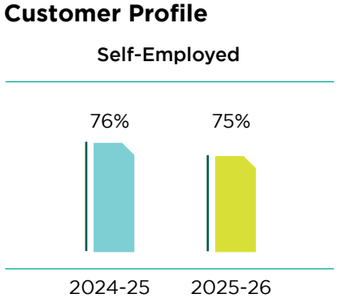
Micro LAP is built around entrepreneurs who operate small businesses with stable cash flows but often face constraints in accessing formal institutional credit. The portfolio primarily serves self-employed customers across retail trade, services, food businesses and other local enterprises, while also catering to salaried borrowers with secured financing requirements.

The emphasis on productive lending enables customers to leverage owned property to support business growth while allowing the Company to build a secured retail portfolio with diversified borrower profiles.

Primary Customer Segments

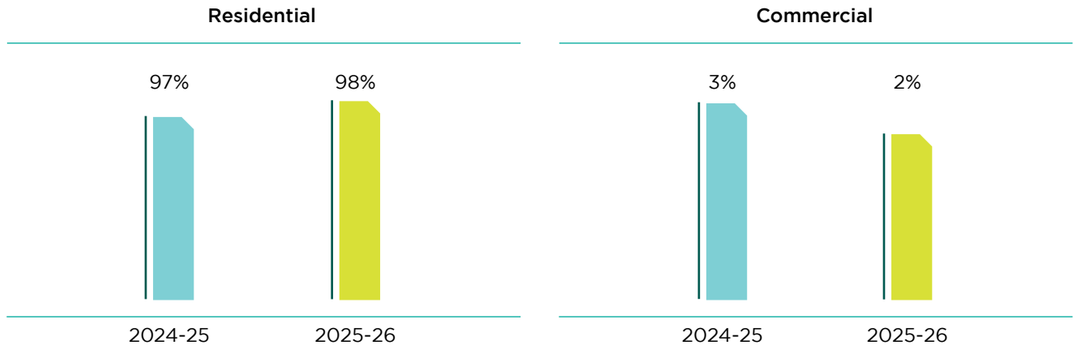


Customer Profile





Security Profile



Scaling through an Existing Distribution Platform

A key differentiator of the Micro LAP business is its scalable operating model. Instead of establishing a separate branch network, the Company has expanded the business by co-locating it within its existing Vehicle Finance infrastructure. This approach has enabled faster market penetration, better operating leverage and improved customer reach without significant incremental operating costs.

During 2025-26, the branch network expanded from 61 branches to 108 branches, extending the Company's presence across Tamil Nadu, Andhra Pradesh, Telangana and Gujarat. The Company plans to enter Uttar Pradesh and Bihar, extending its reach to underserved small businesses while maintaining disciplined underwriting and prudent portfolio growth.

Distribution Footprint

- **68** Tamil Nadu
- **21** Andhra Pradesh
- **15** Telangana
- **4** Gujarat
- Uttar Pradesh*
- Bihar*

*Expansion in progress



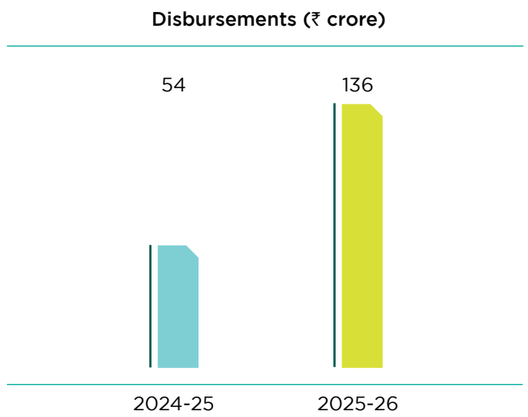
Disclaimer: This map is a generalised illustration only for the ease of the reader to understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position.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

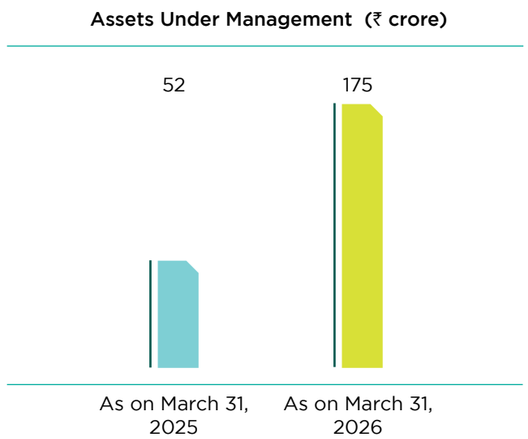
Building Scale with Discipline

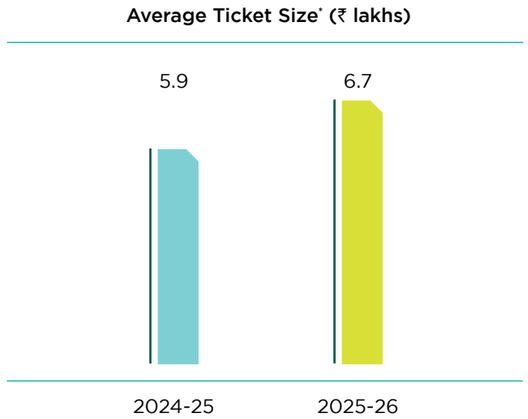
The business continued to demonstrate healthy operating momentum during 2025-26. Assets Under Management increased to ₹ 175 crore, supported by sustained customer acquisition and a steady rise in disbursements. The live customer base expanded to 2,879 accounts, reflecting increasing acceptance of the product across target markets.

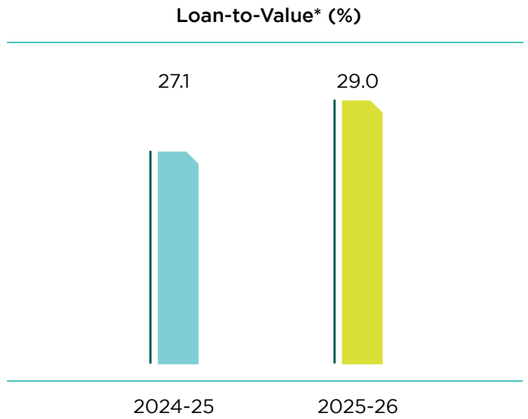
As the portfolio matured, the average ticket size increased to ₹ 6.65 lakhs, while the average Loan-to-Value ratio remained conservative at 29%. At the same time, the business maintained a healthy disbursement yield of 22.4%, supporting balanced portfolio growth.

Key Operating Indicators



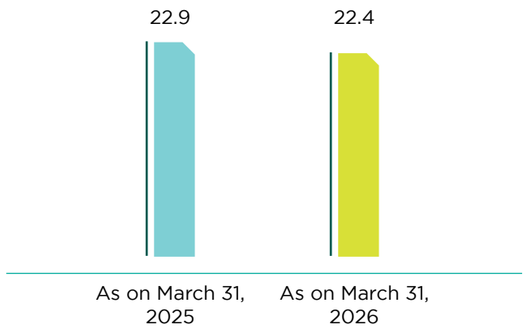




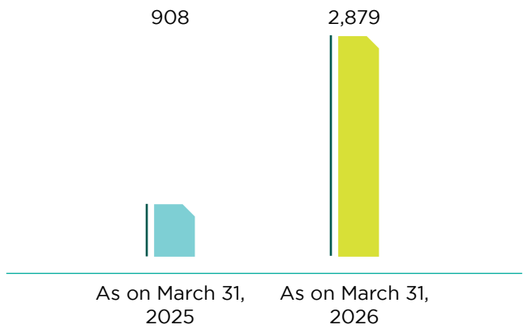


*At the time of disbursement

Disbursement Yield (%)



Live Accounts

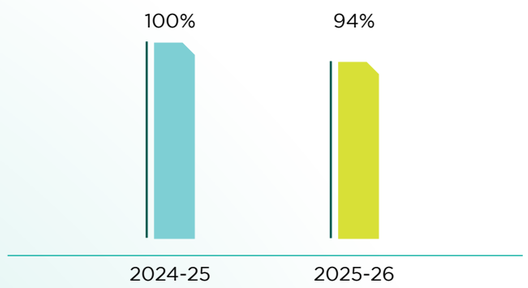


A Disciplined Portfolio Construction Approach

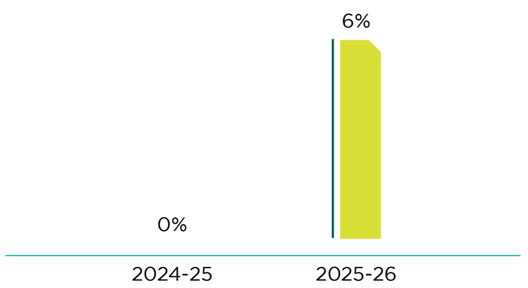
Portfolio composition reflects the Company's measured approach to scaling the business. Lending remains concentrated within the core Micro LAP segment, with a majority of loans originating in the ₹ 5 lakhs to ₹ 10 lakhs ticket size range. The Company also continues to source the majority of business directly through its own branch network, strengthening customer engagement and enabling better control over sourcing and underwriting.

Distribution Channel

Direct



Others



Portfolio Quality

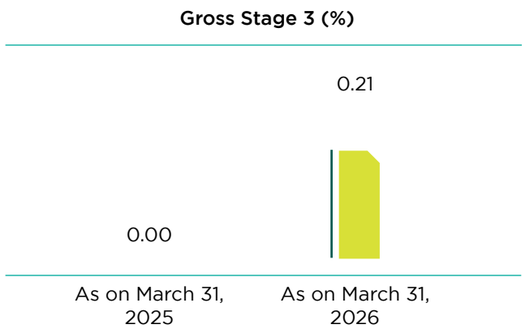
The business has maintained a strong credit profile while scaling rapidly. Conservative Loan-to-Value ratios, disciplined customer selection and a relationship-led underwriting approach have helped preserve portfolio quality as the business expanded.

Gross Stage 3 remained low at 0.21%, while Net Stage 3 stood at 0.10% at the end of 2025-26. The Company maintained a Stage 3 Provision Coverage Ratio of 51%, reflecting a prudent provisioning philosophy as the portfolio continued to season. The overall Provision Coverage Ratio remained broadly stable at 0.9%, reinforcing the resilience of the loan book.

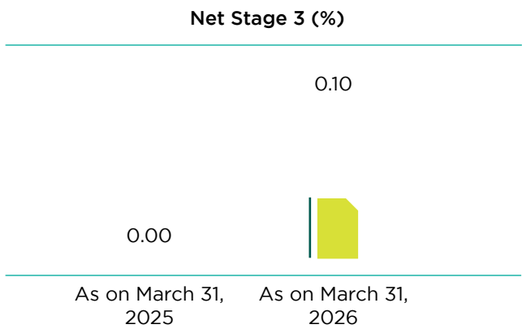
Taken together, these indicators demonstrate that growth has been accompanied by disciplined risk management and consistent portfolio monitoring, providing a strong foundation for future expansion.

Portfolio Quality Indicators

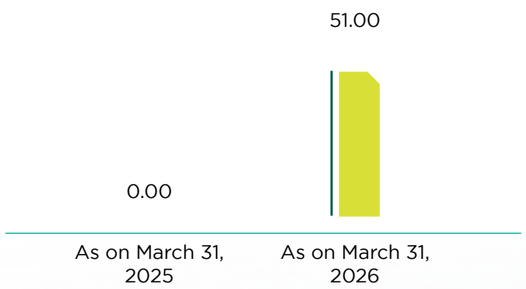
Gross Stage 3 (%)



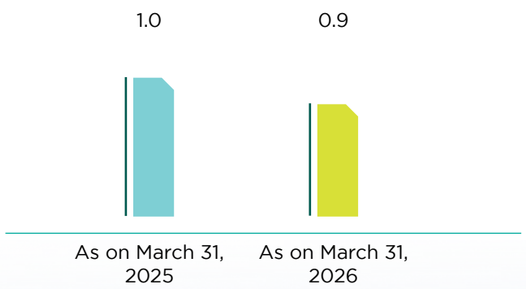
Net Stage 3 (%)



Provision Coverage Ratio (Stage 3) (%)



Overall Provision Coverage Ratio (%)



Positioned for the Next Phase

The opportunity to expand formal secured lending to micro and small businesses remains significant as entrepreneurship, formalisation and demand for business credit continue to grow across India's smaller towns and cities.

With a scalable branch model, disciplined underwriting practices, conservative collateral coverage and a high-quality portfolio, Micro LAP has established a strong foundation within IndoStar's retail lending franchise. Building on this base, the Company is now broadening its secured lending proposition to address larger financing requirements, with ticket sizes of ₹ 10 lakhs and above representing a natural progression towards LAP. This enables IndoStar to deepen relationships with established small businesses while continuing to serve the micro-enterprise segment through Micro LAP.

The next phase of growth will also extend the Company's reach into new markets, with planned branch openings in Uttar Pradesh and Bihar during 2026-27. By combining deeper penetration in existing markets with a measured expansion into new geographies and customer segments, IndoStar aims to build a broader secured lending franchise while maintaining its focus on prudent growth and risk management.



Financial Highlights

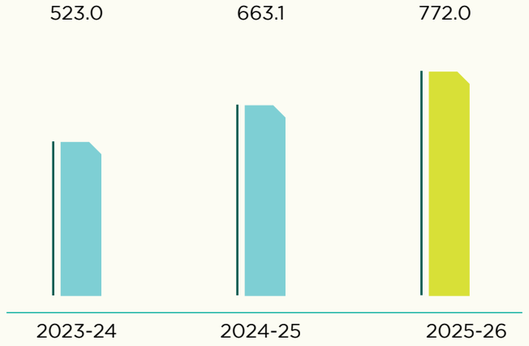
Building Financial Strength



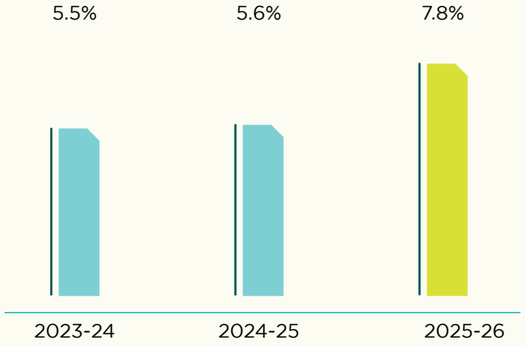
2025-26 was a year of disciplined execution. The Company prioritised portfolio quality, accelerated the resolution of stressed exposures and strengthened its balance sheet while continuing to build a resilient retail franchise. These strategic actions influenced the reported financial performance during the year while reinforcing the long-term strength of the business. Consistent with the year's defining decision, to use a one-time gain to clear the runway rather than report it as an operating outcome, the metrics that follow are best read as evidence of a strengthening foundation, not yet the distance travelled.

Disbursement growth was calibrated to maintain underwriting discipline and improve the quality of incremental originations. At the same time, the Company adopted a prudent provisioning approach through one-time provisions against Security Receipts, a management overlay and the annual Expected Credit Loss (ECL) model refresh. Despite these measures, the retail franchise continued to strengthen, supported by higher net interest income, improved net interest margin, stronger capital adequacy and encouraging performance across newer loan cohorts.

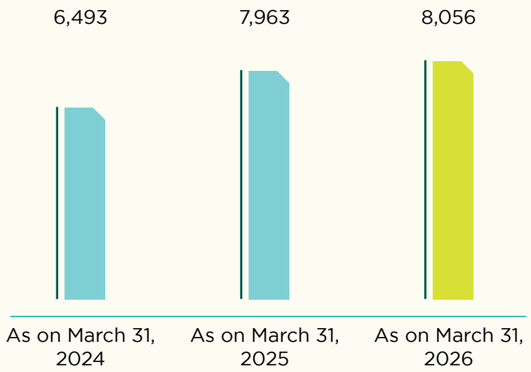
Net Interest Income (₹ crore)



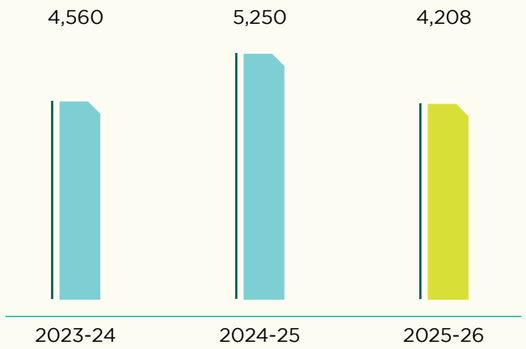
Net Interest Margin (%)



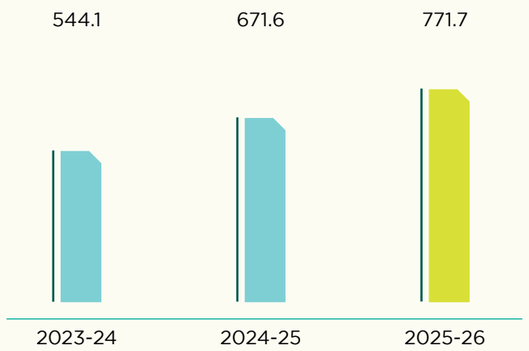
Assets Under Management (₹ crore)



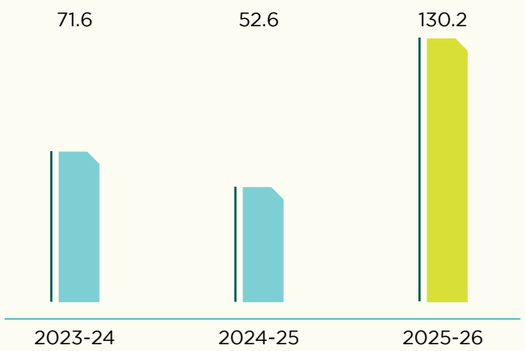
Disbursements (₹ crore)



Net Total Income (₹ crore)

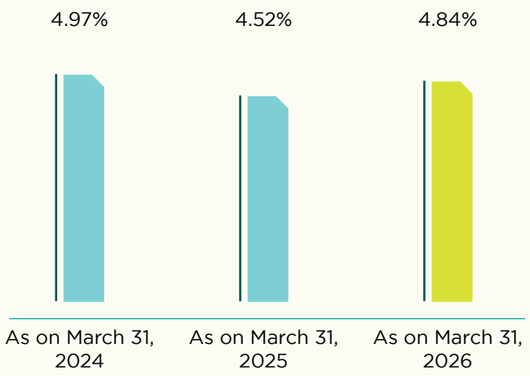


Profit After Tax (₹ crore)

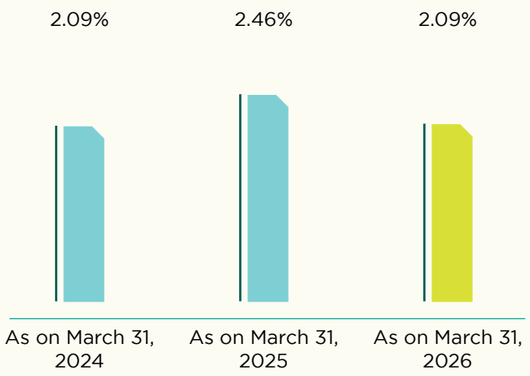


Asset Quality

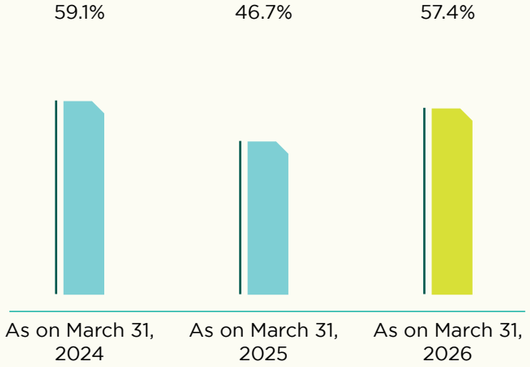
Gross Stage 3



Net Stage 3



Provision Coverage Ratio - Stage 3

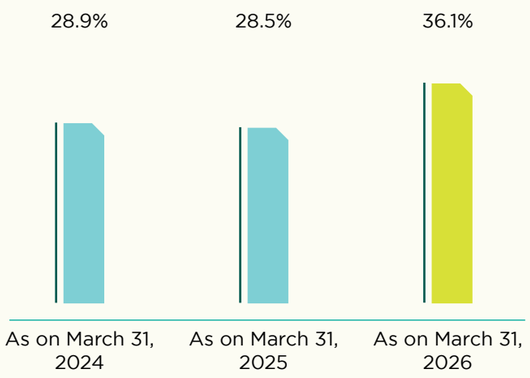


Particulars	Improvement vs. Earlier Vintages
Non-Starter (NS)	68% lower
Early Delinquency (ED)	57% lower

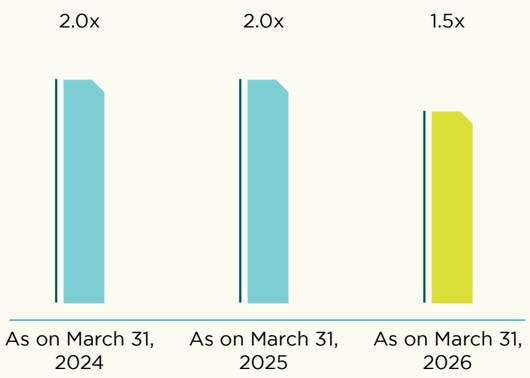
Non-Starter and Early Delinquency levels improved by 68% and 57%, respectively, year-on-year in 2025-26. Non-Starter levels declined from 3.29% in 2024-25 to 1.05% in 2025-26, while Early Delinquency reduced from 5.22% to 2.24% over the same period. The headline Gross and Net Stage 3 ratios continue to reflect the residual impact of older vintages, while the newer book being originated demonstrates materially stronger asset quality and is expected to increasingly shape the portfolio as it seasons.

Capital and Funding

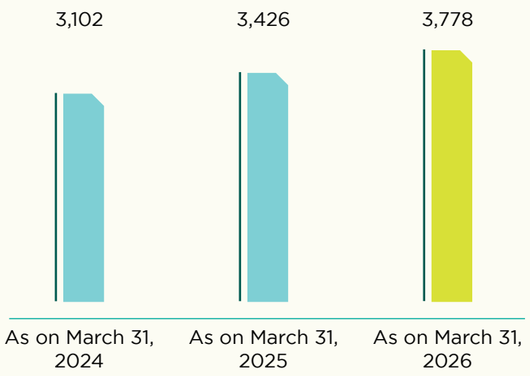
Capital Adequacy Ratio (CRAR)



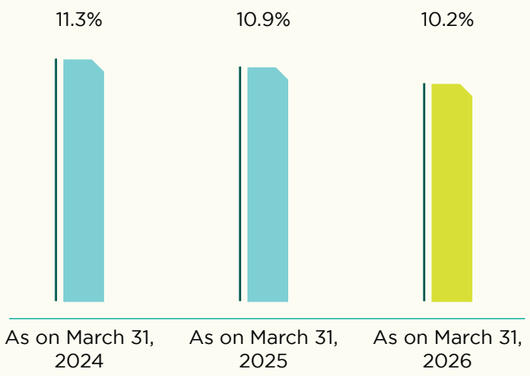
Debt-to-Equity



Net Worth (₹ crore)

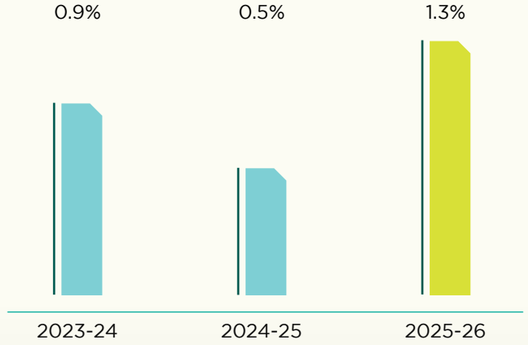


Cost of Funds

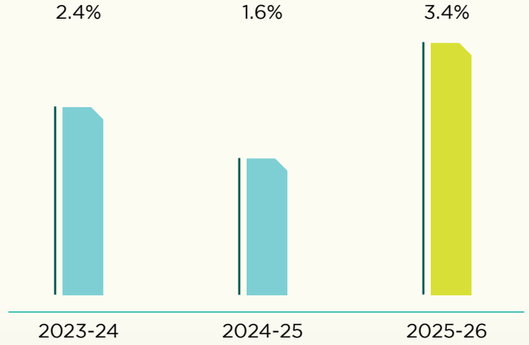


Return Ratios

Return on Average Assets (ROAA)



Return on Equity (ROE)



Chairperson's Message

From the Desk of the Chairperson



"As we look ahead, our priorities remain clear. We will continue to deepen our presence across attractive retail lending segments, strengthen customer relationships, leverage technology to improve productivity and decision making and preserve the disciplined risk culture that underpins our business.

Dear Shareholders,

Every meaningful leap begins long before the moment of take-off. It is built through preparation, discipline and the confidence that comes from strengthening every foundation. For IndoStar, 2025-26 marks such a moment. It is a year in which the transformation undertaken over the past several years has begun to translate into tangible progress, positioning us with greater clarity, resilience and confidence for the next phase of our journey. This year's theme, 'Built to Leap Forward,' reflects this defining stage in our journey. Over the past few years, we have undertaken difficult yet necessary decisions to simplify our business, strengthen our balance sheet, improve portfolio quality, invest in technology and reinforce governance. These actions were undertaken with a clear objective - not merely to improve short-term performance, but to build a stronger institution capable of growing responsibly and creating sustainable long-term value.

During 2025-26, these efforts began translating into measurable progress, providing us with the confidence to move into our next phase of growth.

Our optimism is also shaped by the strength of the environment in which we operate. Despite geopolitical uncertainties and an evolving global economic landscape, India continued to demonstrate remarkable resilience, with GDP estimated to have grown by 7.7% during 2025-26. Sustained public investment, resilient domestic consumption, improving inflation dynamics and continued policy reforms have reinforced India's position as one of the world's most compelling long-term growth markets. The country's expanding formal economy, rising entrepreneurial activity and increasing financial inclusion continue to create opportunities that extend well beyond traditional urban centres.

As economic activity broadens, the demand for formal credit is becoming deeper and more diversified. Small businesses are seeking capital to expand operations; transport operators are investing in fleet modernisation and self-employed entrepreneurs across semi-urban and rural India are increasingly participating in the formal financial ecosystem. This structural shift is creating opportunities for lenders that combine local market understanding with disciplined underwriting, prudent risk management and customer-centric execution.

NBFCs have emerged as an essential part of this evolving financial ecosystem by serving customer segments that remain underserved by conventional banking channels. Retail NBFC Assets Under Management continued to expand during the year, while the vehicle finance market is expected to approach ₹ 11 lakh crore by March 2027, supported by rising commercial activity and growing mobility requirements. Equally significant is the opportunity within the MSME ecosystem, where millions of enterprises continue to face a substantial credit gap despite their significant contribution to India's economy and employment generation. As businesses increasingly seek secured credit solutions to fund expansion and working capital, the market for Micro Loan Against Property offers considerable long-term potential for specialised lenders with strong underwriting capabilities and deep regional reach.

It is against this backdrop that IndoStar's strategic direction becomes particularly relevant. Our focus on Vehicle Finance enables us to participate in India's expanding transportation and logistics ecosystem, while our Micro Loan Against Property business addresses the financing needs of small businesses and emerging entrepreneurs seeking productive capital backed by secured assets. Together, these businesses position us to serve two large and growing segments of the retail lending market while maintaining our commitment to prudent lending and sustainable value creation.

Our progress, however, is not simply a reflection of market opportunity. It is the outcome of deliberate strategic choices made over several years. Over the past several years, we have consciously transitioned from a diversified lending institution to a focused retail franchise, recognising that long-term success requires clarity of purpose, disciplined execution and efficient allocation of capital. 2025-26 represented an important milestone in this journey as many of these strategic initiatives reached meaningful inflection points. One of the most significant developments during the year was the successful divestment of our housing finance subsidiary. This transaction sharpened our strategic focus and enabled us to concentrate our capital, management attention and operating capabilities on our core retail lending businesses. At the same time, we continued to strengthen our operating platform through Project LEAP, which has streamlined processes, improved productivity and embedded greater operational discipline across the organisation. Investments in analytics-led underwriting, digital capabilities and portfolio monitoring have further strengthened our ability to deliver consistent growth while maintaining prudent risk standards.

These initiatives extend beyond operational efficiency. They reflect our commitment to building a stronger institution. A strong institution is built through the quality of its governance, the discipline of its decisions and the strength of its people and systems. The Board remains committed to maintaining the highest standards of governance, ensuring disciplined risk oversight and fostering a culture that supports responsible growth. We continue to invest in leadership, technology and organisational capabilities that will enable IndoStar to remain resilient, agile and competitive as the industry evolves.

Our Assets Under Management crossed ₹ 8,000 crore, and our Net Interest Margin expanded to 7.8% from 5.6%, a clear signal of improving core portfolio quality, with the newest loans we are writing today already showing sharply lower delinquency than the vintages that came before them. This improvement in the underlying portfolio has, in turn, enabled us to enter the next phase with a stronger balance sheet, robust capital position and greater strategic flexibility.

As we look ahead, our priorities remain clear. We will continue to deepen our presence across attractive retail lending segments, strengthen customer relationships, leverage technology to improve productivity and decision making and preserve the disciplined risk culture that underpins our business. Growth will continue to be pursued with the same prudence that has guided our transformation, ensuring that expansion is supported by strong fundamentals and long-term value creation rather than short-term aspirations.

The leap we speak of this year is therefore not defined by a single achievement. It represents a mindset. It reflects the confidence that comes from careful preparation, the discipline to remain focused on long-term objectives and the conviction to seize emerging opportunities with responsibility. Having strengthened our institution, cleared the runway of stress and reinforced our capabilities, we believe IndoStar is well positioned to create enduring value for all our stakeholders and participate meaningfully in India's next chapter of growth.

On behalf of the Board, I extend my sincere appreciation to our customers, shareholders, lenders, regulators and business partners for their continued trust and confidence. I also thank my fellow Board members for their guidance and stewardship, and our employees for their unwavering commitment, professionalism and dedication throughout this transformative journey.

Together, we have done the hard work of building the foundation. We now look ahead with confidence - not simply prepared for the next leap, but ready to make it count.

Warm regards,

Naina Krishna Murthy
Chairperson

Managing Director & Executive Vice Chairman's Message

From the Desk of the Managing Director & Executive Vice Chairman



"Sustainable value creation comes from maintaining disciplined execution, prudent risk management and clarity of purpose.

Dear Shareholders,

2025-26 marks an important milestone in IndoStar's evolution. Over the past few years, we have systematically reshaped our business by addressing stressed exposures, strengthening governance, improving our underwriting and sharpening our strategic priorities. This year was about translating those deliberate actions into measurable outcomes. We focused on building a business that is structurally stronger, operationally more agile, and capable of delivering sustainable, profitable growth over the long term.

The transformation of IndoStar has been anchored in a simple belief. Sustainable value creation comes from maintaining clarity of purpose, disciplined execution, and prudent risk management. Guided by this philosophy, we have completed our transition into a focused retail lending institution, concentrating on secured lending opportunities where we possess deep domain expertise, differentiated underwriting capabilities and strong customer relationships. Today, we are better positioned than ever to serve the evolving credit needs of India's entrepreneurs, transport operators, and underserved borrowers across semi-urban and rural markets.

Transformation Beginning to Reflect in Performance

As our business model became sharper, we saw a healthier portfolio mix, stronger credit selection, disciplined cost management and improved funding efficiency, which collectively strengthened our earnings profile during the year.

Our standalone Assets Under Management reached ₹ 8,056 crore. Net Interest Income grew to ₹ 771.7 crore, while Net Interest Margin expanded to 7.8% from 5.6%. Return on Average Assets also improved to 1.3% from 0.51%, reflecting the strengthening of our core operating performance. Reported Profit After Tax of ₹ 130.2 crore was significantly supported by the gain on divestiture of our housing finance subsidiary, which was deployed prudently towards comprehensive provisioning for stressed exposures. These provisions represent an important step in reinforcing the quality of our balance sheet and strengthening the foundation for future earnings. 2025-26 also marked the successful completion of another important strategic milestone with the divestiture of Niwas Housing Finance. This transaction, together with our decisive provisioning against Security Receipt exposures, significantly improved our portfolio, strengthened earnings visibility, and released both capital and management bandwidth for businesses that offer superior long-term growth potential. The result is a more focused organisation with greater strategic clarity and sharper execution.

₹ 8,056 crore
Assets Under Management

771.7
Net Interest Income

7.8%
Net Interest Margin

With the new-vintage portfolio performing meaningfully better than the loans it replaces, we expect its continued seasoning to increasingly contribute to sustained profitability over the next two to three years.

Our strong capital position and improved funding profile provide a solid platform for the next phase of growth. With a Capital Adequacy Ratio of 36.1% and a Debt-to-Equity ratio of 1.5x, IndoStar remains well capitalised, providing meaningful headroom to fund the next phase of growth without the need for further equity. During the year, we refinanced a significant portion of our high-cost borrowings, resulting in a meaningful year-on-year reduction in incremental borrowing costs. This reflects both active treasury management and the growing confidence of our lending partners in IndoStar's business model. Lower funding costs, together with disciplined portfolio growth, are creating stronger operating leverage and a more favourable foundation for sustainable profitability in the years ahead.

Building an Operating Model Designed to Scale

As our retail franchise expanded, it became imperative to build an operating model capable of delivering speed, consistency, and scalability across every customer interaction. Technology has therefore evolved from being an operational enabler to becoming a strategic differentiator.



This improvement reflects not only active treasury management but also the growing confidence of our lending partners in IndoStar's transformed business model. Lower funding costs, combined with disciplined portfolio growth, are creating a stronger platform for sustainable profitability in the years ahead.

Today, the substantial majority of our Vehicle Finance business and nearly all of our Micro LAP business operate through digital processes, supported by end-to-end digital customer journeys that include e-applications, e-agreements, eNACH mandates, and automated workflows. These initiatives have reduced lead-to-disbursement turnaround time, enabling us to improve customer experience while enhancing employee productivity and maintaining robust process controls.

Beyond digitisation, we have strengthened our decision-making capabilities by establishing a dedicated Data Science Practice, integrating analytics into sourcing, underwriting, portfolio monitoring and collections. These capabilities are enabling us to make faster, better-informed credit decisions while continuously improving portfolio quality as we scale.

Operational excellence has also been reinforced through Project LEAP, our enterprise-wide initiative focused on creating a leaner, more efficient, agile, and profitable organisation. More importantly, these efficiencies are not viewed merely as cost savings. They are being reinvested into technology, frontline capabilities, and customer service, creating a virtuous cycle of productivity, growth, and profitability.

Strengthening the Quality of Our Retail Franchise

Every strategic decision we have taken over the past few years has been guided by one objective: building a high-quality retail franchise capable of delivering consistent performance across economic cycles.

Our branch network now spans 454 locations across 24 States and Union Territories, supported by more than 4,500 employees who continue to deepen customer relationships across India's emerging markets, including a meaningful expansion in frontline sales capacity through the year to support the acceleration in disbursements. Alongside expanding our reach, we have remained disciplined in credit selection. Today, ~80% of our customers possess a CIBIL score of 725 or above, while our exposure to 'New to Credit' borrowers has reduced to just 4%. This reflects a deliberate shift towards stronger borrower quality without compromising growth opportunities.

Expanding Growth Engines for the Future

Vehicle Finance continues to form the backbone of our franchise, contributing more than 93% of our Assets Under Management. However, the business today is fundamentally different from what it was just a few years ago. We have consciously diversified our portfolio by reducing our dependence on Medium & Heavy Commercial Vehicles while expanding financing across passenger vehicles and other retail segments. Enhanced scorecard-led underwriting and stronger analytics have contributed to a 68% reduction in non-starters and 57% in Early Delinquency, reinforcing both portfolio quality and operating efficiency.

₹ 175 crore
Micro LAP Assets Under Management

~80%
Customers with CIBIL Score ≥725

4%
Exposure to 'New to Credit' Borrowers

93%+
Vehicle Finance Contribution to AUM

68%
Reduction in Non-Starters

57%
Reduction in Early Delinquency



Alongside Vehicle Finance, Micro Loan Against Property has emerged as a highly promising growth engine. By leveraging our existing branch infrastructure, distribution network, and customer relationships, we have expanded the business to 108 branches across four states, with Assets Under Management reaching ₹ 175 crore. The business combines attractive yields with prudent risk management through residential collateral and an average Loan-to-Value ratio of 29%. Together, Vehicle Finance and Micro LAP provide complementary growth platforms that strengthen customer relationships while improving portfolio diversification.

Well Positioned for India's Structural Growth Opportunity

India continues to offer one of the most compelling long-term opportunities for retail lenders. Rising infrastructure investments, increasing formalisation of the economy, growing digital adoption, expanding vehicle ownership, and improving financial inclusion continue to create significant demand for secured retail credit. At the same time, underserved borrowers across semi-urban and rural markets remain substantially underpenetrated, presenting a meaningful opportunity for specialised lenders with deep distribution capabilities and disciplined underwriting.

Our strategy is closely aligned with these structural trends. As we continue to strengthen our retail franchise, we remain committed to disciplined growth supported by prudent risk management, strong capitalisation, and continuous investments in technology and analytics.

Looking ahead, we have outlined a clear growth trajectory through 2028-29. The focus will remain on scaling the business while maintaining portfolio quality, credit discipline and operating efficiency.

2025-26 was not simply a year of stronger financial performance. It was a year of sharper operational execution. Technology, processes and people came together to create a more efficient lending platform, strengthening the journey from origination to collection. A strengthened leadership bench, streamlined processes and greater digital adoption improved agility and positioned IndoStar for scalable growth.



Looking Ahead with Confidence

2025-26 was more than a year of stronger financial performance. It was a year of building the strength, discipline and capabilities needed for the next phase of our journey. We enter this phase with a stronger balance sheet, a sharper portfolio, a more agile operating model and greater confidence in our ability to execute. The foundations are in place. We are now built to leap forward.

As we move forward, our focus will remain on creating a high-quality retail franchise that delivers profitable growth, generates sustainable shareholder value, and expands access to responsible finance for thousands of customers across India.

I would like to express my sincere gratitude to our majority shareholders, Brookfield and Everstone, our Board of Directors, our lenders, regulators, customers, and every member of the IndoStar family. Your continued trust and partnership have been instrumental in our transformation, and I look forward to building the next chapter of IndoStar's journey together.

With sincere appreciation,

Randhir Singh
Managing Director & Executive Vice Chairman

Digitalisation Journey

Powering Intelligent, Scalable Lending

Technology continues to be the foundation of IndoStar's transformation into a retail-focused, digitally enabled Non-Banking Financial Company. As the lending landscape evolves - marked by rising demand from underserved customer segments, faster turnaround expectations and increasingly stringent regulatory requirements - the Company continues to strengthen its digital ecosystem to deliver seamless customer experiences, improve operational efficiency and reinforce risk management.

Built on cloud-native architecture, AI-enabled decision engines and data-led underwriting capabilities, IndoStar's technology platform enables end-to-end digital integration across the lending lifecycle - from lead acquisition and onboarding to credit evaluation, disbursement, collections and customer servicing. These capabilities improve productivity and turnaround times while providing the flexibility to scale operations efficiently, without compromising governance and compliance standards.



84%
Vehicle Finance Digital Adoption

An Integrated Digital Lending Ecosystem

At the core of IndoStar's technology landscape is IndoStar Connect, the Company's next-generation, cloud-native Loan Origination System. Designed as a unified digital workflow across businesses, it enables faster processing, greater operational consistency and an improved customer experience.

The platform integrates mobile and web-based customer onboarding with real-time API connectivity across ecosystem partners, supporting digital KYC validation, OCR- and OTP-based document verification, automated AML screening and pre-approved loan offers. Its underwriting engine combines bureau checks, online vehicle valuations, penny-drop bank account verification and rule-based decisioning to enable faster, consistent and data-driven credit decisions.

The digital journey extends beyond loan approval through paperless documentation, e-signing, e-stamping, eNACH mandates, post-disbursement document tracking and automated customer communication - creating a fully integrated lending experience that today enables loan turnaround within approximately two days, while significantly reducing manual intervention.

Key Capabilities

Cloud-native Loan Origination System	**Mobile and web-based customer onboarding**	**API-led partner integration**	**AI-enabled credit assessment and automated decisioning**
Multi-bureau and third-party validations	**OCR-enabled document verification**	**Online vehicle valuation**	**Paperless documentation, e-sign and eNACH**
Workflow-based approvals and integrated compliance checks	**End-to-end digital loan lifecycle management**		

Accelerating Digital Adoption

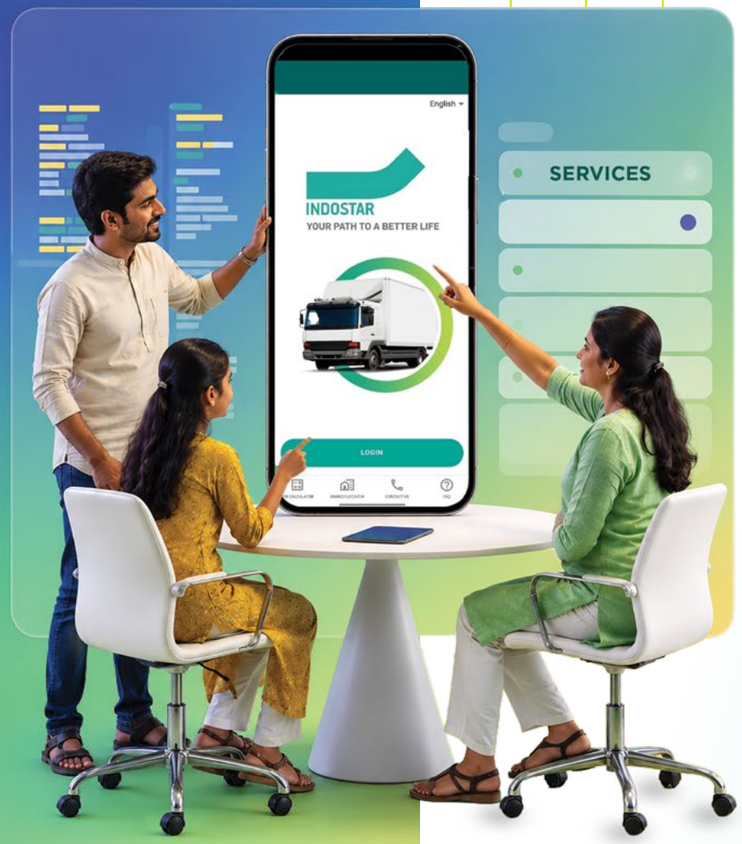
The Company's digital transformation initiatives have resulted in consistently high adoption across businesses, improving customer convenience while reducing processing time and manual effort.

Digital Adoption Metrics	2025-26
Vehicle Finance digital adoption	84%
Micro LAP digital adoption	Nearly 100%
Vehicle Finance e-Agreement & eNACH	80%+
Micro LAP e-Agreement & eNACH	96%
Micro LAP collections digitised	100%

Additional milestones achieved during the year include approval for e-KYC, with implementation planned in the upcoming phase, and the deployment of scorecard-based automated credit decisioning across lending products to enable faster underwriting.

Digital Solutions across the Value Chain

Technology has been embedded across customer acquisition, sales enablement, servicing and ecosystem management, creating a fully connected operating model built around four purpose-built platforms, each integrated with IndoStar Connect at the centre.



Data Science-Led Credit and Collections Intelligence

During 2025-26, IndoStar established a dedicated Data Science Practice, embedding advanced analytics across the lending value chain to improve customer acquisition, underwriting, portfolio monitoring, fraud detection and collections.

The Company has developed proprietary scorecard-based underwriting models for Vehicle Finance, with progressive rollout across additional lending products. Probability of Default (PD) models, bureau intelligence and early warning frameworks enable more accurate risk assessment while supporting faster and more consistent credit decisions.

Analytics is also transforming collections through flow-forward propensity models that prioritise accounts based on delinquency behaviour, enabling timely interventions and improved recovery outcomes.

At the sourcing stage, predictive models help identify higher-quality customer segments, balancing business growth with portfolio quality.

IndoStar is further strengthening its analytics capabilities through lead scoring models, fraud trigger frameworks, settlement models and bureau-led conversion engines, building a connected data ecosystem that supports intelligent decision-making from customer acquisition to collections.

Strengthening Cyber Resilience

As digital adoption continues to accelerate, cybersecurity remains a strategic priority for IndoStar. The Company has established a comprehensive cybersecurity framework built around four foundational pillars - Protect, Detect, Respond and Recover - combining governance, technology and people capabilities to strengthen cyber resilience across the organisation.

Key initiatives during the year included continuous enhancement of cybersecurity infrastructure, strengthening of incident response and recovery mechanisms, regular security assessments and readiness evaluations, ongoing employee training and capability building, and process enhancements aligned with evolving cyber risks. This framework is governed enterprise-wide by a dedicated Chief Information Security Officer (CISO).

Artificial Intelligence - Strategy and the Path Ahead

Artificial intelligence already underpins several of IndoStar's core lending capabilities - from AI-enabled credit assessment within IndoStar Connect to the proprietary scorecards, probability-of-default models and early warning frameworks developed by the Company's Data Science Practice. Building on this foundation, the Company is taking deliberate, structured steps to scale its AI capabilities further.

As part of its application roadmap, the Company has planned the phased rollout of AI-based customer and collections engagement tools, including a conversational assistant for customer service and an AI-enabled collections outreach solution. Automation and AI enablement have also been identified as a dedicated workstream within the Company's technology roadmap for the coming year - reflecting IndoStar's approach of pairing innovation with the governance and controls appropriate to a regulated lending institution.

Technology Governance

Technology governance is overseen by the IT Strategy Committee, which ensures that technology investments remain aligned with the Company's strategic priorities while providing oversight of cybersecurity, technology risks and regulatory compliance.

HR Initiatives

Enabling Growth through Workforce Excellence

The Company's transformation journey is powered by its people. As the business expanded across new markets and customer segments, IndoStar strengthened its organisational capability by attracting experienced leaders, developing future-ready talent, digitising HR operations and fostering a culture of accountability and ownership. These investments have created a stronger, more agile workforce capable of delivering consistent execution while supporting sustainable business growth.

Culture and Employee Experience

A culture of collaboration, inclusivity, and high performance is deeply embedded in the Company's policies, people practices, and daily interactions.

Cultural Pillars

- Building capabilities
- Engagement
- Employee wellness
- Performance-linked rewards and recognition

HR as a Strategic Business Partner

2025-26 marked a shift in the role of Human Resources from an operational support function to a strategic partner embedded within the business. Working closely with business leaders, HR aligned workforce planning, hiring and retention with the Company's expanding retail footprint and evolving organisational priorities.

This approach was underpinned by three clear objectives:

- Attract high-performing talent with strong market credentials
- Improve productivity and accelerate new hire effectiveness
- Build a culture centred on ownership, accountability and execution excellence

Regular town halls, quarterly recognition programmes and proactive engagement initiatives further strengthened organisational alignment during a year of rapid transformation.

Strengthening Leadership for Scale

As the Company initiated for its leap forward, IndoStar significantly strengthened its leadership bench across business and corporate functions. New leaders were brought in across Vehicle Finance, Micro LAP, technology, human resources, compliance, data analytics and national sales functions, adding deep domain expertise and execution capability. Collectively, the leadership team brings over 20 years of average experience across leading financial institutions.

Beyond leadership hiring, capability-building programmes continued to develop future leaders across the organisation while reinforcing governance, execution discipline and customer-centric decision making.

Creating a High-Performance Workforce

As the workforce expanded, equal emphasis was placed on improving productivity and ensuring every employee contributed to measurable business outcomes.

Performance management evolved through balanced scorecards that linked individual KRAs with business objectives, creating greater transparency and accountability across the organisation. Structured onboarding and targeted capability-building programmes enabled new frontline employees to become productive within their first few months, while continuous learning strengthened technical, regulatory and functional expertise.

Training programmes covered compliance, KYC, cybersecurity, POSH, underwriting, digital tools and business-specific capabilities, ensuring employees remained equipped to support the Company's evolving operating model.

Importantly, performance metrics were recalibrated to place greater emphasis on portfolio quality alongside business growth, reinforcing sustainable lending practices across the organisation.

Digitising the Employee Lifecycle

During the year, IndoStar accelerated the digital transformation of its HR function, simplifying employee experiences while improving organisational efficiency.

Recruitment transitioned to a fully digital platform, eliminating paper-based processes and enabling end-to-end visibility across the hiring funnel. Automated onboarding and offboarding workflows, digitised employee support systems and integrated HR platforms improved process efficiency, reduced manual intervention and strengthened governance.

The Company also progressed towards self-service workforce analytics, enabling business teams to access real-time people insights and make faster, data-driven decisions.

Building a Culture of Ownership

Culture remained central to IndoStar's transformation journey. The Company continued to reinforce an environment built on meritocracy, collaboration and accountability, while encouraging employees to adopt an ownership mindset aligned with business objectives.



Quarterly town halls strengthened communication between leadership and employees, while structured recognition programmes celebrated high performance and reinforced desired behaviours. Employee well-being continued to be a priority through comprehensive health and accident insurance, wellness initiatives, health check-ups and parental benefits.

Perhaps the most significant cultural shift during 2025-26 was embedding the belief that sustainable business growth must be accompanied by disciplined portfolio quality - a principle reflected not only in business strategy but also in individual performance assessments.

Driving Sustainable Organisational Excellence

Alongside capability building, HR also contributed to organisational efficiency and long-term sustainability.

The LEAP programme delivered cost savings through contract optimisation and expenditure rationalisation, while preserving employee benefits and workforce engagement. At the same time, labour law changes were implemented seamlessly without increasing costs for employees, reflecting the Company's commitment to employee welfare.

Through strategic hiring, disciplined performance management, digital transformation and a strong partnership with the business, HR continued to build an organisation equipped to deliver IndoStar's next phase of profitable and sustainable growth.

CSR Initiatives

Creating Healthier Communities, One Initiative at a Time

IndoStar's commitment to inclusion extends beyond financial services. As the Company expands its footprint across India, it continues to invest in initiatives that improve the quality of life in the communities it serves. Through focused partnerships with credible implementation agencies, IndoStar's CSR programmes address critical healthcare needs, improving access to preventive care, promoting health awareness and delivering essential medical services to underserved populations.

Improving Access to Preventive Healthcare

Healthcare remained the cornerstone of IndoStar's CSR initiatives during the year. The Company's programmes focused on taking preventive healthcare directly to communities where access to quality medical services remains limited. By combining awareness, early diagnosis and timely intervention, IndoStar sought to reduce future health risks while encouraging healthier communities.





CSR Focus Areas

- Preventive healthcare and community well-being
- Early diagnosis and health awareness
- Adolescent health and women's healthcare
- Primary healthcare access for underserved communities
- Partnerships with experienced implementation agencies

Cervical Cancer Mukt Bharat Abhiyaan

In partnership with Jivika Foundation, IndoStar implemented the Cervical Cancer Mukt Bharat Abhiyaan, a preventive healthcare initiative focused on protecting adolescent girls against cervical cancer through HPV vaccination and awareness. Conducted across Pune and Thane, the programme engaged schools, parents and local communities to improve awareness around adolescent health while ensuring safe and informed immunisation. Every vaccination was administered with informed parental consent and under strict clinical protocols.

Bringing Healthcare Closer to Communities

Complementing its preventive healthcare initiatives, IndoStar partnered with Smile Foundation to organise specialised health camps across six states - Rajasthan, Madhya Pradesh, Chhattisgarh, Gujarat, Uttar Pradesh and Haryana. These camps brought preventive, promotive and curative healthcare services directly to underserved communities, reducing healthcare access barriers while encouraging timely diagnosis and treatment. Services included general medical consultations, physiotherapy, eye check-ups and point-of-care diagnostic testing.

Impact Delivered

- Improved access to preventive healthcare for adolescent girls
- Increased awareness of cervical cancer prevention among families and schools
- Strengthened community trust through school and community partnerships
- Encouraged informed healthcare decisions through structured awareness programmes

Healthcare Services Delivered

- General physician consultations
- Blood pressure, blood sugar and haemoglobin screening
- Physiotherapy support
- Eye examinations
- Community health education and counselling

566 Girls Vaccinated

17 Institutions Engaged

22 Health Camps Conducted

6 States Covered

5,993 Beneficiaries Reached

631 Parents, Teachers and Students Reached

11 Awareness Sessions Conducted

5,500 Healthcare Kits Distributed

3,450 Diagnostic Tests Conducted





Corporate Governance & Risk Management

Governance that Enables Sustainable Growth

IndoStar's governance framework provides the foundation for disciplined decision-making, prudent risk management, and sustainable value creation. With strong Board oversight, clearly defined accountability, robust compliance mechanisms, and an integrated risk architecture, the Company ensures that strategic growth is pursued without compromising financial discipline, regulatory compliance, or stakeholder trust.

Governance Framework

The Company's governance framework combines strategic oversight, robust risk management and regulatory compliance, supported by a diverse Board with expertise across financial services, governance, risk management and business leadership. The Board and its committees provide active oversight, embedding risk considerations into strategic decisions and strengthening internal controls.

The Company operates in line with the Companies Act, SEBI Listing Regulations and RBI guidelines, and is registered as a Corporate Agent with the Insurance Regulatory and Development Authority of India (IRDAI) vide Certificate of Registration dated February 21, 2024. Regular familiarisation programmes keep Directors abreast of regulatory developments, industry trends and strategic priorities.

Board Committees

To strengthen oversight and enable focused decision-making, the Board has constituted specialised committees with clearly defined responsibilities.

Committee	Primary Responsibility
Audit Committee	Oversees financial reporting, internal controls, statutory and internal audits, and the whistle-blower mechanisms
Nomination and Remuneration Committee	Reviews Board composition, succession planning, performance evaluation and remuneration policies
Risk Management Committee	Provides oversight of enterprise-wide credit, market, liquidity and operational risks in coordination with the Chief Risk Officer
Stakeholders' Relationship Committee	Addresses investor and security-holder grievances while safeguarding stakeholder interests
Asset Liability Management Committee (ALCO)	Monitors liquidity, capital adequacy, interest rate risk, liquidity coverage ratio and stress testing
IT Strategy Committee	Aligns technology investments, cybersecurity and digital initiatives with business strategy
Customer Services Committee	Oversees customer service standards, grievance redressal and customer outcomes
Internal Complaints Committee	Promotes a safe, inclusive and compliant workplace

Compliance Framework

Compliance is embedded across the organisation through structured policies, independent oversight and technology-enabled monitoring systems that promote transparency, ethical conduct and regulatory adherence. During 2025-26, the Company further strengthened this function through the appointment of a seasoned Chief Compliance Officer, reinforcing governance across all business operations.

The framework is aligned with RBI regulations, SEBI Listing Regulations and applicable corporate governance requirements, supported by comprehensive policies covering Director and senior management suitability, insider trading, related party transactions, whistle-blower mechanisms, and Board evaluation and remuneration.

Integrated Risk Management

Risk management is embedded across the lending lifecycle through a comprehensive enterprise framework that enables the proactive identification, assessment, monitoring and mitigation of financial and non-financial risks. Supported by data-driven analytics, governance controls and continuous monitoring, the framework safeguards portfolio quality while supporting sustainable growth.

Risk Area	Risk Management Approach
Credit Risk	Managed through rigorous underwriting, proprietary product-specific scorecards, portfolio surveillance, cohort-level analytics and Expected Credit Loss (ECL) provisioning. During 2025-26, the Company significantly strengthened its framework through a formal Early Warning System, monthly credit reviews, quick-mortality analyses and branch-level trigger mechanisms based on loan-to-value ratios and customer risk filters. These measures contributed to improved portfolio resilience, enhanced early delinquency detection and strengthened underwriting discipline across product segments.
Liquidity Risk	Managed through disciplined Asset-Liability Management (ALM), liquidity stress testing and contingency funding arrangements. Positive cumulative mismatches were maintained across all maturity buckets, with available liquidity of ₹ 599 crore as of March 31, 2026.
Operational Risk	Mitigated through standardised processes, internal audits, maker-checker controls, employee capability building, process standardisation, fraud-risk monitoring, and increasing digitalisation across the lending lifecycle to minimise manual intervention.
Regulatory and Compliance Risk	Managed through continuous regulatory monitoring, policy reviews, internal audits and technology-enabled compliance controls to ensure adherence to evolving RBI and statutory requirements
Fraud and Cybersecurity Risk	Strengthened through a dedicated Risk Control Unit, Data Loss Prevention (DLP) tools, Security Operations Centre (SOC) monitoring, cyber resilience planning and oversight by the Chief Information Security Officer.
Model Risk	Managed through periodic validation and annual refresh of Expected Credit Loss (ECL) models, including updates to Probability of Default (PD) and Loss Given Default (LGD) assumptions.
Concentration Risk	Reduced through strategic portfolio diversification, lowering the largest product concentration from 56% to 37% of Assets Under Management over the last three years.
Strategic Risk	Managed through periodic business reviews, portfolio performance monitoring, stress testing, scenario analysis and Board oversight to ensure alignment between growth objectives and risk appetite.

Board of Directors

Esteemed Board of Directors



Ms. Naina Krishna Murthy

Chairperson and Non-Executive Independent Director

Ms. Naina Krishna Murthy is the Chairperson and Non-Executive Independent Director of IndoStar. She is a seasoned corporate lawyer and the Founding Partner of K Law, a leading full-service law firm in India. She began her career with Arthur Anderson and later served as in-house counsel at Biocon.

With over 30 years of experience, Naina specialises in corporate commercial law, focusing on mergers and acquisitions, joint ventures, collaborations, and private equity and venture capital investments.

Naina is a trusted legal advisor who represents eminent clients, both Indian and international, in their operations within India and globally.

She serves on the board of Sustainable Energy Infra Investment Managers Private Limited, Investment Manager to Sustainable Energy Infra Trust ('SEIT IM').

Naina also holds board directorships as an independent director in various companies, including Sterling and Wilson Renewable Energy Limited, Den Networks Limited, IndoStar Capital Finance Limited, Hathway and Page Industries Limited.

She serves as Vice Chair (Membership) for the South Asia/Oceania and India Committee at the American Bar Association (ABA).



Mr. Hemant Kaul

Non-Executive Independent Director

Mr. Hemant Kaul is a Non-Executive Independent Director of IndoStar. He has vast experience as an independent management consultant, having worked with private equity firms to evaluate investments in the financial sector. Earlier, Mr. Kaul has also been the MD & CEO of Bajaj Allianz General Insurance Co Limited and the Executive Director of Axis Bank. Mr. Kaul holds a Bachelor of Science and a Master's degree in Business Administration from Rajasthan University.



Ms. Sujatha Mohan

Non-Executive Independent Director

Ms. Sujatha Mohan is a Non-Executive Independent Director of IndoStar Capital Finance Limited. Ms. Sujatha Mohan has over 30 years of experience across the Banking and IT industries. Ms. Mohan, a Wharton alumna, is the founder of Pharus Consulting LLP, a firm that supports organisations in the BFSI sector by offering a practitioner's view of digital, business and execution strategies. She has been recognised for leading strategic and transformative initiatives across different organisations. Prior to this, Ms. Mohan was associated with HDFC Bank Limited, FIS Global, RBL Bank Limited, Oracle Financial Software Services Limited, ANZ Grindlays Bank and Stock Holding Corporation of India Limited where she held various leadership roles. Her areas of specialisation include Core Banking, Core Modernisation, API Strategy, Digital Transformation and Payments. Over her 30-year career, she has received numerous awards/recognitions including the Asian Banker Award (twice) for two projects executed under her leadership. She was also the recipient of the Payments Award by the Indian Banking Association for projects executed under her mentorship and the Women in Fintech Award in 2019 by Fintegrate Zone.



Mr. Aditya Joshi

Non-Executive Non-Independent Director

Mr. Aditya Joshi is a Managing Partner and the Head of Private Equity for the Asia-Pacific region across India, China, Australia and the Middle East. In this role, he is responsible for deal sourcing and execution, as well as portfolio monitoring.

Prior to joining Brookfield in 2019, Mr. Joshi was a principal at a global private equity firm where he was involved in deals in the healthcare, technology services and financial services sectors. Previously, he worked at another global private equity firm covering technology and business services, and at a global investment bank focusing on fundraising and M&A across various industries.

Mr. Joshi holds a Master of Business Administration degree from The Wharton School of the University of Pennsylvania, and a Bachelor's degree from the University of Pune. He is a Chartered Accountant, a member of The Institute of Chartered Accountants of India and a member of FICCI's National Committee on Private Equity for India.



Mr. Devdutt Marathe

Non-Executive Non-Independent Director

Mr. Devdutt Marathe is a Non-Executive Non-Independent Director of IndoStar. He is an investment professional with over sixteen years of experience in the Private Equity space. He is currently a Managing Director at Brookfield Asset Management, and heads the private equity strategy for India. Previously, Devdutt Marathe was a Principal at Apax Partners, where he led or participated in several transactions across financial services, healthcare and technology sectors. Mr. Marathe holds B.Tech. and MS degrees in Electrical Engineering from IIT Madras and Caltech (USA) respectively, and a PGDM from IIM Ahmedabad.



Mr. Vishal Goenka

Non-Executive Non-Independent Director

Mr. Vishal Goenka is a Non-Executive Non-Independent Director of IndoStar Capital Finance Limited. He is a Managing Director at Everstone Capital, focusing on investments in industrials and financial services businesses. He is based in Mumbai and has over 15 years of investing and banking experience across sectors. Previously, he has worked with Warburg Pincus in their India business and J.P. Morgan in their IB business. He holds a Postgraduate degree in Management from IIM Indore (Institute Gold Medalist) and an Engineering degree from University of Mumbai.



Mr. Bobby Parikh

Non-Executive Non-Independent Director

Mr. Bobby Parikh is the Non-Executive Non-Independent Director of IndoStar Capital Finance Limited. He has nearly three decades of experience in financial services industry/reorganisations. Mr. Parikh's area of focus is providing tax and regulatory advice in relation to transactions and other forms of business reorganisations. He has founded Bobby Parikh Associates, a boutique firm focused on providing strategic tax and regulatory advisory services. Mr. Parikh is a qualified Chartered Accountant from the Institute of Chartered Accountants of India and holds a Bachelor of Commerce degree from the University of Mumbai.



Mr. Randhir Singh

Managing Director & Executive Vice Chairman

Mr. Randhir Singh is the Managing Director designated as Managing Director & Executive Vice Chairman. He is a seasoned financial leader with 30+ years of experience in MSME/Corporate/FIG Lending, Structured Finance, Debt Capital Markets, Treasury, Sales and Trading, FX and Interest Rate Derivatives, Risk Management and Banking Operations. Randhir started his career with Citibank India in 1995 and worked there till 2007 in various roles. He then worked in Deutsche Bank as Managing Director and India Head of Financing between 2007 and 2016. He subsequently worked in Edelweiss as CEO of Commercial Lending & Structured Finance from 2016 to 2018. Prior to joining IndoStar Capital Finance Limited, Randhir was Jt. CEO and Co-Founder of APAC Financial Services from 2018 to 2024.

Awards & Accolades

Recognising a Culture that Puts People First

Great workplaces are built on trust, shaped by strong leadership, and strengthened by people who believe in the organisation they are part of. IndoStar's recognition during 2025-26 reflects the progress the Company is making in building a culture where people feel empowered to contribute, grow and succeed.

Employee Choice Award

IndoStar Capital was honoured with the ABECA Employee Choice Award in the Top-Rated Mid-Size Company category, reflecting the trust of the Company's employees and its commitment to an inclusive, people-centric and high-performance workplace.

Leadership Recognition

Ms. Jasmine Bawa, Chief Human Resources Officer, was recognised for her contribution to shaping IndoStar as an exceptional workplace in the BFSI sector, strengthening the Company's people practices and culture of collaboration, purpose and excellence.





THE FLIGHT AHEAD



Charting the Flight

Scaling the Company's Growth Engines

Accelerating Vehicle Finance and expanding Micro LAP to build a diversified, retail-centric lending portfolio.

Expanding the Company's Reach

Growing the Company's branch network, strengthening frontline capabilities and extending the Company's presence across underserved markets.

Driving Digital Excellence

Leveraging technology, analytics and paperless processes to deliver faster decisions and superior customer experiences with scorecard-based underwriting, reducing the turnaround time significantly.

Executing with Discipline

Strengthening operational excellence through Project LEAP while maintaining prudent underwriting, robust collections and disciplined risk management, including a shift towards a verticalised organisation structure, treating Commercial Vehicles, Passenger Vehicles, Construction Equipment and Farm Equipment as distinct, specialised businesses, in line with established practice among leading secured retail lenders.

Creating Sustainable Value

Pursuing ambitious growth, supported by a strong capital position and an unwavering focus on portfolio quality and long-term profitability.

The flight is where momentum becomes distance. For IndoStar, the years ahead are about transforming today's progress into enduring growth, stronger market leadership and sustained value creation.

A successful long jump is not defined by the take-off alone.

Once airborne, the athlete must maintain balance, preserve momentum and stay true to the intended trajectory. Every movement is deliberate. Every adjustment matters. The flight is where preparation is sustained through precision, ensuring that every ounce of momentum translates into greater distance.

For IndoStar, this is the journey that lies ahead.

Having cleared the runway of stress and completed the transformation into a focused retail franchise, the focus now shifts to sustaining momentum through disciplined execution, converting a robust balance sheet and a stronger portfolio into consistent, compounding profitability. The years ahead will be defined by thoughtful expansion, sharper customer focus and operational excellence, ensuring that growth is both scalable and sustainable. Every initiative is designed to strengthen the Company's retail franchise while creating long-term value for all stakeholders.

Way Forward

Scaling with Purpose

Having successfully transformed into a focused retail NBFC, IndoStar is now entering a phase of accelerated yet disciplined growth. 2025-26 was the year the runway was cleared, stress provided for, the balance sheet strengthened, the portfolio simplified. The priority for the next three years is to convert that strength into sustained, compounding profitability. The strategic priorities established over the past few years have created a strong platform to scale the business while preserving the Company's hallmark of prudent risk management and capital discipline.



Looking Ahead

India's expanding retail credit market presents significant long-term opportunities for well-governed and customer-focused NBFCs. With two scalable growth engines, a strengthened operating platform, an experienced management team and a clear strategic roadmap, IndoStar is well positioned to accelerate its next phase of growth while remaining committed to responsible lending, operational excellence and sustainable value creation for all stakeholders.

Key Priorities Going Forward

Strengthen the retail portfolio by expanding Vehicle Finance across Commercial Vehicles, Passenger Vehicles, Construction Equipment and Farm Equipment, creating a more diversified and resilient asset mix.

Deepen distribution capabilities through branch expansion, upgraded service centres and continued investments in frontline talent to improve market penetration and customer reach.

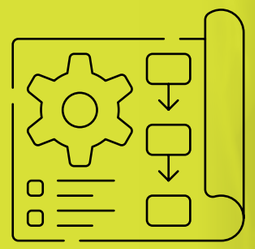
Scale Micro LAP as the second growth engine, leveraging the existing branch infrastructure, expanding into new geographies and progressively increasing its contribution.

Accelerate digital transformation by enhancing analytics-led underwriting, paperless customer journeys and faster turnaround times to improve productivity and customer experience, targeting scorecard coverage.

Drive operational excellence through Project LEAP, unlocking operating leverage, simplifying processes and improving cost efficiency as the business scales.

Maintain disciplined risk and capital management, supported by a strong capital base, prudent underwriting and a continued focus on portfolio quality across economic cycles.

MANAGEMENT DISCUSSION AND ANALYSIS

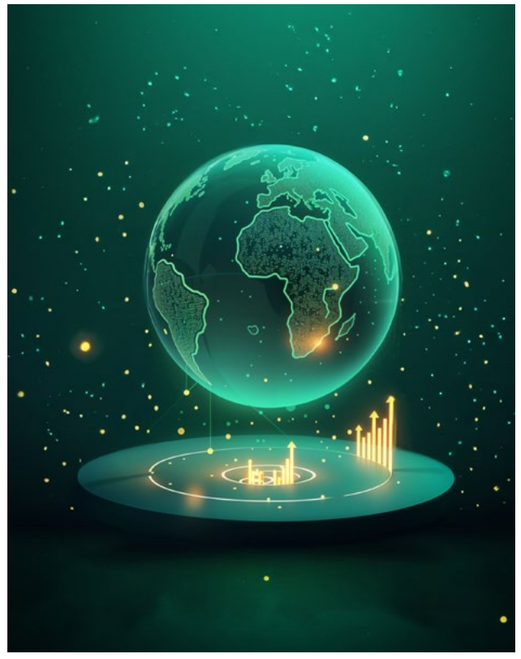




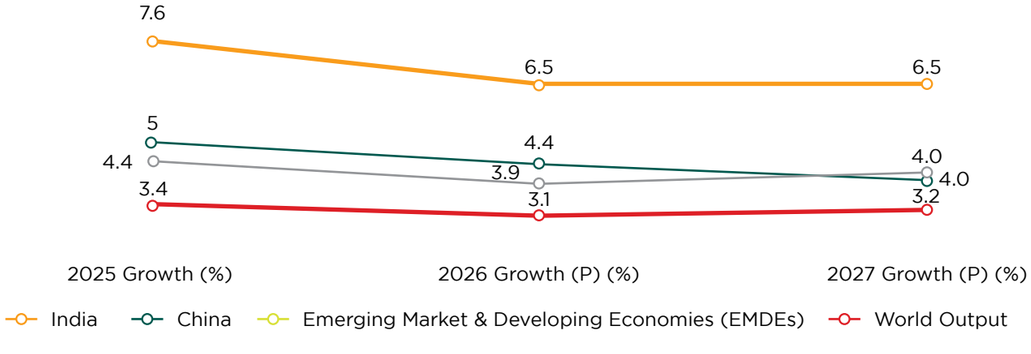
Global Economy: Resilience Amid Policy and Geopolitical Transitions

The global economy entered 2026 at a critical inflection point, balancing moderating inflation and easing monetary conditions against rising geopolitical uncertainties and structural shifts in trade, investment and industrial policy. Despite persistent global challenges, economic activity remained relatively resilient during 2025, supported by strong public and private investments, technology-led capital expenditure and softer energy prices for a significant part of the year.

Global GDP expanded by 3.4% in 2025, with growth remaining uneven across regions. Advanced economies recorded growth of 1.9%, supported by fiscal spending, infrastructure investments and industrial policies focused on strengthening domestic manufacturing, energy security and technological competitiveness. Emerging Market and Developing Economies (EMDEs) continued to serve as the primary engine of global growth, expanding by 4.4%, led by China's growth of 5.0%.



Global Growth Outlook (%)



P: Projected

National governments increasingly relied on fiscal and industrial policies to stimulate economic activity and strengthen strategic sectors. Significant investments were directed towards semiconductors, clean energy, advanced manufacturing, digital infrastructure and supply chain resilience, resulting in a gradual reconfiguration of global investment and trade flows.

Technology emerged as one of the defining themes of the year, with substantial capital being deployed towards artificial intelligence, cloud infrastructure, semiconductor manufacturing and data centres. These investments are expected to reshape productivity, competitiveness and long-term economic growth across industries.

Global inflation moderated to 4.1% during 2025, aided by easing supply chain disruptions and softer commodity prices.

The moderation in inflation enabled several central banks to cautiously initiate monetary easing measures. However, policymakers remained vigilant as inflationary pressures persisted across certain economies and borrowing costs continued to remain above pre-pandemic levels.

Looking ahead, geopolitical developments remain a key source of uncertainty. Escalating tensions in the Middle East during early 2026 renewed concerns regarding energy security and inflation, resulting in Brent crude prices increasing from approximately USD 70 per barrel towards the USD 100 per barrel mark. Against this backdrop, the IMF projects global growth to moderate to 3.1% in 2026 before improving marginally to 3.2% in 2027.

India Continues to Outpace Major Economies

India remained one of the world's fastest-growing major economies during 2025-26, with real GDP estimated to have expanded by 7.7%, supported by resilient domestic demand, sustained public investment, healthy private sector participation and broad-based sectoral growth. Headline inflation remained well contained at 3.4% in March 2026 and 3.5% in April 2026, reflecting continued macroeconomic stability.

Despite an uncertain global environment, India strengthened its economic fundamentals through coordinated fiscal, monetary and structural reforms. During the year, S&P Global Ratings upgraded India's sovereign rating from BBB- to BBB, its first sovereign rating upgrade in nearly eighteen years, while the implementation of GST 2.0 further enhanced the country's economic resilience and long-term growth prospects.



Policy Reforms and Monetary Easing Supporting Investment-Led Growth

As inflation moderated, the Reserve Bank of India initiated a calibrated monetary easing cycle to support growth and liquidity. During the year, the repo rate was reduced by 125 basis points to 5.25%, while the Cash Reserve Ratio (CRR) was lowered from 4.0% to 3.0%, improving liquidity and supporting credit growth.

On the fiscal front, the Union Budget 2026-27 reaffirmed the Government's focus on infrastructure development, manufacturing and productivity enhancement. Continued public investment and Production Linked Incentive (PLI) schemes strengthened industrial growth and supply-chain competitiveness, while the services sector remained the largest contributor to the economy, accounting for over 53% of GDP, supported by growth in information technology, financial services and digital adoption.

Digitalisation, Consumption and MSMEs Expanding the Economic Opportunity Set

Domestic consumption remained a key driver of India's economic growth during 2025-26, supported by resilient urban demand and a recovery in rural consumption driven by improving agricultural income, lower inflation and stronger economic activity. Rising household confidence and purchasing power continued to support consumption across sectors.

India's digital transformation accelerated, with the digital economy continuing to outpace overall GDP growth and remaining on track to contribute nearly 20% of national income by 2029-30. Widespread adoption of UPI, the Jandhan bank accounts, Aadhaar identification cards and increasing mobile penetration: the (JAM) Architecture and the Account Aggregator framework strengthened financial inclusion, enabled paperless underwriting and expanded access to formal credit.

The MSME sector remained a key engine of economic growth, with outstanding credit reaching approximately ₹ 67.6 lakh crore as of December 2025, reflecting 16% year-on-year growth, while serious delinquencies declined to a five-year low of 1.87%. However, formal credit penetration among Udyam-registered MSMEs remains at approximately 47%, highlighting significant opportunities for further expansion of formal credit.

External Strength and Rural Transformation Underpin Long-Term Growth

Agriculture and allied activities remain integral to India's economy, contributing nearly one-fifth of national income and supporting approximately 46% of the workforce. The Union Budget 2026-27 allocated approximately ₹ 1.63 lakh crore towards agriculture and rural development, while initiatives such as the AI-enabled Bharat-VISTAAR (Virtually Integrated System to Access Agricultural Resources) platform, integrated with AgriStack, are expected to enhance farm productivity and strengthen rural resilience.

India's external sector remained resilient despite geopolitical uncertainties, with combined merchandise and services exports reaching a record USD 863.11 billion during 2025-26. Foreign exchange reserves increased to USD 681.38 billion as of May 2026, supported by strong remittance inflows and providing a robust buffer against external volatility.

Looking ahead, India's growth outlook remains favourable, supported by resilient domestic demand, sustained infrastructure investments, accelerating digitalisation and an increasingly formalised economy. While geopolitical tensions, elevated crude oil prices and weather-related risks may pose near-term challenges, strong macroeconomic fundamentals and a supportive policy environment are expected to sustain growth momentum, with real GDP projected to grow by approximately 6.5% in 2026-27.

Industry Overview

Non-Banking Financial Companies (NBFCs)



India's Non-Banking Financial Company (NBFC) sector continued to play a pivotal role in expanding credit access and driving financial inclusion during 2025-26. Supported by resilient economic growth, rising consumption demand, increasing formalisation of economic activity and accelerating digital adoption, NBFCs strengthened their position as key providers of credit to retail customers, MSMEs, self-employed borrowers and underserved geographies.

The sector remained one of the fastest-growing segments within the financial services landscape, with NBFC credit growth continuing to outpace that of the banking sector, reflecting their deep customer reach, agile underwriting capabilities and specialised lending models.

Strong Growth Momentum across Lending Segments

The NBFC sector sustained healthy growth during 2025-26 despite evolving regulatory requirements and a calibrated approach to risk management. According to ICRA, retail NBFC AUM expanded by approximately 17% year-on-year during H1 2025-26 and is projected to grow by 17–19% in 2025-26 and 16-18% in 2026-27, driven by strong demand across vehicle finance, gold loans, personal loans, consumer finance and MSME lending. Retail NBFC AUM is expected to exceed ₹ 30 lakh crore by 2026-27, while CRISIL Ratings projects overall industry AUM to surpass ₹ 50 lakh crore, underscoring the sector's long-term growth potential.

(Sources: ICRA NBFC Retail Sector Outlook, January 2026; CRISIL Ratings, November 2025)

Digitalisation and Technology-Led Transformation

Technology continued to reshape the NBFC landscape during 2025-26, with increased investments in digital lending platforms, artificial intelligence, machine learning and advanced analytics to enhance customer acquisition, underwriting and operational efficiency. The growing adoption of Aadhaar, UPI and the Account Aggregator framework enabled faster onboarding, improved credit assessment and deeper penetration into semi-urban and rural markets. According to BCG, technology-enabled underwriting and customer servicing have become key differentiators for sustainable growth and portfolio quality.

(Source: BCG NBFC Sector Update H1 2025-26)

Funding Environment Improves

Funding conditions improved during 2025-26 as liquidity eased and bank lending to NBFCs strengthened. According to ICRA, the retail NBFC segment's incremental funding requirement is estimated at ₹ 3.5-3.7 trillion in 2025-26 and is expected to increase to ₹ 4.1-4.3 trillion in 2026-27. NBFCs continued to diversify their funding mix through market borrowings, securitisation and co-lending partnerships, while lower interest rates are expected to reduce the weighted average cost of funds by 10-30 basis points during 2025-26 and 2026-27.

(Source: ICRA NBFC Retail Sector Outlook, January 2026)

Consolidation and Capital Market Activity

2025-26 witnessed increasing consolidation across the NBFC sector, driven by scale requirements, evolving regulatory expectations and growing investor interest. According to CRISIL, private equity investors are expected to accelerate exits through strategic sales, public offerings and secondary transactions, reflecting the sector's growing maturity. Larger NBFCs are expected to benefit from stronger funding access, wider distribution networks and superior technological capabilities, while smaller players continue to face rising compliance costs and competitive pressures.

(Source: CRISIL, 'PE Exit Cycle Looms for NBFCs', June 2026)

Strengthening Regulatory Oversight

The Reserve Bank of India (RBI) continued to strengthen the regulatory architecture for the NBFC sector during 2025-26. A key development was the consolidation and revision of regulations under the Scale-Based Regulation (SBR) framework, providing a more integrated regulatory structure across NBFCs based on their size, activities and risk profile. The framework continues to classify NBFCs into Base, Middle, Upper and Top Layers, with progressively higher regulatory requirements for entities with greater systemic significance.

RBI also maintained its focus on enhanced supervision of systemically important entities through the Upper Layer framework. During the year, regulatory action, including cancellation of registration of non-compliant NBFCs, further reinforced compliance discipline, governance standards and financial stability across the sector.

Key Regulatory Developments during 2025-26

Development	Implication
Consolidation and Revision of SBR Regulations	Created a more integrated and updated regulatory framework for NBFCs across different layers
Revised Upper Layer NBFC Framework	Enhanced supervision of systemically important entities
Cancellation of 135 NBFC licences	Strengthened sector discipline and compliance standards
Continued Scale-based Regulation	Risk-based and proportionate regulatory oversight
Enhanced Governance Focus	Improved transparency and risk management practices

Asset Quality and Profitability

Asset quality remained broadly stable despite pockets of stress in unsecured retail lending and microfinance. NBFCs strengthened collections, portfolio monitoring and provisioning to manage emerging risks, while maintaining adequate capital buffers. ICRA expects retail NBFC RoA of 2.3-2.5% during 2026-27, supported by stable margins and operational efficiencies.

(Source: ICRA NBFC Retail Sector Outlook, January 2026)

Outlook

The long-term outlook for the sector remains favourable, underpinned by rising credit penetration, digital adoption and increasing formalisation of the economy. The sector is expected to continue delivering healthy growth, with retail NBFC AUM projected to grow by 16-18% in 2026-27 and exceed ₹ 30 lakh crore, while overall industry AUM is expected to surpass ₹ 50 lakh crore. Well-capitalised NBFCs with diversified funding, disciplined risk management and technology-enabled operating models are expected to be best positioned to capitalise on the next phase of industry growth.

(Source: ICRA NBFC Retail Sector Outlook, January 2026; CRISIL Ratings, November 2025)

Indian Vehicle Finance Industry

The Indian vehicle finance industry recorded healthy growth during 2025-26, supported by reduction in the GST rates, improving rural consumption, and rising mobility demand. Increasing credit penetration, digital lending adoption and favourable economic conditions further expanded financing opportunities across Passenger Vehicles, Commercial Vehicles, Two-Wheelers and Farm Equipment.

India's automobile industry delivered its strongest-ever annual performance during the year, with total vehicle sales growing 10.4% to 2.83 crore units. Passenger Vehicle sales increased 7.9% to 46.43 lakh units, Commercial Vehicle sales grew 12.6% to 10.80 lakh units, two-wheeler sales rose 10.7% to 2.17 crore units, three-wheeler sales expanded 12.8% to 8.36 lakh units, and tractor sales increased to approximately 11 lakh units in 2025-26 from 9.4 lakh units in 2024-25.

Automobile Industry Performance (2025-26)

Segment	2024-25	2025-26	Growth (%)
Passenger Vehicles (lakh Units)	43.03	46.43	7.9
Two-Wheelers (crore Units)	1.96	2.17	10.7
Commercial Vehicles (lakh Units)	9.59	10.80	12.6
Three-Wheelers (lakh Units)	7.41	8.36	12.8
Total Automobile Sales (crore Units)	2.56	2.83	10.4

(Source: https://www.thehindu.com/business/Industry/automobile-wholesales-in-india-clock-record-283-crore-units-in-fy26-siam/article70860810.ece#:~:text=In%20FY%202025%2D26%20(FY26)%20manufacturers%20of%20passenger,ever%20sales%20in%20a%20financial%20year%20after, https://auto.economictimes.indiatimes.com/news/industry/auto-sales-hit-7-year-high-in-fy26-as-all-segments-fire-siam/130255853#:~:text=Overall%20domestic%20vehicle%20sales%20stood%20at%202%2C82%2C65%2C519,grew%2050.1%20per%20cent%20to%204%2C60%2C567%20units.)

Rural markets remained a key growth driver, supported by improving agricultural incomes, reduction in GST, expanding financial inclusion and deeper penetration of organised lenders. Meanwhile, digital onboarding, data-driven underwriting and technology-enabled collections continued to enhance operational efficiency and customer reach.

The transition towards sustainable mobility also gained momentum, with government initiatives such as the PM E-DRIVE (Electric - Drive Revolution in Innovative Vehicle Enhancement) Scheme and a ₹ 2,000 crore allocation for EV charging infrastructure supporting long-term growth in electric vehicle financing.

According to CRISIL Ratings, vehicle finance Assets Under Management (AUM) are expected to increase from approximately ₹ 9.4 lakh crore in March 2026 to ₹ 11 lakh crore by March 2027. At the same time, ICRA estimates the share of pre-owned vehicles in NBFC vehicle finance portfolios will rise from 34% in March 2020 to over 41% by March 2027, reflecting growing demand for affordable mobility solutions.



Vehicle Finance Industry Outlook

Particulars	March 2026E	March 2027E
Vehicle Finance AUM (₹ lakh crore)	9.4	11.0

(Source: https://auto.economictimes.indiatimes.com/tag/crisil+ratings#:~:text=11%20lakh%20crore%20by%20March%202027.%20used,ratings%20%C2%B7%20Acquisition%20cost%20of%20fleet%20operators)

Looking ahead, the outlook for the Indian vehicle finance industry remains favourable. Continued growth in vehicle sales, improving rural demand, increasing EV adoption and ongoing digital transformation are expected to sustain credit demand across vehicle categories. However, environmental factors, including El Niño-related weather variability, floods and other extreme weather events, could affect agricultural activity, rural incomes and vehicle demand in certain regions. While evolving regulations and competitive pressures may present challenges, lenders with strong underwriting capabilities, technology-enabled processes and diversified funding sources are expected to be well positioned to capitalise on emerging opportunities.



Commercial Vehicle Financing Industry

The Indian commercial vehicle financing industry remained resilient during 2025-26, supported by sustained infrastructure development, healthy freight movement, expanding logistics networks and rising transportation demand. According to the Society of Indian Automobile Manufacturers (SIAM), commercial vehicle sales increased 12.6% to 10.80 lakh units, driven by strong demand across both Medium & Heavy Commercial Vehicles (M&HCVs) and Light Commercial Vehicles (LCVs). While M&HCV demand was supported by infrastructure and long-haul freight movement, LCVs benefited from growth in last-mile logistics and e-commerce.

Commercial Vehicle Financing Industry

Particulars	2024-25	2025-26	Growth (%)
Commercial Vehicle Sales (lakhs Units)	9.59	10.80	12.6

NBFCs continue to play a key role in financing small fleet operators, first-time borrowers and customers in semi-urban and rural markets through flexible underwriting and strong distribution networks. The industry is also witnessing rising demand for used commercial vehicle financing. According to ICRA, the share of pre-owned vehicles in NBFC vehicle finance portfolios is expected to increase from approximately 34% in March 2020 to over 41% by March 2027, supported by increasing formalisation of the used vehicle market and favourable risk-adjusted returns.

Looking ahead, continued infrastructure investments, expanding logistics activity and fleet replacement demand are expected to sustain long-term growth in the commercial vehicle financing market.

Used Vehicle Financing

Used vehicle financing has emerged as one of the fastest-growing segments within India's vehicle finance industry, driven by rising vehicle prices, affordability considerations and the increasing formalisation of the pre-owned vehicle market. With transaction volumes significantly exceeding those of new vehicles, the segment continues to witness strong demand from first-time buyers, small businesses, transport operators and self-employed individuals.

Financing penetration in the used vehicle market remains substantially lower than that of new vehicles, providing significant headroom for growth. According to ICRA, the share of pre-owned vehicles in NBFC vehicle finance portfolios is expected to increase from approximately 34% in March 2020 to over 41% by March 2027, supported by favourable risk-adjusted returns and expanding organised financing.



Micro Loan Against Property (Micro LAP) Industry

The Micro Loan Against Property (Micro LAP) segment has become an increasingly important component of India's secured lending landscape, providing formal credit to self-employed individuals, micro enterprises, traders and small business owners. By leveraging residential or commercial property as collateral, the product enables borrowers to access higher loan amounts, longer repayment tenures and more competitive borrowing costs than unsecured credit.

Demand for Micro LAP continued to strengthen during 2025-26, driven by increasing business formalisation, expanding entrepreneurial activity and rising credit requirements among underserved borrower segments. The secured nature of the product supports portfolio stability, while advances in digital sourcing, automated underwriting and property valuation are improving operational efficiency and expanding customer reach.

NBFCs continue to play a pivotal role in the segment through their ability to assess non-traditional income profiles, offer customised lending solutions and serve customers beyond the reach of conventional banking channels. According to SIDBI's MSME Pulse Report, outstanding MSME credit reached ₹ 67.6 lakh crore as of December 2025, registering 16% year-on-year growth, while serious delinquency improved to 1.87%. Supported by increasing financial inclusion, digitalisation and sustained demand for secured credit, the long-term outlook for the Micro LAP segment remains favourable.

Insurance Industry

The Indian insurance industry continued its steady growth during 2025-26, supported by rising protection awareness, increasing financial inclusion, digital adoption and a supportive regulatory environment. According to the Insurance Regulatory and Development Authority of India (IRDAI), the industry collected gross premiums of approximately ₹ 11.93 lakh crore during 2024-25, issued over 41.8 crore policies and settled claims worth ₹ 8.36 lakh crore.

Technology continues to reshape the sector through digital distribution, AI-enabled underwriting and automated claims processing, improving customer experience and expanding access across urban and rural markets. Meanwhile, the Government and IRDAI's vision of 'Insurance for All by 2047', coupled with the increase in the foreign direct investment (FDI) limit from 74% to 100%, is expected to accelerate innovation, capital inflows and insurance penetration.

With a large underinsured population, increasing digital adoption and supportive policy reforms, the Indian insurance industry remains well positioned for sustained long-term growth, creating significant opportunities for insurers, distributors and financial institutions.

IndoStar Capital Finance Limited

IndoStar Capital Finance Limited ('IndoStar' or 'the Company') is a middle-layer Non-Banking Financial Company (NBFC) focused on serving the credit needs of underserved retail customers across India through its Vehicle Finance and Micro Loans Against Property (Micro LAP) businesses.

454
Branches

24
States and UTs

Customers Served

43% Transport Entrepreneurs

37% Self-Employed Professionals

7% Agricultural Equipment Users

8% Truck Operators

2% Salaried Professionals

4% Others

2025-26 marked a defining year in IndoStar's transformation journey. Following the successful divestiture of its housing finance subsidiary, the Company sharpened its strategic focus on its core retail lending businesses, strengthened its operating model, accelerated digital transformation, enhanced risk management and governance practices and reinforced its balance sheet.

With a scalable distribution network, technology-enabled processes, disciplined underwriting framework, robust governance and internal controls and strong capital position, IndoStar is well positioned to capitalise on opportunities in India's growing retail credit market while delivering sustainable and profitable growth.

Key Business Strengths

- Focused retail lending franchise with established positions in the Vehicle Finance and Micro LAP segments, supported by a secured and granular portfolio
- Extensive distribution network of 454 branches across 24 States and Union Territories, enabling deep penetration in underserved and high-growth markets
- Technology-led operating model with a cloud-based Loan Origination System, advanced analytics and high digital adoption across customer acquisition, underwriting and collections
- Disciplined risk management framework driven by centralised underwriting, proprietary credit scorecards, early warning systems and continuous portfolio monitoring.
- Strong capital adequacy, diversified funding profile and comfortable liquidity buffers, providing financial flexibility to support future growth
- Customer-centric engagement model combining branch-led distribution, referral partnerships, digital self-service capabilities and flexible repayment options
- Experienced leadership team with deep domain expertise across banking, financial services, risk management and digital transformation, supported by robust governance practices

Key Achievements in 2025-26

Strategic Transformation

- Successfully completed the divestiture of Niwas Housing Finance Limited, enabling a sharper focus on the Company's core Vehicle Finance and Micro LAP businesses, while deploying the sale proceeds towards strengthening the balance sheet.
- Launched Project LEAP (Lean, Efficient, Agile and Profitable) to improve operating efficiency and optimise costs

Business Expansion

- Expanded Assets Under Management (AUM) to ₹ 8,056 crore.
- Scaled the Micro LAP business to ₹ 175 crore AUM and expanded its footprint from 61 to 108 branches across multiple states.
- Strengthened the Vehicle Finance franchise, with an AUM of ₹ 7,500 crore and improved customer profile quality.
- Increased frontline sales capacity by approximately 30% to support future growth.

Digital and Operational Excellence

- Transformed the loan journey into a paperless process, achieving 100% digital adoption in Micro LAP and 84% in Vehicle Finance, eliminating paper-based documentation while retaining the existing lending model.
- Implemented end-to-end digital processes, including e-applications, e-agreements and eNACH-enabled customer journeys.
- Reduced lead-to-disbursement turnaround time significantly.
- Established a dedicated Data Science function to enhance analytics-led decision-making across the lending lifecycle.

Strengthening Credit and Risk Management

- Strengthened underwriting through proprietary scorecards, enhanced analytics and tighter credit filters.
- Enhanced portfolio monitoring through Early Warning Systems (EWS) for timely risk identification.
- Improved portfolio quality, with Non-Starter accounts declining from 3.29% to 1.05%.
- Reduced potential earnings volatility through additional provisioning for the Security Receipt portfolio.
- Maintained a strong capital position with Capital Adequacy Ratio of 36.1% and Debt-to-Equity ratio of 1.5x

Leadership Strengthening

- Strengthened senior leadership across key verticals, with the appointment of experienced leaders as Chief Human Resource Officer (CHRO), Chief Compliance Officer (CCO), Chief Operating Officer (COO) - Vehicle Finance, Chief Operating Officer (COO) - Micro LAP and Chief Technology Officer (CTO), bringing diverse industry expertise to support the Company's transition into a focused, retail-led NBFC and enable its next leap forward.
- Appointed Mr. Amit Khan as Chief Operating Officer – Micro LAP, bringing over 25 years of secured lending experience and expertise in building mortgage businesses.
- Appointed Mr. Amandeep Singh Sandhu as Chief Operating Officer - Vehicle Finance, bringing over 25 years of BFSI experience and experience managing portfolios exceeding ₹ 22,000 crore.



Vehicle Finance

Vehicle Finance remained IndoStar's largest business segment during 2025-26, accounting for over 93% of the Company's total Assets Under Management (AUM). Through a network of 454 branches across 24 States and Union Territories, the business provides financing solutions across Commercial Vehicles, Passenger Vehicles, Farm Equipment And Construction Equipment, catering primarily to transport operators, self-employed individuals and small business owners in underserved and emerging markets.

During the year, the Company continued to focus on four strategic priorities: portfolio diversification, customer quality, operational efficiency and risk management. These initiatives enabled the business to strengthen its market position, improve portfolio resilience and maintain sustainable growth momentum despite a dynamic operating environment.

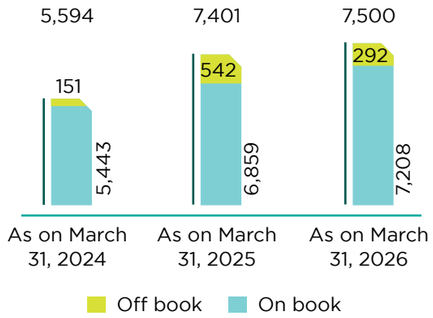
Vehicle Finance for IndoStar

Particulars	2025-26
Disbursements	₹ 4,072 crore
AUM	₹ 7,500 crore
Branch Network	454
States and UTs	24
Frontline Sales Force	1,600+
Digital Adoption	84%
Disbursement Yield	17.5%

Building a Diversified Portfolio

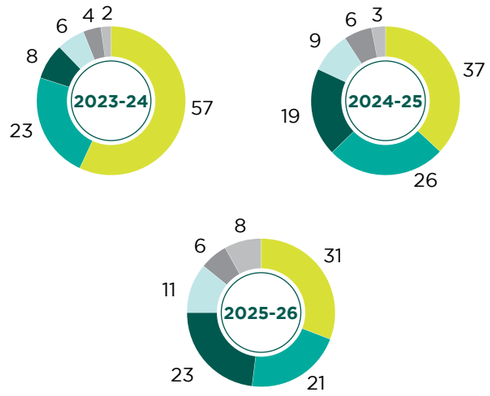
Over the last two years, IndoStar has undertaken a conscious transformation of its Vehicle Finance portfolio. While Commercial Vehicles continue to remain the foundation of the business, the Company has steadily expanded its Presence Across Passenger Vehicles, Construction Equipment and Farm Equipment financing.

AUM (₹ crore)

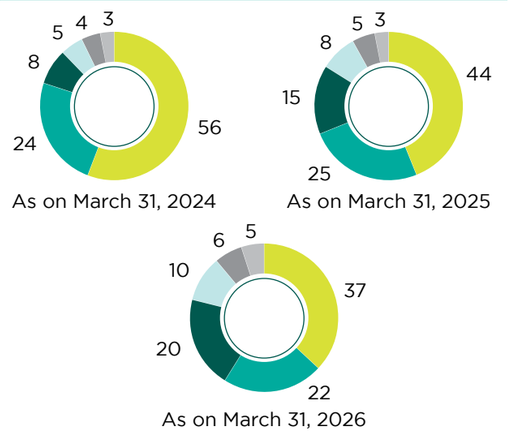


The AUM trend reflects the Company's ability to grow the portfolio while maintaining underwriting discipline and improving portfolio quality. Vehicle Finance AUM increased to ₹ 7,500 crore as of March 31, 2026, supported by healthy customer acquisition, deeper market penetration and a strengthened distribution network.

Disbursement Mix (Product-Wise) (%)



AUM Mix (Product-Wise) (%)



Medium & Heavy Commercial Vehicle
Small, Light & Intermediate Commercial Vehicle
Passenger Vehicles
Construction Equipment
Farm Equipment
Others*

*Others include Pick up and Bus

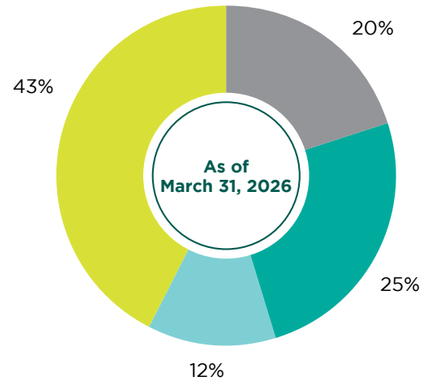
The product mix continued to evolve during 2025-26. The share of Medium & Heavy Commercial Vehicle (M&HCV) disbursements reduced significantly from 57% in 2023-24 to 31% in 2025-26, while Passenger Vehicles, Construction Equipment and Farm Equipment financing increased their contribution to overall disbursements.

This diversification strategy has broadened the Company's addressable market, reduced concentration risk and enhanced portfolio resilience across economic cycles.

Deepening Market Reach

IndoStar's extensive branch network continues to provide a strong competitive advantage in underserved markets. The Company maintains a diversified geographic presence across regions, reducing dependence on any single market and enabling balanced portfolio growth.

AUM Mix (Region-Wise) (%)



East
West
North
South

The South region continued to contribute the largest share of the portfolio, supported by strong branch penetration and healthy economic activity. The Company remains focused on strengthening its presence across high-potential markets while leveraging local market knowledge and customer relationships to drive growth.

Technology-Led Transformation

Technology continues to play a central role in enhancing customer experience, improving productivity and strengthening risk controls. During 2025-26, the Company further expanded the use of digital processes across sourcing, onboarding and collections through e-applications, e-agreements and eNACH-enabled customer journeys. Digital adoption in the Vehicle Finance business reached 84% by the end of the year.

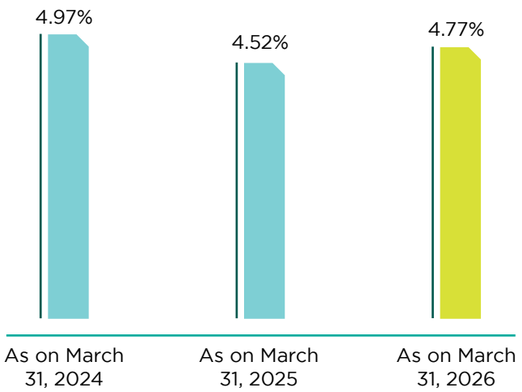
The implementation of scorecard-based underwriting and workflow automation contributed to a reduction in lead-to-disbursement turnaround time, while the establishment of a dedicated Data Science function strengthened analytics-led decision-making across sourcing, underwriting, portfolio monitoring and collections.



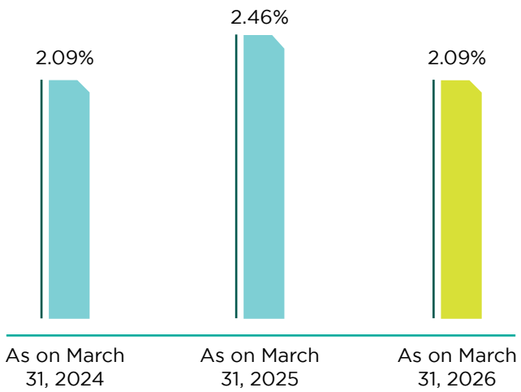
Asset Quality and Risk Management

The Company continued to strengthen its risk management framework through enhanced underwriting standards, portfolio monitoring mechanisms and Early Warning Systems (EWS). These initiatives have improved customer selection, strengthened portfolio oversight and enabled proactive identification of emerging risks.

Gross Stage 3

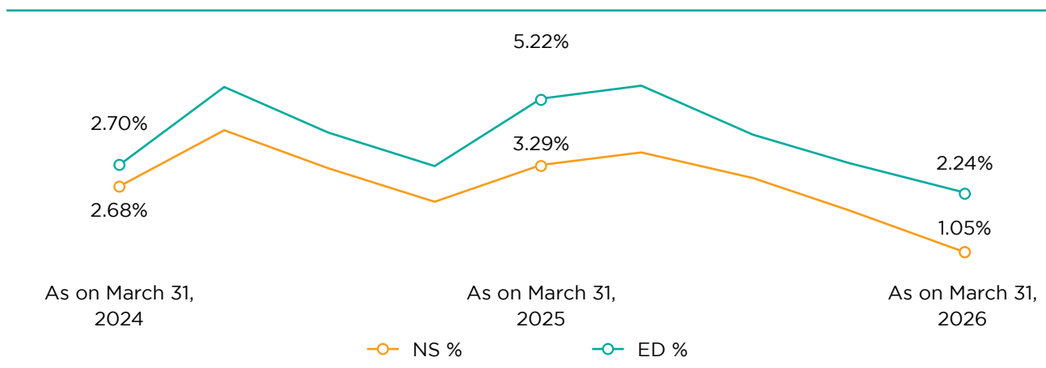


Net Stage 3



The Company continued to respond through tighter credit filters, enhanced portfolio monitoring and proactive risk management.

Non-Starter and Early Delinquency Trend



Note:

Non-Starter (NS) - Number of accounts with 0+ days past due disbursed in last 6 months
Early Delinquency (ED) - POS with 30+ days past due disbursed in last 12 months

A notable achievement during the year was the significant improvement in early portfolio indicators, reflecting the quality of recent originations and the effectiveness of the revised credit framework.

Outlook

The long-term outlook for the Vehicle Finance business remains positive, supported by increasing freight movement, infrastructure development, replacement demand and continued formalisation of credit in underserved markets. Going forward, IndoStar will focus on strengthening portfolio diversification, enhancing customer quality, expanding digital adoption and leveraging analytics-led underwriting to drive sustainable growth while maintaining prudent risk management and portfolio resilience.

Micro LAP

Micro Loans Against Property (Micro LAP) emerged as an important growth business for IndoStar during 2025-26, reinforcing the Company's strategy of building a diversified, secured retail lending franchise. The business is designed to address the credit needs of India's self-employed households, many of whom remain underserved by formal finance due to informal income profiles and limited documentation, despite owning residential assets.

Micro LAP bridges this gap by providing small-ticket, secured credit against residential property, supported by in-person income assessment and delivered through branches located close to customers' homes and businesses. For IndoStar, the business combines granular, secured and high-yielding assets with a scalable operating model; for customers, it provides formal access to credit against an asset built through years of hard work.

2025-26 marked a strong foundation year for the Micro LAP business. Assets Under Management increased to ₹ 175 crore, while disbursements reached approximately ₹ 136 crore. The business ended the year with 108 branches across four states, supported by a steadily expanding customer franchise.

MLAP for IndoStar

Particulars	2025-26
Disbursements	₹ 136 crore
Assets Under Management	₹ 175 crore
Branches	108
States	4
Live Accounts	2,879
Average Ticket Size	₹ 6.65 lakhs
Portfolio Yield	22.4%
Loan-to-Value (LTV)	29.0%

The business recorded disbursements of ₹ 136 crore, reflecting increasing traction across its operating markets. The average ticket size of ₹ 6.65 lakhs reflects a calibrated move towards higher-ticket customers, while the portfolio continued to generate a yield of approximately 22.4%.

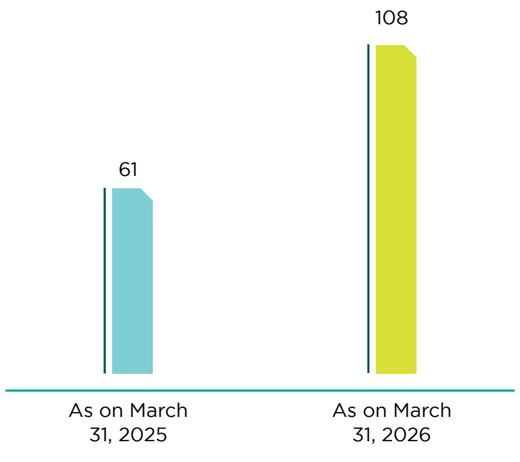


Scaling Efficiently through an Established Distribution Network

IndoStar has expanded the Micro LAP business by leveraging its existing Vehicle Finance distribution infrastructure. This shared operating model enables the Company to enter new markets efficiently, deepen customer reach and optimise operating costs while benefiting from established local relationships and experienced field teams.

By the end of 2025-26, the business had expanded to 108 branches across four states, creating a scalable platform for future growth.

108 Branches across 4 States



Building a High-Quality Portfolio

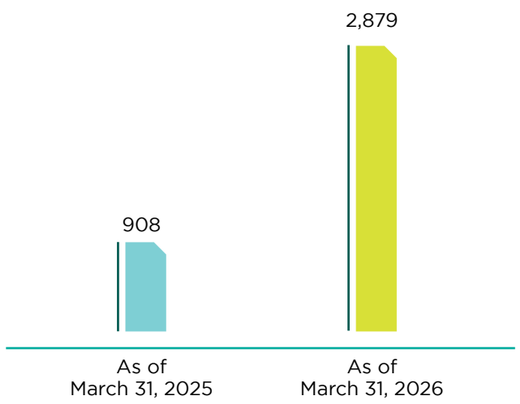
The Company is building the Micro LAP franchise by leveraging its existing Vehicle Finance branch network. The co-located operating model enables the Company to enter new markets with minimal incremental distribution costs, while leveraging established local relationships, branch infrastructure and experienced field teams.

By the end of 2025-26, Micro LAP had expanded to 108 branches across Tamil Nadu, Andhra Pradesh, Telangana and Gujarat, creating a scalable platform for further geographic expansion. The direct-led sourcing model keeps origination, underwriting and fulfilment within the Company's control, supporting consistent credit standards as the portfolio scales.

Loan-to-Value (%)



Number of Live Accounts



A Disciplined Model Built around Four Pillars

The Micro LAP model is anchored in four operating principles:

Capital-Light Distribution

Co-location within the existing Vehicle Finance branch network enables new market entry at minimal incremental cost and creates operating leverage as volumes scale.

Conservative Security

More than 95% of the portfolio is backed by self-occupied residential property, aligning customer commitment to the collateral with the Company's risk framework.

Assessed-Income Underwriting

Credit officers meet customers in person and assess household and business income rather than relying solely on documented income.

Digital to the Core

Near-universal adoption of e-agreements and eNACH, alongside an almost entirely cashless collections process, supports efficient execution.

Asset Quality and Risk Management

Portfolio quality remains central to the Company's approach to Micro LAP. Underwriting is supported by in-person customer assessment, independent property valuation, conservative LTV thresholds and continuous portfolio monitoring.

Despite the rapid expansion of the portfolio during the year, asset quality remained strong. Gross Stage 3 assets remained contained at 0.21% at year-end, while Net Stage 3 stood at just 0.10%, reflecting disciplined customer selection and prudent underwriting. The provisioning framework also remained robust, with a Provision Coverage Ratio of 51% and overall coverage of 0.9%, supporting a prudent approach to credit risk as the portfolio grows.

The portfolio's 29% LTV (YTD) further provides a conservative collateral cushion, while the predominance of self-occupied residential properties strengthens the security profile of the book.

Outlook

The opportunity for formal, secured credit among India's self-employed households remains significant. IndoStar will continue to scale the Micro LAP business in a calibrated manner, expanding into additional regions through its existing branch network and adopting a state-by-state approach.

Growth will be supported by technology-enabled processes, direct-led sourcing and disciplined underwriting, with portfolio quality remaining central to the expansion strategy. As the customer base and geographic footprint deepen, Micro LAP is expected to become an increasingly meaningful component of IndoStar's diversified retail lending portfolio, extending secured and dignified credit to more self-employed households.

Insurance Distribution

Insurance distribution complements IndoStar's retail lending franchise by enhancing customer protection and strengthening portfolio resilience. Through partnerships with insurance entities, the Company offers insurance solutions alongside its lending products. Within the Micro Loans Against Property (Micro LAP) business, 100% of loan disbursements are covered by life insurance, providing an added layer of security for customers while mitigating credit risk. Leveraging its branch network, the Company continues to deepen cross-selling opportunities and reinforce its multi-product retail strategy.



Loans

As on March 31, 2026, the Company's outstanding loan assets (Assets Under Management) stood at ₹ 8,056 crore, compared to ₹ 7,963 crore in the previous year, reflecting the continued expansion of its retail lending franchise. Vehicle Finance remained the largest business at ₹ 7,500 crore, representing 93.1% of the total AUM. The Micro Loans Against Property (Micro LAP) business continued to scale during the year, with AUM increasing to ₹ 175 crore, while the de-focused portfolio reduced further to ₹ 380 crore, in line with the Company's strategy of exiting non-core businesses.

The Vehicle Finance portfolio remained well diversified across Commercial Vehicles, Passenger Vehicles, Construction Equipment and Farm Equipment, reducing concentration risk while broadening the Company's addressable market. The average disbursement yield in the Vehicle Finance business remained healthy at approximately 17.5%, while the Micro LAP portfolio continued to deliver yields in excess of 22.4%, supporting overall portfolio profitability.

Classification of Loan Assets as per Ind AS

The Company classifies its loan assets in accordance with the Expected Credit Loss (ECL) framework prescribed under Ind AS 109 – Financial Instruments, which requires recognition of expected credit losses based on historical portfolio performance, current credit quality and forward-looking macroeconomic assumptions.

Under the ECL framework, loan assets are classified into Stage 1, Stage 2 and Stage 3, based on changes in credit risk since origination. As on March 31, 2026, 89.1% of the Company's loan assets remained classified as Stage 1, while Stage 2 assets represented 6.1% of the portfolio. Stage 3 assets stood at 4.8%, supported by a Provision Coverage Ratio (PCR) of 57.4%. The Company continues to review its ECL assumptions periodically and maintains prudent provisioning, including management overlays wherever considered necessary, to ensure adequate coverage against potential credit losses.

RBI Guidelines and Prudential Norms

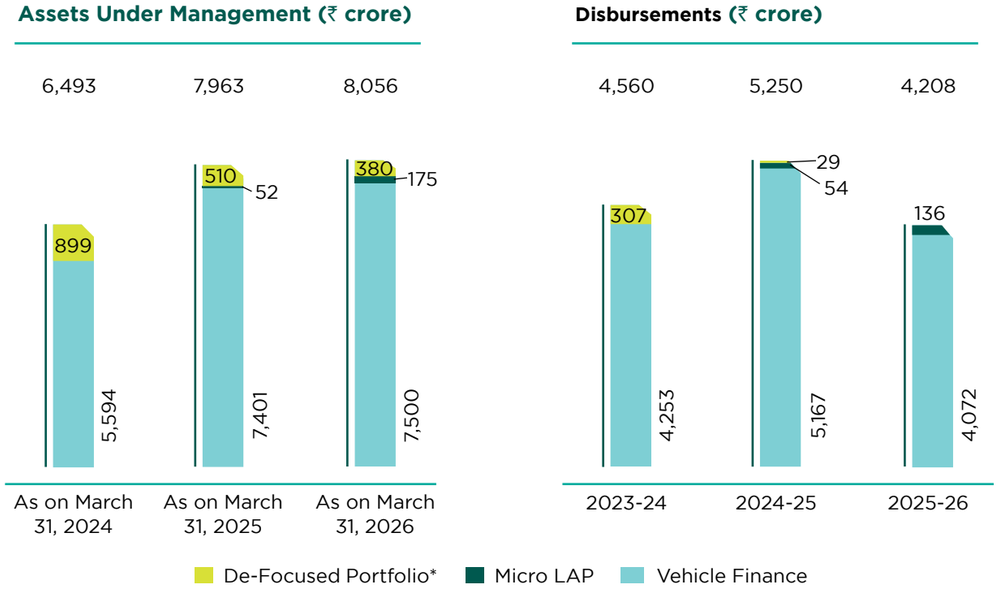
The Company has complied with all applicable guidelines issued by the Reserve Bank of India (RBI) relating to asset classification, income recognition, provisioning, capital adequacy, liquidity management, Know Your Customer (KYC), Anti-Money Laundering (AML), Fair Practices Code, corporate governance and other regulatory requirements applicable to Non-Banking Financial Companies (NBFCs).

As on March 31, 2026, the Company maintained a Capital Adequacy Ratio (CRAR) and Tier I Capital Ratio well above the regulatory minimum, with a Tier I Capital Ratio of 36.1%. The Company also maintained robust liquidity buffers, with its Liquidity Coverage Ratio (LCR) consistently remaining above RBI-prescribed levels throughout the year.

During 2025-26, the Company further strengthened its prudential framework through tighter underwriting standards, product-specific credit scorecards, revised technical write-off norms and enhanced provisioning on stressed assets. These measures, together with proactive portfolio monitoring and periodic stress testing, reinforce the Company's commitment to maintaining a resilient balance sheet and supporting sustainable long-term growth.



Operational Performance in 2025-26



*Includes Corporate and SME run-down portfolios

Financial Performance in 2025-26

2025-26 was characterised by improved profitability stronger operating efficiency. The Company's strategic focus on secured retail lending, disciplined portfolio management and active liability optimisation resulted in improved earnings while reinforcing long-term financial resilience.

The successful divestment of Niwas Housing Finance Limited enabled the Company to sharpen its strategic focus on its core retail lending businesses while strengthening capital allocation. Simultaneously, the Company adopted a conservative approach towards stressed assets through enhanced provisioning, reducing future earnings volatility and reinforcing balance sheet quality.

Improved portfolio mix, stronger customer quality and a lower cost of funds contributed to higher Net Interest Income and margin expansion during the year. Cost optimisation initiatives under Project LEAP further enhanced operating efficiency, delivering meaningful annualised savings across the organisation.

Statement of Profit and Loss

Particulars	2025-26
Revenue from Operations	₹ 1,392.9 crore
Net Interest Income	₹ 771.7 crore
Operating Expenses	₹ 506.0 crore
Profit After Tax	₹ 130.2 crore



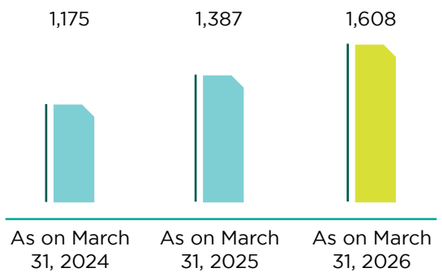
Investments

The Company manages its investment portfolio in accordance with its Board-approved Investment Policy, with a focus on liquidity management, capital preservation and regulatory compliance. Investments are primarily maintained to support treasury operations, meet liquidity requirements and strengthen balance sheet resilience.

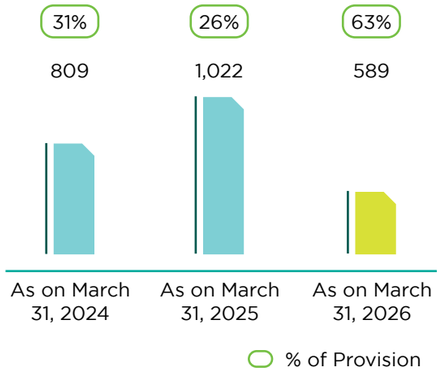
As on March 31, 2026, standalone investments stood at ₹ 981.94 crore, comprising primarily Security Receipts (SRs), debt mutual funds and fixed deposits. During the year, the Company strengthened its balance sheet by creating an additional provision of ₹ 326.13 crore against its SR portfolio, reducing potential future earnings volatility.

The net carrying value of the SR portfolio stood at ₹ 588.63 crore, with strong visibility on recoveries. Approximately 76% of the exposure relates to two large corporate accounts with projects progressing as planned, while 13% pertains to SME exposures managed by a specialised Asset Reconstruction Company (ARC), where redemption of junior Security Receipts commenced during the year. The Company also maintained adequate liquidity buffers through investments in liquid instruments and sanctioned but undrawn banking facilities to support business growth and funding requirements.

Gross Security Receipt (₹ crore)



Net Security Receipt (₹ crore)



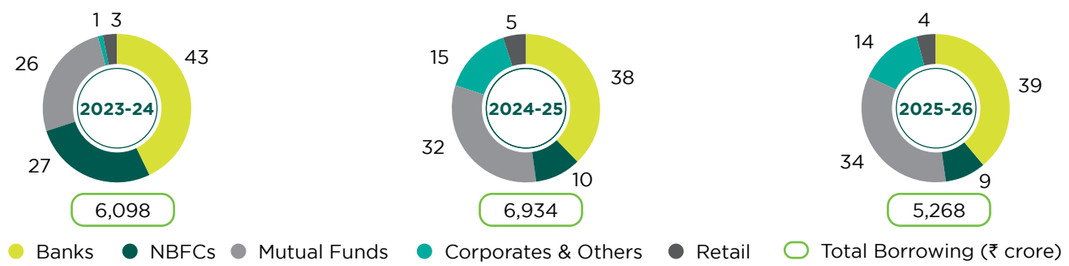
Borrowings

The Company continued to maintain a diversified borrowing profile during 2025-26, balancing funding costs, maturity profiles and liquidity requirements. As on March 31, 2026, total financial liabilities stood at ₹ 5,697.4 crore, comprising ₹ 3,074.2 crore of debt securities, ₹ 2,402.6 crore of borrowings from banks and financial institutions, and ₹ 220.5 crore of other financial liabilities.

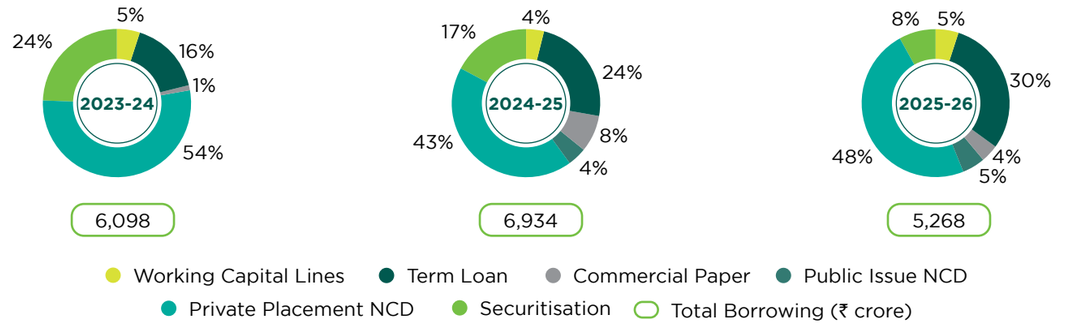
The Company further diversified its funding mix by increasing the share of long-term borrowings while continuing to access multiple funding channels, including bank borrowings, debt securities, securitisation transactions and money market instruments. This diversified funding strategy has strengthened funding stability, reduced refinancing risk and enhanced the Company's ability to support sustained retail portfolio growth.

Robust Asset-Liability Management (ALM) practices and comfortable liquidity buffers continued to provide adequate funding flexibility while ensuring compliance with regulatory liquidity requirements.

Investor Category (%)



Instrument Category (%)



Term Loans Composition has Doubled from 16% to 30% Over Last 2 Years

11 new lenders added during last two year and concluded maiden NCD successfully



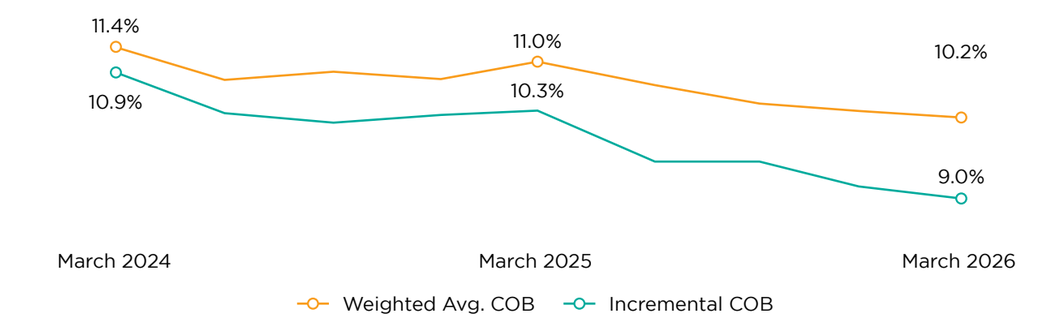
Debt Instruments and Associated Costs

During 2025-26, the Company continued to optimise its liability profile through proactive treasury management and the replacement of higher-cost borrowings with lower-cost funding. These initiatives contributed to a reduction in borrowing costs and enhanced overall funding efficiency.

The weighted average cost of borrowings improved to 10.2% p.a., while the incremental cost of funds declined to approximately 9.0% p.a., reflecting improved market access, stronger lender confidence and a favourable borrowing mix. The refinancing of higher-cost borrowings also generated meaningful interest cost savings, supporting profitability during the year.

The Company's borrowing programmes continue to be supported by strong external credit ratings of AA- (Stable) for long-term instruments and A1+ for short-term instruments, reaffirming the strength of its balance sheet, prudent financial management and diversified funding profile.

Weighted Average and Incremental COB (%)



Human Resources

IndoStar considers its workforce a key enabler of growth and operational excellence. As the Company continues to strengthen its retail franchise, its human capital strategy remains focused on building organisational capability, leadership and a high-performance culture aligned with long-term business priorities.

As on March 31, 2026, the Company employed 4,585 people across 454 branches. Workforce deployment continued to be aligned with branch-level business potential, enabling the Company to support its expanding retail footprint while maintaining operational efficiency.

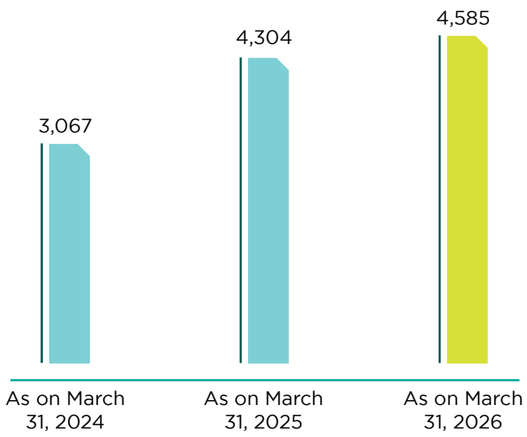
During 2025-26, the Human Resources function strengthened its role as a strategic business partner by attracting high-potential talent, enhancing leadership capability and aligning workforce strategies with business priorities; while upholding our core People Charter to ensure employee well-being, meritocracy, and organisational culture remain uncompromised. To support business expansion, the Company materially strengthened its Vehicle Finance frontline sales capacity, with sales headcount increasing by approximately 32% since 2024-25. In line with market best practices, we introduced a verticalised, product-specialist organisational structure to bring dedicated product expertise, ensure deeper focus across individual product lines, and drive frontline productivity and customer service.

The Company continued to strengthen its performance management framework through balanced scorecards, clearly defined KRAs and targeted capability-building programmes. Structured induction and role-based learning, delivered through the Company's Learning Management System (LMS), covered compliance, cybersecurity, KYC, POSH, digital tools and functional capabilities, enabling faster productivity ramp-up and improved performance across business functions.

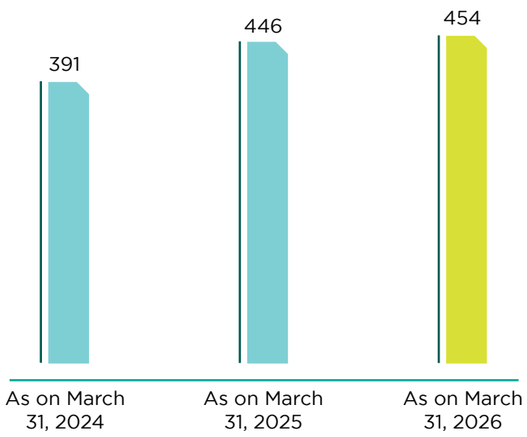
Digital transformation remained a key focus, driven by the end-to-end digitisation of core employee journeys; including recruitment, onboarding, and offboarding. This transition strengthened governance, enhanced operational efficiency, and significantly elevated the overall employee experience. Furthermore, continued investments in digital HR platforms and self-service workforce analytics enabled faster, data-driven workforce planning and strategic decision-making. Employee engagement remained a priority through four quarterly town halls, structured reward and recognition programmes, and continuous leadership communication. These initiatives reinforced collaboration, accountability and an ownership mindset across the organisation.

Operational excellence was further strengthened through Project LEAP, which helped in cost savings through contract optimisation and disciplined cost management, while ensuring employee welfare remained protected. Reinforcing a culture of frugality, accountability and high performance, the programme continues to support the Company's next phase of sustainable growth.

No. of Employees



Branch Network



Information Technology

Technology continues to play a pivotal role in IndoStar's transformation into a retail-focused, digitally enabled Non-Banking Financial Company. The Company continues to strengthen its digital capabilities through scalable technology platforms, intelligent automation and advanced analytics to enhance customer experience, improve operational efficiency and reinforce risk management.

During 2025-26, the Company further advanced its digital ecosystem by strengthening its cloud-based technology infrastructure and enhancing its next-generation Loan Origination System (LOS). By digitising the lending journey – from customer sourcing and onboarding to underwriting, documentation and loan disbursement, the Company has simplified processes, reduced turnaround times and improved transparency across the lending lifecycle.

Key technology initiatives during the year included:

- Digital lending ecosystem: Enhanced the Loan Origination System with API-enabled KYC, automated underwriting, online vehicle valuation, e-stamping, e-signing and eNACH, enabling a seamless and increasingly paperless lending experience.
- Higher digital adoption: Achieved 84% digital adoption in the Vehicle Finance business and near-complete digitisation in the Micro LAP business. eNACH adoption reached 87% and 96%, while e-sign adoption stood at 84% and 100%, respectively.
- Improved operational efficiency: Reduced the Vehicle Finance lead-to-disbursement turnaround time, while the introduction of e-KYC is expected to further accelerate customer onboarding and enhance process efficiency.
- Advanced analytics: Established a dedicated Data Science Practice to strengthen underwriting, portfolio monitoring and collections through proprietary credit scorecards, predictive analytics and early warning models, enabling more informed and data-driven business decisions.
- Integrated digital platforms: Continued to strengthen digital solutions for customers, sales teams, partners and vendors, improving engagement, enhancing productivity and reducing manual intervention across key business processes.



As digital adoption continues to expand, cybersecurity remains a key priority for the Company. IndoStar has strengthened its cyber resilience through continuous monitoring by its Security Operations Centre (SOC), Data Leak Prevention (DLP) measures, vulnerability assessments, red-team exercises and automated security controls. These initiatives, supported by regular employee awareness programmes and robust business continuity planning, help safeguard critical information assets while ensuring business continuity in an evolving threat environment.

In line with the Digital Personal Data Protection Act, 2023, the Company is working towards implementing a data protection framework covering consent management, data minimisation and breach notification protocols, reinforcing its data governance practices alongside existing information security controls.

Technology governance is overseen by the IT Strategy Committee, which ensures that technology investments remain aligned with the Company's strategic priorities while providing oversight of cybersecurity, technology risks and regulatory compliance.

Risk Management

A disciplined risk management framework remains central to IndoStar's strategy of delivering sustainable, profitable and resilient growth. The Company's Enterprise Risk Management (ERM) framework enables the proactive identification, assessment, monitoring and mitigation of risks across the organisation, ensuring that risk-taking remains aligned with its strategic objectives, regulatory expectations and approved risk appetite.

Risk Governance Framework

Risk governance continues to operate through a well-defined three-lines-of-defence framework.

Board of Directors

Provides overall oversight of the Company's risk management philosophy and approves the risk appetite framework.

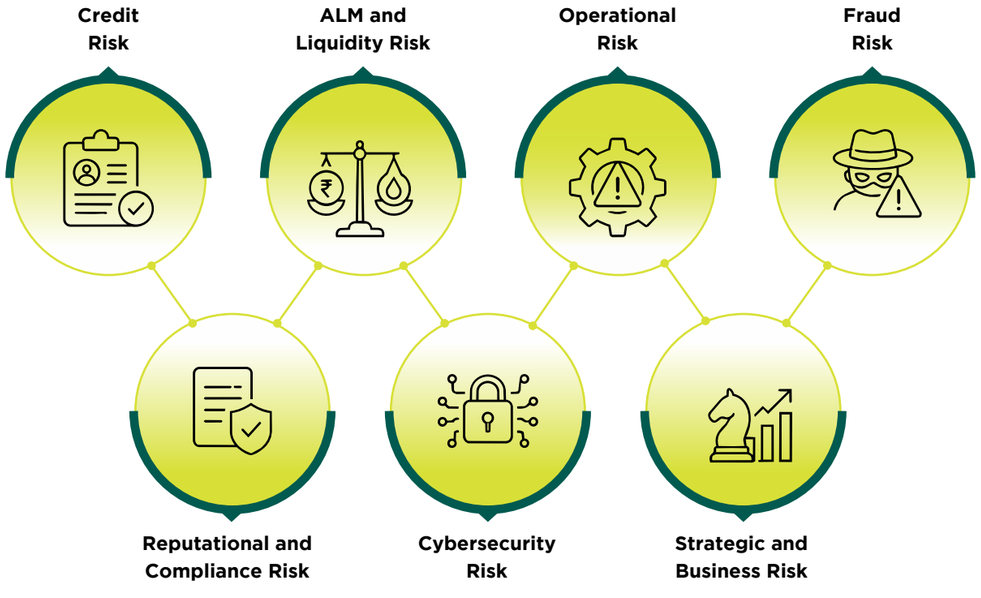
Risk Management Committee

Periodically reviews enterprise risks, portfolio trends, emerging risk scenarios and mitigation strategies.

Chief Risk Officer

Leads the implementation of the enterprise risk framework, develops risk management policies, promotes risk awareness and works closely with business functions to identify, monitor and mitigate key risks.

The Company's Enterprise Risk Management framework addresses the following key risk categories:



Strengthening the Risk Framework

During 2025-26, the Company further strengthened its enterprise risk architecture by enhancing credit underwriting, embedding data-driven decision-making, expanding early warning capabilities and adopting a prudent provisioning approach. Proprietary credit scorecards, tighter customer selection filters, risk-based pricing and asset-class-specific underwriting models strengthened credit quality, while bureau intelligence, analytics and collections were increasingly integrated to enable proactive portfolio monitoring and early identification of emerging stress.

The Company also undertook its annual Expected Credit Loss (ECL) model refresh, recalibrating provisioning assumptions based on portfolio performance. In addition, a comprehensive reassessment of Security Receipt (SR) pools, along with prudent overlays for evolving macroeconomic uncertainties, further strengthened balance sheet resilience and reinforced the Company's conservative provisioning philosophy.

Risk Management Outcomes

The Company's disciplined risk actions translated into measurable improvements in portfolio quality during 2025-26:

- Strengthened portfolio quality by increasing the share of prime borrowers (CIBIL score above 725) to 79%, compared with 70% in 2024-25.
- Enhanced underwriting effectiveness, reducing the Non-Starter Ratio to 1.05% from 3.29% and Early Delinquency to 2.24% from 5.22%.
- Strengthened provisioning levels, with the Provision Coverage Ratio improving to 57.4% from 46.7%, while ECL provisions increased to 5.3% of total loan assets from 3.3%.
- Strengthened balance sheet resilience through prudent provisioning on Security Receipt (SR) pools and additional macroeconomic overlays, reflecting the Company's conservative approach to risk management.

Risk Matrix

Risk	Description	Mitigation Measures
Credit Risk	Risk of borrower default arising from adverse economic conditions, business challenges or deterioration in borrower repayment capacity.	Strengthened underwriting through proprietary scorecards, tighter bureau cut-offs, risk-based pricing, asset-class-specific underwriting, early warning systems, analytics-led portfolio monitoring and periodic ECL model refresh.
ALM and Liquidity Risk	Risk arising from mismatches between the maturity profile of assets and liabilities.	Robust ALM framework, contingency funding plans, diversified borrowing profile, continuous liquidity monitoring and maintenance of adequate liquidity buffers.
Operational Risk	Risk arising from failures in internal processes, systems or people that may impact business continuity and operational efficiency.	Standardised operating procedures, automation, strong internal controls, periodic audits and technology-led process improvements.
Fraud Risk	Risk of financial losses arising from internal or external fraud, identity theft or fraudulent lending activities.	Maker-checker controls, segregation of duties, dedicated Risk Control Unit, analytics-driven fraud monitoring and strengthened internal audit mechanisms.
Reputational and Compliance Risk	Risk arising from regulatory non-compliance or events that may adversely impact stakeholder confidence.	Dedicated compliance teams, periodic policy reviews, regulatory monitoring, internal audits and robust governance framework.
Cybersecurity Risk	Risk of cyberattacks, unauthorised access, data breaches or disruption to critical systems.	Security Operations Centre (SOC), Data Leak Prevention (DLP), vulnerability assessments, network security controls, business continuity and disaster recovery planning.
Strategic and Business Risk	Risk arising from changing market dynamics, competitive pressures or ineffective strategic decisions.	Annual business planning, portfolio diversification, continuous market assessment, product innovation, scenario analysis and disciplined capital allocation.

The Company continues to closely monitor evolving macroeconomic conditions, regulatory developments, technology and cybersecurity threats, climate-related disruptions and changing customer behaviour. Risk assessments and stress-testing exercises are periodically undertaken to evaluate potential impacts and ensure preparedness for emerging risks.

The Company continues to strengthen its risk culture through periodic policy reviews, employee awareness programmes, risk-based decision-making frameworks and active engagement across business and control functions. This promotes accountability and ensures that risk considerations remain embedded in day-to-day business activities.

Vintage-level static pool analysis indicates that portfolio quality has remained resilient across origination cohorts, with delinquency emergence trends tracking within expected ranges despite significant growth in disbursement volumes. The consistency of cohort performance reflects the effectiveness of the Company's risk selection, pricing and collection strategies.

Continued portfolio diversification across customer segments and asset classes has enhanced portfolio resilience and reduced concentration risk.

As data-driven underwriting and analytics capabilities continue to expand, the Company has strengthened model governance, validation processes and monitoring controls to ensure robustness and reliability of risk assessment frameworks.

Maintained strong liquidity buffers and diversified funding sources, supporting balance sheet resilience amid evolving market conditions.

Corporate Governance and Compliance Framework

Strengthened governance and compliance mechanisms remain central to IndoStar's transformation. Strong oversight by the Board and Management-level Committees, supported by annual policy reviews, automated compliance monitoring, periodic risk assessments and testing, reinforces accountability and regulatory discipline.

The framework is further supported by a robust whistle-blower mechanism, Anti-Bribery and Anti-Corruption programme, stringent insider-trading controls and regular employee training, strengthening a culture of ethical and responsible conduct.

Internal Financial Controls

The internal audit function, supported by both in-house resources and external experts, carried out risk-based audits across key business and functional areas throughout the year. Audit observations were reviewed by the internal audit team and subsequently presented to the Audit Committee for oversight. Based on the findings, appropriate corrective and preventive actions were implemented by the respective functional heads to enhance process efficiency, strengthen governance practices, and reinforce the overall internal control framework.

During 2025-26, IndoStar continued to maintain a robust framework of internal financial controls designed to ensure operational effectiveness, safeguard assets, support regulatory compliance, and enable accurate financial reporting. The Company further strengthened its control environment through periodic reviews of policies, processes and systems, while continuously identifying and addressing control gaps.

The Board believes that the Company's internal financial controls are commensurate with the nature, scale and complexity of its operations and are adequate to ensure orderly and efficient conduct of business, the safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial information.

Cautionary Statement

This document contains forward-looking statements that reflect IndoStar's current expectations regarding future events, business performance, growth prospects and strategic initiatives. These statements are based on assumptions and are subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those expressed or implied. Readers are cautioned not to place undue reliance on these forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements to reflect subsequent events or circumstances, except as required under applicable laws and regulations. These statements should be read in conjunction with the risks, assumptions and other disclosures presented in the Management Discussion and Analysis section of the Annual Report 2025-26.

BOARD'S REPORT

Dear Members,

Your Directors are pleased to present the 17th Annual Report on the affairs of the Company together with the audited financial statements for the Financial Year ended March 31, 2026.

FINANCIAL HIGHLIGHTS

The key highlights of the audited standalone financial statements of the Company for the Financial Year ended March 31, 2026 and comparison with the previous Financial Year ended March 31, 2025 are summarised below:

(₹ In lakhs)

Particulars	Standalone	
	March 31, 2026	March 31, 2025
Total income	1,39,358.33	1,41,241.55
Total expenditure	2,27,033.18	1,35,982.46
Profit/(loss) before exceptional items and tax	(87,674.85)	5,259.09
Exceptional Items	1,17,595.00	-
Profit/(loss) before tax	29,920.15	5,259.09
Less: Tax Expense		
- Current tax	16,900.00	-
- Deferred tax	-	-
- Tax of earlier years	-	-
Net profit/(loss) after tax	13,020.15	5,259.09
Other comprehensive income, net of tax	(273.14)	(68.79)
Total comprehensive income	12,747.01	5,190.30
Transfer to statutory reserve fund pursuant to Section 45-IC of the Reserve Bank of India Act, 1934	(2,604.03)	(1,051.82)
Appropriation towards dividend and dividend distribution tax		
Surplus in the statement of profit and loss	10,142.98	4,138.48
Balance brought forward from previous period	(28,126.10)	(32,264.58)
Balance carried to balance sheet	(17,983.12)	(28,126.10)
Earnings per share (Face Value ₹ 10 each)		
Basic (₹)	9.02	3.86
Diluted (₹)	9.01	3.74

FINANCIAL PERFORMANCE AND COMPANY'S STATE OF AFFAIRS

The financial highlights tabulated above are based on the requirement of the Reserve Bank of India ("RBI") Master Direction – Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025, the circulars, directions, notifications issued by the RBI from time to time ("RBI Directions") and provisions of the Companies Act, 2013 (the "Act") read with rules made thereunder. For details of Reserves and Surplus of the Company, please refer Note 22 of the audited standalone financial statements of the Company for the Financial Year ended March 31, 2026.

Details on performance of the Company has also been covered in the Management Discussion and Analysis Report which forms part of the Annual Report.

DIVIDEND AND DIVIDEND DISTRIBUTION POLICY

The Dividend Distribution Policy of the Company approved by the Board of Directors is in line with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Reserve Bank of India (Non-Banking Financial Companies–Prudential Norms on Declaration of Dividends) Directions, 2025. Details of the Dividend Distribution Policy have been provided in the Corporate Governance Report which is annexed to and forms an integral part of this Board's Report and is also available on the website of the Company.

Please refer to the section, '**Policy Compendium**' for accessing the policy.

In consideration of the Company's strategic business plans and growth initiatives for the ensuing years, coupled with the absence of sufficient retained earnings available for distribution, the Board of Directors has deemed it prudent not to recommend any dividend for the Financial Year under review.

ACCOUNTING METHODS

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards ("Ind AS") notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

In terms of Section 129 of the Act read with rules framed thereunder, audited consolidated financial statements of the Company and its subsidiaries shall be laid before the ensuing Annual General Meeting of the Company along with the audited standalone financial statements of the Company for the Financial Year ended March 31, 2026.

The audited standalone and consolidated financial statements together with Auditor's Report(s) thereon along with the salient features of the financial statements of the subsidiaries of the Company in the prescribed Form AOC – 1 forms part of the Annual Report and are also available on the website of the Company at https://www.indostarcapital.com/investors-corner#investor-relations.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

In terms of Section 186(11) of the Act read with Companies (Meetings of Board and its Powers) Rules, 2014, the provisions of Section 186 in respect of loans made, guarantees given or securities provided are not applicable to the Company.

Further, pursuant to the provisions of Section 186(4) of the Act, the details of investments made by the Company are given in the Note 6 of the audited standalone financial statements.

SUBSIDIARY COMPANIES & THEIR FINANCIAL PERFORMANCE

As on March 31, 2026, the Company has 1 (One) wholly-owned subsidiary company namely, IndoStar Asset Advisory Private Limited ("IAAPL"). The Company does not have any joint venture(s) / associate company(ies) within the meaning of Section 2(6) of the Act.

During the year under review, there was no change in the nature of business or structure of the Company's subsidiaries, except that Niwas Housing Finance Limited ("NHFL") ceased to be a subsidiary of the Company with effect from July 17, 2025 pursuant to the sale of the Company's shareholding in NHFL to WITKOPEEND B.V., an affiliate of BPEA EQT Mid-Market Growth Partnership.

Pursuant to the necessary approvals being received, the Company sold 45,00,00,000 (Forty Five Crores) equity shares of ₹ 10 (Rupees Ten Only) each held by it in NHFL (i.e. 100% of shareholding") to WITKOPEEND B.V. at a consideration of ₹ 37.91 (Rupees Thirty Seven and Ninety One Paisa Only) per share and accordingly, NHFL ceased to be the subsidiary of the Company with effect from July 17, 2025.

The audited standalone financial statement of the IndoStar Asset Advisory Private Limited, wholly owned subsidiary company is available on the website of the Company at https://www.indostarcapital.com/investors-corner.

The Company's policy for determination of material subsidiary, as adopted by the Board of Directors, is in conformity with Regulation 16 of the SEBI Listing Regulations and is available on the website of the Company. Please refer to the section, '**Policy Compendium**' for accessing the policy. As on March 31, 2026, the Company had no material subsidiary as defined under Regulation 16 of the SEBI Listing Regulations. NHFL ceased to be a material subsidiary of the Company pursuant to the divestment with effect from July 17, 2025.

Pursuant to the requirements of the SEBI Listing Regulations, the Audit Committee reviewed the financial statements of the subsidiary company, the investments made by the subsidiary company, and details of significant transactions and arrangements entered into by the subsidiary company.

The minutes of the meetings of the Board of Directors of the unlisted subsidiary company were periodically placed before the Board of Directors of the Company for their review and noting.

IndoStar Asset Advisory Private Ltd ("IAAPL")

IAAPL is enabled under its objects to carry on the business of inter-alia advising, managing, providing investment advisory services, financial advisory services, management and facilitation services. IAAPL acted as the Investment Manager to IndoStar Credit Fund and IndoStar Recurring Return Credit Fund, both of which were registered as Category II Alternative Investment Funds ("AIFs") with the Securities and Exchange Board of India ("SEBI"). During the year under review, IAAPL was under process for surrender the registrations of the aforesaid AIFs. However, SEBI vide its order dated May 22, 2026, cancelled the registration of IndoStar Credit Fund and IndoStar Recurring Return Credit Fund under Section 12(1) of the Securities and Exchange of India Act, 1992 read with Regulation 30A of the SEBI (Intermediaries) Regulations, 2008 and SEBI (Alternative Investment Funds) Regulations, 2012.

During the year under review, the total income of IAAPL was ₹ 22.82 lakhs (previous year: ₹ 24.33 lakhs) and the Profit after tax was ₹ 15.68 lakhs (previous year: profit after tax was ₹ 16.52 lakhs).

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of the SEBI Listing Regulations and the Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025, the Management Discussion and Analysis Report for the year under review is presented in a separate section forming part of the Annual Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT ("BRSR")

Pursuant to Regulation 34 of the SEBI Listing Regulations, detailed BRSR report in the format as prescribed by Securities and Exchange Board of India ("SEBI"), describing various initiatives taken by the Company towards the environmental, social and governance aspects is annexed as a part of this Board Report and is also available on the website of the Company at https://www.indostarcapital.com/investors-corner#investor-relations.

REPORT ON CORPORATE GOVERNANCE

The Corporate Governance Report including disclosures as stipulated under Regulation 34 read with Schedule V of the SEBI Listing Regulations and the Reserve Bank of India (Non-Banking Financial Companies – Governance) Directions, 2025 ("RBI Governance Directions") is annexed to and forms an integral part of this Board's Report.

The Managing Director & Executive Vice Chairman and the Chief Financial Officer have certified the Board of Directors in relation to the financial statements and other matters as specified in the SEBI Listing Regulations.

A certificate from M/s. Mehta & Mehta, Company Secretaries, with respect to compliance with the conditions of Corporate Governance as prescribed under the SEBI Listing Regulations is annexed to the Corporate Governance Report.

SHARE CAPITAL

Authorised Share Capital

The Authorised Share Capital of the Company stood at ₹ 200,00,00,000 (Rupees Two Hundred Crores Only) divided into (a) 18,75,00,000 (Eighteen Crores Seventy Five Lakhs) Equity Shares of ₹ 10 (Rupees Ten only) each, amounting to ₹ 187,50,00,000 (Rupees One Hundred Eighty Seven Crores Fifty Lakhs only); and (b) 1,25,00,000 (One Crore Twenty Five Lakhs) preference shares of ₹ 10 (Rupees Ten only) each, amounting to 12,50,00,000 (Rupees Twelve Crores Fifty Lakhs Only).

Issued, Subscribed and Paid-up Share Capital

As on March 31, 2026, the issued, subscribed and paid-up share capital of the Company stood at ₹ 1,61,53,72,660 (Rupees One Hundred Sixty One Crores Fifty Three Lakhs Seventy Two Thousand Six Hundred Sixty Only) divided into 16,15,37,266 (Sixteen Crores Fifteen Lakhs Thirty Seven Thousand Two Hundred Sixty Six) Equity Shares of ₹ 10 (Rupees Ten Only) each.

Issue and allotment of Employee Stock Option Plan ("ESOP")

During the year under review, the Company issued and allotted 6,20,931 Equity Shares to its eligible employees under the Company's Employees' Stock Option Plan 2016, 2017 and 2018 and details are as follows:

ESOP Plan	No. of equity shares allotted
IndoStar Employee Stock Option Plan 2016	1,53,000
IndoStar Employee Stock Option Plan 2017	1,85,000
IndoStar Employee Stock Option Plan 2018	2,82,931

The Equity Shares issued under the Employees' Stock Option Scheme ranks pari-passu with the existing Equity Shares of the Company.

Allotment of convertible warrants

During the year under review, the Company allotted 1,08,69,565 (One Crore Eight Lakhs Sixty Nine Thousand Five Hundred Sixty Five) Equity Shares to Florintree Tecserv LLP ("Florintree"), a Non-Promoter Entity and 1,39,49,323 (One Crore Thirty Nine Lakhs Forty Nine Thousand Three Hundred Twenty Three) equity shares to BCP V Multiple Holdings Pte Ltd. ("BCP V"), a Promoter Entity pursuant to the conversion of warrants on receipt of the balance consideration from Florintree and BCP V by the Company.

The Equity Shares allotted upon conversion of warrants ranks pari-passu with the existing Equity Shares of the Company.

Utilisation of funds raised through issue of convertible warrants

The total funds raised through issue of convertible warrants as stated above were utilised and deployed in accordance with the objects stated in the Letter of Offer issued by the Company.

As on March 31, 2026, there were no unutilised funds lying in the account of the Company.

DEPOSITS

The Company has not accepted any public deposits during the year under review and shall not accept any deposits from the public without obtaining prior approval of the RBI. Further, the Company being a NBFC, the disclosure requirements under Chapter V of the Act read with Rule 8(5)(v) and 8(5)(vi) of the Companies (Accounts) Rules, 2014 are not applicable to the Company.

RESOURCES AND LIQUIDITY

The Company has diversified funding sources including public and private sector banks, mutual funds, insurance companies, corporates and financial institutions. Funds are raised through various modes including short term and long term bank borrowings, issuance of non-convertible debentures on private placement basis, issue of commercial papers, and sale / assignment / securitisation of loan assets of the Company etc.

During the year under review, the Company continued with its diverse methods of sourcing funds including borrowing through Secured Debentures, Term Loans and Commercial Papers and maintained a prudent Asset Liability profile throughout the year. Leveraging its long-standing relationships with lenders, investors and intermediaries, the Company effectively managed its cost of funds despite the challenging liquidity and interest rate environment. The Company sourced long-term debentures and loans from banks and other institutions at competitive interest rates without compromising the right mix of long and short-term borrowings, thereby maintaining a healthy asset liability position. The Company continues to expand its borrowing profile by tapping into new lenders.

The Company continued to receive support for its debt market issuances from banks, mutual funds, corporates, insurance companies and other financial institutions through subscription of Commercial Papers ("CPs") and Non-Convertible Debentures ("NCDs"). The Company maintained strong relationship with all the lending partners, who supported the borrowing plan for the Financial Year 2025-26.

Non-Convertible Debentures

During the year under review, the Company raised an aggregate amount of ₹ 1,15,000 lakhs through private placement of NCDs (previous year: ₹ 1,15,559 lakhs, comprising ₹ 89,000 lakhs through private placement and ₹ 26,559 lakhs through a public issue of NCDs).

As specified in the respective offer documents, the funds raised from issuance of NCDs were utilised for onward lending to customers of the Company. Further, the details of the end-use of funds were furnished to the Audit Committee on a quarterly basis. The NCDs are listed on the Wholesale Debt Market Segment of BSE Limited and National Stock Exchange of India Limited

Commercial Paper

During the year under review, the Company issued CP (face value) of ₹ 64,000 lakhs (previous year: ₹ 1,32,000 lakhs). CPs constituted approximately 4% of the outstanding borrowings as at March 31, 2026.

Bank Borrowings (Term Loans)

During the year under review, the Company had borrowed an aggregate of ₹ 1,09,789 lakhs (previous year: ₹ 1,86,500 lakhs) through borrowings from banks and financial institutions with an outstanding of ₹ 1,85,817 lakhs as on March 31, 2026 which constitutes 35% of the outstanding borrowings of the Company.

The Company continues to be adequately capitalised and is in compliance with capital adequacy norms prescribed by the RBI. The Company has sufficient liquidity to satisfy its short-term and long-term liabilities.

CREDIT RATING(S)

Credit Ratings assigned to the Company as on March 31, 2026 is summarised below:

Particulars / Rating Agencies	Rating	Remarks
Long Term:		
• **Debt Programme**		
CARE Ratings Limited	CARE AA(-)	Securities with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such securities carry very low credit risk.
CRISIL Ratings Limited	CRISIL AA(-)	
• **Short Term Debt Programme / Commercial Paper:**		
CRISIL Ratings Limited	CRISIL A1(+)	Securities with this rating are considered to have very strong degree of safety regarding timely payment of financial obligations. Such securities carry lowest credit risk.
CARE Ratings Limited	CARE A1(+)	

During the year under review, both CARE Ratings Limited and Crisil Ratings Limited reaffirmed the credit ratings as earlier assigned to the long-term / short-term debt programmes of the Company

DEBT EQUITY RATIO

The Company's Debt Equity ratio as on March 31, 2026 stood at 1.45 times.

CAPITAL ADEQUACY RATIO

The Company is well capitalised to provide adequate capital for its continued growth. As on March 31, 2026, the Capital to Risk Assets Ratio ("CRAR") of the Company stood at 36.07% well above the regulatory limit of 15% as prescribed by the RBI for NBFCs.

NET OWNED FUNDS

The Net Owned Funds of the Company as on March 31, 2026 stood at ₹ 2,95,261.36 lakhs (previous year: ₹ 2,29,964.83 lakhs).

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors of the Company comprises 8 (Eight) Directors of which 3 (Three) are Non-Executive Independent Directors, of whom 2 (Two) are Woman Director, 4 (Four) are Non-Executive Non-Independent Directors and 1 (One) is an Executive Director. The Chairperson of the Board of Directors is a Non-Executive Independent Director. The Board composition is in compliance with the requirements of the Act, SEBI Listing Regulations and the RBI Governance Directions. Detailed composition of the Board of Directors of the Company has been provided in the Corporate Governance Report, which is annexed to and forms an integral part of this Board's Report.

All appointments of Directors are made in accordance with the relevant provisions of the Act, SEBI Listing Regulations, RBI Governance Directions and other laws, rules, guidelines as may be applicable to the Company. The Nomination and Remuneration Committee ("NRC") exercises due diligence inter-alia to ascertain the 'fit and proper' status of person who is proposed to be appointed on the Board of Directors of the Company, and if deemed fit, recommends their candidature to the Board of Directors for consideration.

Appointment and Cessation:

During the year under review, based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors had approved the appointment of Ms. Sujatha Mohan (DIN: 10743626) as an Additional Director (Non-Executive Independent Directors), effective from April 21, 2025, for a period of five consecutive years subject to approval of the Shareholders of the Company. The Shareholders of the Company, by way of a special resolution passed through Postal Ballot on May 24, 2025, approved the appointment of Ms. Sujatha Mohan (DIN: 10743626) as an Independent Director of the Company for the above-mentioned tenure.

During the year under review, Mr. Karthikeyan Srinivasan (DIN: 10056556) Whole-Time Director & Chief Executive Officer, resigned from the Board of Directors of the Company with effect from May 11, 2025 and Mr. Randhir Singh (DIN: 05353131) was re-designated and appointed as Managing Director &

Executive Vice Chairman of the Company, not liable to retire by rotation, with effect from May 11, 2025.

The Board of Directors places on record its sincere appreciation for the immense contribution and valuable services rendered by Mr. Karthikeyan Srinivasan (DIN: 10056556), during his tenure as Director of the Company.

During the year under review, Mr. Dhanpal Jhaveri, (DIN: 02018124) Non-Executive Non-Independent Director, resigned from the Board of Directors of the Company with effect from August 28, 2025. The Board of Directors places on record his sincere appreciation for the valuable contribution and guidance provided by Mr. Dhanpal Jhaveri, (DIN: 02018124), during his tenure as Director of the Company.

Subsequent to resignation of Mr. Dhanpal Jhaveri and upon nomination by Indostar Capital, Promoter of the Company, in terms of the shareholder's agreement dated January 31, 2020 executed among the Company, BCP V Multiple Holdings Pte Ltd. and Indostar Capital, the Board of Directors upon recommendation of Nomination and Remuneration Committee, approved appointment of Mr. Vishal Omprakash Goenka (DIN: 10084887) as an Additional Director (Non-Executive Non-Independent Director) with effect from August 28, 2025. Subsequently, pursuant to the notice received under Section 160 of the Act, proposing his candidature for directorship, the shareholders approved the appointment of Mr. Vishal Omprakash Goenka (DIN: 10084887) as a Non-Executive Non-Independent Director of the Company, liable to retire by rotation, at the 16th Annual General Meeting held on September 25, 2025.

Director(s) Retiring by Rotation

In terms of Section 152(6) of the Act read with the Articles of Association of the Company, Mr. Aditya Hemant Joshi (DIN: 08684627), Non-Executive Non-Independent Director of the Company, retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting of the Company. The information required to be disclosed under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standards on General Meeting issued by the Institute of Company Secretaries of India, in case of re-appointment of Mr. Aditya Hemant Joshi is provided in the AGM Notice.

Re-appointment of Independent Directors

None of the Independent Director(s) on the Board of Directors of the Company is due for re-appointment.

Resignation of Independent Director(s)

During the year under review, none of the Independent Director(s) on the Board of the Company had resigned before the expiry of their respective tenure(s).

Director(s) Declaration and Disclosures

Based on the declarations and confirmations received in terms of the provisions of the Act, the SEBI Listing Regulations and the RBI Governance Directions none of the Directors on the Board of the Company are disqualified from being appointed or continuing as Directors.

A certificate from M/s. Mehta & Mehta, Company Secretaries, confirming that none of the Directors on the Board of the Company as on March 31, 2026 have been debarred or disqualified from being appointed or continuing as Director on the Board of the Company by SEBI, the Ministry of Corporate Affairs or any such statutory authority, forms part of the Corporate Governance Report which is annexed to and forms an integral part of this Board's Report. Further, all the Directors meet the fit and proper criteria stipulated under the RBI Governance Directions, as amended from time to time.

Declaration by Independent Directors

All Independent Directors have submitted the declaration of independence, pursuant to the provisions of Section 149(7) of the Act and Regulation 25(8) of the SEBI Listing Regulations, stating that they meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations.

Key Managerial Personnels ("KMPs")

During the year under review, Mr. Karthikeyan Srinivasan resigned from the designation of Chief Executive Officer and Whole-Time Director and Mr. Randhir Singh was re-designated and appointed as Managing Director designated as Executive Vice Chairman of the Company with effect from May 11, 2025.

The following are the KMPs of the Company as on March 31, 2026:

Mr. Randhir Singh	Managing Director and Executive Vice Chairman
Mr. Jayesh Jain	Chief Financial Officer
Ms. Shikha Jain	Company Secretary and Compliance Officer

MEETINGS

The Board of Directors and Committees meet at regular intervals inter-alia to discuss, review and consider various matters including business performance, strategies, policies and regulatory updates and impact. During the year under review, the Board of Directors met 8 (Eight) times. Further, the details with respect to the meetings of the Board of Directors and Committees held during the year under review, including attendance by Directors / Members at such meetings are provided in the Corporate Governance Report which is annexed to and forms an integral part of this Board's Report.

COMPLIANCE WITH SECRETARIAL STANDARDS

In terms of provisions of Section 118 of the Act, the Company is in compliance with Secretarial Standards on Meetings of the Board of Directors ("SS-1") and Secretarial Standards on General Meeting ("SS-2") issued by the Institute of Company Secretaries of India except as stated in the Board's Report under section "Secretarial Auditors & their Report" along with the management responses. The Company is committed to strengthening its processes to ensure continued compliance.

BOARD COMMITTEES

In compliance with the requirements of various laws applicable to the Company, as part of good corporate governance practices and for operational convenience, the Board of Directors has constituted several committees to deal with specific matters and delegated powers for different functional areas to different committees.

Detailed note on the composition of the Board of Directors and its committees, including its terms of reference and meetings held are provided in the Corporate Governance Report. The composition and terms of reference of the Committees of the Board of the Company is in line with the provisions of the Act, the SEBI Listing Regulations and all applicable RBI Directions including RBI Governance Directions.

PERFORMANCE EVALUATION

In terms of the provisions of the Act and the SEBI Listing Regulations, the Board of Directors adopted a Board Performance Evaluation Policy to set out a formal mechanism for evaluating performance of the Board, that of its committee(s) and individual Directors including the Chairperson. Additionally, in order to outline detailed process and criteria to be considered for performance evaluation, the Nomination and Remuneration Committee ("NRC") has put in place the 'Performance Evaluation Process – Board, Committees and Directors', which forms an integral part of the Board Performance Evaluation Policy. The questionnaires for performance evaluation are comprehensive and in alignment with the guidance note on Board evaluation issued by the SEBI, vide its circular no. SEBI/HO/CFD/CMD/CIR/P/2017/004 dated January 05, 2017 and are in line with the criteria and methodology of performance evaluation approved by the NRC.

In terms of the requirement of Schedule IV of the Act and Regulation 25 of the SEBI Listing Regulations, a separate meeting of an Independent Directors was held on March 23, 2026 to review the performance of the Board of Directors, Non-Independent Directors, Board Committees, Individual Directors and the Chairperson.

A statement indicating the manner in which formal evaluation of the performance of the Board of Directors, Committee(s) of the Board, individual Directors including the Chairperson during the year under review was carried out, is provided in the Corporate Governance Report which is annexed to and forms an integral part of this Board's Report.

The evaluation was conducted through internal assessment on a secured online portal whereby the evaluators can submit their ratings and qualitative feedback through a structured and separate rating-based questionnaire for each of the evaluations, details of which is accessible only to the NRC Chairperson. Further, the results and outcome are evaluated, deliberated upon and noted by the Independent Directors, the Nomination and Remuneration Committee and the Board at their respective meetings.

All the Directors of the Company participated in the evaluation process. The Board of Directors of the Company was satisfied with the functioning of the Board of Directors and its Committees. The Committees are functioning well and besides covering the Committees' terms of reference, as mandated by applicable laws, important issues were brought up and discussed in the Committee meetings. The Board of Directors was also satisfied with the contribution of Directors in their individual capacities. The Board of Directors has full faith in the Chairperson leading the Board effectively and ensuring participation and contribution from all the Directors.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

In compliance with the requirements of the SEBI Listing Regulations, the Company has adopted and put in place a Familiarisation Programme for Independent Directors to familiarise Independent

Directors inter-alia with the industry in which the Company and its subsidiary operate, the Company's business model and its operations in order to give them an insight into the Company's business and its functioning. A formal letter of appointment is given to Independent Directors at the time of their appointment which lays down the fiduciary duties, roles and responsibilities of an Independent Director. The terms and conditions of appointment of Independent Directors is available on the website of the Company. Please refer to the section, 'Policy Compendium' for accessing the policy.

In terms of Regulation 46 of the SEBI Listing Regulations, the details of familiarisation programmes imparted to the Independent Directors during the year under review including details of number of programmes and number of hours spent by each Independent Director are available on the website of the Company. Please refer to the section, 'Policy Compendium' for accessing the policy.

POLICY ON APPOINTMENT OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

In terms of Section 178(2) of the Act, the SEBI Listing Regulations and the RBI Governance Directions, the Board of Directors adopted a 'Policy on Selection Criteria / "Fit and Proper" Person Criteria' inter-alia setting out parameters to be considered for appointment of Directors and Senior Management Personnel of the Company.

Details of the Policy on Selection Criteria / "Fit and Proper" Person Criteria have been provided in the Corporate Governance Report which is annexed to and forms an integral part of this Board's Report and is also available on the website of the Company. Please refer to the section, 'Policy Compendium' for accessing the policy.

REMUNERATION POLICY, DISCLOSURE OF REMUNERATION & PARTICULARS OF EMPLOYEES

Remuneration Policy

The Company has also adopted the Policy on Remuneration of Directors, Key Managerial Personnel, Senior Management and other Employees of the Company in accordance with the provisions of Section 178(4) of the Act, RBI Governance Directions notified by the RBI and SEBI Listing Regulations.

During the year under review, the Policy on Remuneration of Directors of the Company was amended to, inter-alia, align with existing Statutory provisions. Details of the Remuneration Policy have been provided in the Corporate Governance Report which is annexed to and forms an integral part of this Board's Report. The Remuneration Policy is also available on the website of the Company. Please refer to the section, 'Policy Compendium' for accessing the policy.

Employee Remuneration

In terms of Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the disclosures with respect to the remuneration of Directors, Key Managerial Personnel and employees of the Company is enclosed as **Annexure I** to the Board's Report.

In terms of Section 136 of the Act, the Report and accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars as required pursuant to provisions of Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The said information is available for inspection by the Shareholders on request and may write to the Company at investor.relations@indostarcapital.com.

The Board of Directors confirm that remuneration paid to the Directors was as per the Remuneration Policy of the Company.

Details of remuneration paid to the directors of the Company as required to be disclosed under clause IV of Section II of Schedule V of the Act has been provided in the Corporate Governance Report which is annexed to and forms an integral part of this Board's Report.

EMPLOYEE STOCK OPTION PLANS ("ESOP PLANS")

The Company believes that its success and ability to achieve its objectives is largely determined by the quality of its workforce and recognises that not only good employment opportunities but also additional motivating mechanisms are needed to incentivize employees and aligning their interest with the interest of the Company. In recognition of the said objective, the Company adopted and implemented IndoStar ESOP Plan 2012 ("ESOP 2012"), IndoStar ESOP Plan 2016 ("ESOP 2016"), IndoStar ESOP Plan 2016-II ("ESOP 2016-II"), IndoStar ESOP Plan 2017 ("ESOP 2017") and IndoStar ESOP Plan 2018 ("ESOP 2018") (collectively referred to as "ESOP Plans") to attract, retain, motivate and incentivise employees of the Company and its holding / subsidiary company.

During the year under review, total of 10,05,967 stock options were granted to the eligible employees of the Company under the Company's ESOP Plans.

The ESOP Plans of the Company are implemented and administered by the NRC.

The Board of Directors confirms that the ESOP Plans are in compliance with the provisions of the Act and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended ("SEBI SBEB & SE Regulations"). A certificate from the M/s. Mehta & Mehta, Company Secretaries Secretarial Auditors of the Company confirming that the Scheme has been implemented in accordance with SEBI SBEB & SE Regulations, is placed at the website of the Company at https://www.indostarcapital.com/investors-corner#investor-services.

The applicable disclosures as stipulated under SEBI SBEB & SE Regulations for the Financial Year ended March 31, 2026, with regards to the ESOP Plans, is available on the website of the Company. Please refer to the section, 'Policy Compendium' for accessing the ESOP Plans and Disclosures.

AUDITORS

Statutory Auditors & their Report

In terms of the provisions of the Act and the Reserve Bank of India (Non-Banking Financial Companies - Statutory Audit) Directions, 2026 ("RBI Statutory Audit Master Directions"), M S K A & Associates LLP, Chartered Accountants (Firm Registration no. 105047W/W101187) ("MSKA") were appointed as the Statutory Auditors of the Company, for a period of 3 (Three) consecutive years from the conclusion of the 14th Annual General Meeting ("AGM") until the conclusion of the 17th Annual General Meeting. The term of appointment of MSKA will be expiring at the ensuing AGM.

In view of the same, based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on July 29, 2026, recommended the appointment of S.R. Batliboi & Co. LLP, Chartered Accountants (Firm Registration no. 301003E/E300005) ("S.R. Batliboi & Co. LLP"), as Statutory Auditors of the Company, to hold office from the conclusion of the 17th AGM until the conclusion of the 20th AGM of the Company, subject to the approval of the Shareholders at the ensuing AGM. Brief profile and other details of the proposed Statutory Auditors forms part of the AGM Notice.

The Statutory Auditors of the Company have issued their unmodified opinion, both on standalone and consolidated financial statements for the Financial Year ended March 31, 2026. They have not highlighted any qualifications, reservations, adverse remarks or disclaimers. Statutory Auditors have not reported any incidents of material fraud to the Audit Committee of the Board of Directors during the Financial Year 2025-26. The notes referred to in the auditor's report are self-explanatory and therefore do not call for any further explanation and comments.

Reporting of Frauds by Auditors

There were no frauds reported by the Auditors of the Company under Section 143(12) of the Act to the Audit Committee during the year under review.

Secretarial Auditors & their Report

Pursuant to the provisions of Regulation 24A of the SEBI Listing Regulations and Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. Mehta & Mehta, Company Secretaries (ICSI Unique Code P1996MH007500) were appointed as Secretarial Auditors of the Company for a term of 5 (Five) consecutive years i.e., from Financial Year 2025-26 to Financial Year 2029-30 at the 16th Annual General Meeting by the Shareholders of the Company.

The Secretarial Audit Report in Form MR-3 for the Financial Year under review, as received from M/s. Mehta & Mehta, Company Secretaries, is enclosed as **Annexure II** to the Board's Report.

M/s. Mehta & Mehta, Company Secretaries, in their report on the Secretarial Audit of the Company for the Financial Year ended March 31, 2026 have submitted following remarks/qualifications:

1. Regulation 17(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 prescribes the requirement of having at least one-third of the Board of Directors as Independent Directors. However, the composition of the Board is not duly constituted in the absence of requisite number of Independent Directors.
2. The Company has failed to adhere to Regulation 19(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the period from March 05, 2025 to April 28, 2025, by appointing Ms. Naina Krishna Murthy as the Chairperson of the Nomination & Remuneration Committee, who was also the Chairperson of the Board.
3. The Company submitted the intimation pertaining to the appointment of the Secretarial Auditor to the Stock Exchanges beyond the timeline prescribed under Regulation 30 of the SEBI Listing Regulations.
4. The Company has delayed the compliance with the provisions of Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, regarding publication of notice of transfer of equity shares to IEPF account, as the requisite notice was published approximately one month prior to the due date of transfer instead of the prescribed timeline of at least three months before the due date.
5. The Company submitted the intimation pertaining to the allotment of equity shares

under the applicable ESOP Scheme(s), allotted on November 11, 2025, to the Stock Exchanges beyond the timeline prescribed under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

6. During the period under review, it was observed that the intimation pertaining to the allotment of securities made on January 22, 2026, was intimated to the Stock Exchange in PDF Format within the timelines. However, the XBRL was submitted to the Stock Exchanges beyond the prescribed timeline under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Director's Response to the remarks/qualification in Secretarial Audit Report:

1. The Company was in compliance with the provisions of Regulation 17(1)(b) of the SEBI Listing Regulations until March 4, 2025. Consequent to the expiry of the term of Mr. Bobby Parikh, as an Independent Director and Chairman of the Company on March 04, 2025, the Board of Directors consisted of only two Independent Directors, as against the requirement of a minimum of 1/3rd of the total Board of Directors being independent. The Company had initiated the process of identifying a suitable candidate well in advance to the impending expiry of term of Mr. Bobby Parikh on March 04, 2025. However, identifying a qualified individual whose expertise and experience aligned with the Company's values and principles which could contribute positively to the business of the Company and its stakeholders, took longer than as anticipated. It may be noted that after identifying and shortlisting suitable candidates and conducting proper due diligence process, the Company appointed Ms. Sujatha Mohan (DIN: 10743626) as an Independent Director with effect from April 21, 2025 and the Company has since been in compliance with Regulation 17(1)(b) of the Listing Regulations.
2. Post March 31, 2025, the Company had re-constituted the Nomination and Remuneration Committee by appointing Mr. Hemant Kaul, Non-Executive Independent Director as the Chairperson in place of Ms. Naina Krishna Murthy. As on date, the Nomination and Remuneration Committee constitution is in compliance with the applicable law.
3. The lapse occurred due to an inadvertent oversight in the compliance process. The Company has since reviewed and strengthened its internal compliance mechanisms and enhanced the relevant SOPs/checklists to ensure adherence to all applicable SEBI provisions in future transactions. The management reaffirms its commitment to maintaining robust compliance standards and to preventing the recurrence of such instances.
4. The lapse occurred due to an inadvertent oversight in the compliance process. The Company has since reviewed and strengthened its internal compliance mechanisms and enhanced the relevant SOPs/checklists to ensure adherence to all applicable SEBI provisions in future transactions. The management reaffirms its commitment to maintaining robust compliance standards and to preventing the recurrence of such instances.
5. The delay occurred due to an inadvertent oversight and assessment of disclosure timelines. The Company has taken note of the observation and has strengthened its internal reporting and compliance monitoring mechanisms. Further, the relevant SOPs and compliance checklists have been reviewed and enhanced to ensure timely identification and disclosure of material events/ information in compliance with applicable regulatory requirements going forward. The management reaffirms its commitment to maintaining robust compliance standards and to preventing the recurrence of such instances.
6. The delay occurred due to an inadvertent oversight and assessment of disclosure timelines. The Company has taken note of the observation and has strengthened its internal reporting and compliance monitoring mechanisms. Further, the relevant SOPs and compliance checklists have been reviewed and enhanced to ensure timely identification and disclosure of material events/ information in compliance with applicable regulatory requirements going forward. The management reaffirms its commitment to maintaining robust compliance standards and to preventing the recurrence of such instances.

In terms of Regulation 24A(2) of the SEBI Listing Regulations, Annual Secretarial Compliance Report with respect to all applicable compliances under regulations and circulars / guidelines issued by the Securities and Exchange Board of India from M/s. Mehta & Mehta, Company Secretaries in prescribed format for the Financial Year ended March 31, 2026 has been submitted to the stock exchanges.

COST RECORD AND COST AUDIT

The provisions of maintenance of cost records and cost audit as prescribed under the provisions of section 148(1) of the Act are not applicable to the Company.

WHISTLE BLOWER POLICY AND VIGIL MECHANISM

In terms of Section 177(9) and Section 177(10) of the Act and the SEBI Listing Regulations, the Board of Directors adopted a Whistle Blower Policy and Vigil Mechanism, inter-alia to provide a mechanism for internal stakeholders of the Company including the Directors, employees of the Company and external stakeholders including vendors, suppliers, consultants, agents to approach the Chairperson of the Audit Committee of the Company and to report genuine concerns related to unethical behavior, actual or suspected fraud, violation of any applicable laws, codes of conduct or policies of the Company, any suspected misconduct/ illegal/ improper conduct and leak or suspected leak of unpublished price sensitive information. The Whistle Blower Policy and Vigil Mechanism provides for adequate safeguards against victimisation of stakeholder who report genuine concerns under the mechanism.

During the year under review, the Board of Directors approved amendment to Whistle Blower Policy and Vigil Mechanism. The Whistle Blower Policy and Vigil Mechanism is uploaded on the website of the Company. Please refer to the section, 'Policy Compendium' for accessing the policy. More details have been provided in the Corporate Governance Report which is annexed to and forms an integral part of this Board's Report.

The Audit Committee is apprised of the vigil mechanism on a periodic basis. During the year, no person was denied access to the Chairperson of the Audit Committee. A quarterly report on the whistle blower complaints is placed before the Audit Committee for its review.

CORPORATE SOCIAL RESPONSIBILITY

In terms of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("CSR Rules"), the Board of Directors have constituted a Corporate Social Responsibility ("CSR") Committee and in light of the Company's philosophy of being a responsible corporate citizen, the Board of Directors adopted a CSR Policy which lays down the principles and mechanism for undertaking various projects / programs as part of Company's CSR activities. During the year under review, the CSR Policy of the Company was amended in order to align with the requirements of applicable laws and regulations and as part of its CSR initiatives, the Company has undertaken various programs with a focus area of promotion of healthcare including preventive healthcare.

Details of the composition of the CSR Committee and the CSR Policy have been provided in the Corporate Governance Report which is annexed to and forms an integral part of this Board's Report. 'Annual Report on CSR activities' in the format as prescribed under Companies (Corporate Social Responsibility Policy) Rules, 2014 is enclosed as **Annexure III** to the Board's Report.

RISK MANAGEMENT FRAMEWORK

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks associated with the business of the Company. Major risks identified by the business and functions, if any, are systematically addressed through mitigating actions on a continuing basis. The Board of Directors have adopted a Risk Management Framework and Policy which inter-alia integrates various elements of risk management into a unified enterprise-wide policy. The Risk Management Framework and Policy is available on the website of the Company. Please refer to the section, 'Policy Compendium' for accessing the policy.

The Risk Management Committee of the Company has not identified any elements of risk which in their opinion may threaten the existence of the Company. Details of the risks and concerns relevant to the Company are discussed in detail in the Management Discussion and Analysis Report which forms part of the Annual Report.

The Board of Directors approved amendment to Risk Management Framework and Policy of the Company with the intention to make it more robust and to meet the requirement of the today's business environment. On the basis recommendation of Risk Management Committee, the Board of Directors amended the Internal Capital Adequacy Assessment Process Framework with the objective of ensuring availability of adequate capital to support all risks in business as also to enable effective risk management system in the Company and to align with the applicable law.

The Chief Risk Officer ("CRO") oversees and strengthens the risk management function of the Company. The CRO is invited to participate in meetings of the Board of Directors, Audit Committee, Asset Liability Committee and Risk Management

Committee. The CRO along with members of the Senior Management apprises the Risk Management Committee and the Board of Directors on various aspects of risk assessment, including the process of identifying and evaluating risks, key risks, changes in risk ratings, the root cause of risks and their impact, key risk indicators, mitigation strategies, and action taken to manage and reduce these risks.

INTERNAL CONTROL / INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company's well-defined organisational structure supported by documented policies, defined authority matrix and robust internal controls ensuring efficiency of operations, compliance with internal system / policies and applicable laws. The internal control system / policies of the Company are further strengthened with internal audits, regular management reviews and external audits. It provides reasonable assurance in respect of financial and operational information, compliance with applicable statutes, safeguarding of assets of the Company, prevention and detection of frauds, accuracy and completeness of accounting records and also ensuring compliance with the Company's policies.

The Audit Committee continuously monitors the effectiveness of the internal controls system and policies of the Company. The Risk Management Committee and the Audit Committee periodically review various risks associated with the business of the Company along with risk mitigants and ensure that they have an integrated view of risks faced by the Company. The Board of Directors believes that internal control systems are commensurate with the nature, size and complexity of Company's operations.

The Statutory Auditors and the Internal Auditors of the Company have also confirmed that the internal financial control framework is operating effectively.

INTERNAL AUDIT

The Company has in place an robust Internal Audit Framework to monitor the efficacy of internal controls with the objective of providing to the Audit Committee and the Board of Directors, an independent and reasonable assurance on the adequacy and effectiveness of the Company's risk management, internal control and governance processes. The internal audit framework is commensurate with the nature of the business, size, scale and complexity of its operations with a Risk Based Internal Audit ("RBIA") approach.

The Company has implemented a RBIA Programme in accordance with the requirements of the Reserve Bank of India (Non-Banking Financial Companies - Internal Audit Function) Directions, 2026. The Internal audit plan is approved by the Audit Committee and internal audits are undertaken on a periodic basis to independently validate the existing controls. Internal Audit Reports are regularly reviewed by the management and corrective action is initiated to strengthen controls and enhance the effectiveness of existing systems. Significant audit observations, if any, are presented to the Audit Committee along with the status of management's action plans.

Separate meetings between the Head Internal Auditor and the Audit Committee

Separate meetings between the Head Internal Auditor and the Audit Committee, without the presence of Management, were enabled to facilitate independent and transparent discussion amongst them. The meetings were held on June 17, 2025, September 24, 2025, December 23, 2025 and March 12, 2026.

MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATE

The Compliance Certificate in terms of Regulation 17(8) of the SEBI Listing Regulations on the audited financial statements and other matters prescribed therein, submitted to the Board of Directors by the Managing Director & Executive Vice Chairman and Chief Financial Officer of the Company, for Financial Year ended March 31, 2026, is enclosed herewith at **Annexure IV** to the Board's Report.

CONTRACTS / ARRANGEMENTS WITH RELATED PARTIES AND RELATED PARTY TRANSACTION POLICY

During the year under review, all transactions entered into by the Company with related parties were in ordinary course of business and on arm's length basis and were not considered material as per the provisions of Section 188 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014. Hence, disclosure in Form AOC-2 under Section 134(3)(h) of the Act, read with the Rule 8 of the Companies (Accounts) Rules, 2014, is not applicable.

Further during the year under review, the Company has amended the Related Party Transaction Policy in order to align with amended SEBI Listing Regulations.

Prior approval of the Audit Committee is obtained for all Related Party Transactions ("RPTs") including omnibus approval for transactions which are of a repetitive nature and entered in the ordinary course of business and at arm's length in accordance with the Related Party Transactions Policy of the Company. A statement on RPTs specifying the details of the transactions pursuant to each omnibus approval granted is placed on a quarterly basis for review by the Audit Committee.

Pursuant to Regulation 23(9) of the SEBI Listing Regulations, disclosures of RPTs are submitted to the Stock Exchanges on a half-yearly basis and hosted on the Company's website at https://www.indostarcapital.com/investors-corner#investor-relations.

Disclosure of the RPTs as required under Ind AS 24 are reported in Note 33 of the audited standalone financial statements of the Company for the Financial Year ended March 31, 2026.

Details of the Related Party Transaction Policy have been provided in the Corporate Governance Report which is annexed to and forms an integral part of this Board's Report.

ANNUAL RETURN

In terms of Section 134(3)(a) and Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, the Annual Return for the Financial Year ended March 31, 2026 in prescribed Form MGT-7 is available on the website of the Company at https://www.indostarcapital.com/investors-corner#investor-services.

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

Conservation of energy:

The operations of the Company are not energy intensive nor does they require adoption of specific technology and hence information in terms of Section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014 is not applicable to the Company. However certain efforts were made by the Company towards energy & technology absorption.

The Company has implemented various energy conservation measures across all its functions which are highlighted in the BRSR forming part of this Report.

Technology absorption:

The Company has intensified its strategic focus on technology absorption, driving comprehensive digital transformation across all core operational areas. Key initiatives and their impacts include:

i. Accelerated Digitalisation: Implementing advanced software solutions to replace legacy, manual workflows;

ii. Turnaround Time ("TAT"): Reduction: Reorganisation operational pipelines to ensure faster service delivery and enhanced competence;

iii. Automated Audit Adherence: Deploying continuous monitoring tools that automatically track, log and verify data;

iv. Strict Regulatory Compliance: Integration of real-time compliance frameworks to adapt dynamically to evolving legal and industry mandates; and

v. Workforce Upskilling: Conducting targeted training programs to ensure seamless staff adaptation to newly added digitalised journeys.

The benefits derived after the technology absorption initiative undertaken by the Company were product improvement, cost reduction, product development or import substitution and the successful absorption and integration of advanced technologies have generated measurable operational and financial benefits across multiple sides of the business:

i. Product Improvement: Integrating automated quality-control sensors and data analytics has significantly reduced manufacturing defects. Product reliability and performance consistency have increased. This has led to streamlined process and TAT; and

ii. Cost Reduction: Automating repetitive tasks has lowered expenses and minimized human error.

Foreign exchange earnings and outgo:

During the year under review, the Company incurred foreign currency expenditure of ₹ 572.68 lakhs (Previous Year: Nil)

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company is committed to create an environment in which all individuals are treated with respect and dignity and promote a gender sensitive and safe work environment. Accordingly, the Board of Directors adopted a Care & Dignity Policy and also constituted an Internal Complaints Committee, in compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

During the year under review, the Board of Directors in order to streamline processes and exercise centralised control and the Board dissolved the existing region-wise Internal Complaints committees and reconstituted Central Internal Complaints

Committee by inclusion of representative from each region.

To ensure that all the employees are sensitized regarding issues of sexual harassment, the Company conducts online Prevention of Sexual Harassment trainings through the internal e-learning platform and knowledge community sessions.

Disclosures as required under Rule 8(5) of the Companies (Accounts) Rules, 2014, as stated below:

(a) number of complaints of sexual harassment received in the year: NIL

(b) number of complaints disposed off during the year: NIL

(c) number of cases pending for more than ninety days: NIL

INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time), the Shares in respect of which the dividend is unpaid/unclaimed for 7 (Seven) consecutive years are required to be transferred to the Investor Education and Protection Fund ("IEPF") after giving an opportunity to the Shareholders to claim the said unpaid/unclaimed dividend. Accordingly, the Company issued the reminder letters to such Shareholders to claim the dividend and also published the notice to such effect in the leading newspaper in English and Regional Language having wide circulation and informed them that in the event of failure to claim said dividend, the unpaid/unclaimed dividend along with Shares pertaining to unpaid/unclaimed dividend would be transferred to the IEPF. Subsequently, the Company has transferred unpaid/unclaimed dividend of Interim Dividend for the Financial Year 2018-19 amounting to ₹ 58,142 (Rupees Fifty Eight Thousand One Hundred Forty Two Only) on December 19, 2025. Further, 7,215 (Seven Thousand Two Hundred and Fifteen) Equity Shares of those Shareholders who had not claimed any dividend during the consecutive 7 years, were also transferred to the IEPF on January 01, 2026. The details of such Shares are available on the website of the Company at https://www.indostarcapital.com/investors-corner#investor-relation.

OTHER DISCLOSURES

- During the year under review, there has been no change in the nature of business of the Company.
- No material changes and commitments affecting the financial position of the Company have occurred between the end of year under review and date of this Board's Report.
- During the year under review, no orders have been passed against the Company by any regulator(s) or court(s) or tribunal(s) which would impact the going concern status and / or the future operations of the Company.
- During the year under review, the Company, in the capacity of a financial creditor, has not filed petitions before the National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016 for recovery of outstanding loans against its customers, being corporate debtors.
- During the year under review, there has been no instance of one-time settlement with any Bank(s) or Financial Institution(s).
- The Company has complied with the applicable provisions relating to Maternity Benefits Act, 1961.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of knowledge and belief and according to the information and explanations obtained by the Board of Directors, pursuant to the provisions of Section 134(3)(c) read with Section 134(5) of the Act, the Board of Directors hereby confirm that:

a) in the preparation of the annual accounts for the year ended March 31, 2026, the applicable accounting standards have been followed and no material departures have been made from the same;

b) they have 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 profits of the Company for that year;

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

d) they have prepared the annual accounts on a going concern basis;

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

f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively during the year ended March 31, 2026.

APPRECIATION AND ACKNOWLEDGEMENT

The Directors take this opportunity to express their appreciation to all stakeholders of the Company including the Reserve Bank of India, the Insurance Regulatory and Development Authority of India the Ministry of Corporate Affairs, the Registrar of Companies, the Securities and Exchange Board of India, the Government of India and other Regulatory Authorities, the BSE Limited, the National Stock Exchange of India Limited, the Depositories, Bankers, Financial Institutions, Debenture Trustees, Credit Rating Agencies, Members, Employees and Customers of the Company for their continued support and trust.

By the Order of the Board of Directors
For **IndoStar Capital Finance Limited**

Naina Krishna Murthy
Chairperson
DIN: 01216114

Place: Mumbai
Date: July 29, 2026

ANNEXURE I

DISCLOSURES IN TERMS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

Sr. No.	Requirement	Disclosure	
1.	The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year	**Name of Director**	**Ratio**
		Mr. Bobby Parikh	-
		Mr. Hemant Kaul	-
		Ms. Naina Krishna Murthy	-
		Mr. Dhanpal Jhaveri@	-
		Mr. Aditya Joshi	-
		Mr. Devdutt Marathe	-
		Mr. Randhir Singh	83.89
		Mr. Karthikeyan Srinivasan^	59.92
		Ms. Sujatha Mohan*	-
		Mr. Vishal Goenka$	-
2.	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary in the Financial Year	**Name of Director / CEO / CFO/ CS**	**Percentage Increase in their remuneration during the Financial Year under review**
		Mr. Bobby Parikh	-
		Mr. Hemant Kaul	-
		Ms. Naina Krishna Murthy	-
		Mr. Dhanpal Jhaveri@	-
		Mr. Aditya Joshi	-
		Mr. Devdutt Marathe	-
		Mr. Randhir Singh	10%
		Ms. Sujatha Mohan*	-
		Mr. Vishal Goenka$	-
		Mr. Jayesh Jain (CFO)	10%
		Ms. Shikha Jain (CS)	12%
		Mr. Karthikeyan Srinivasan (CEO)^	-
3.	The percentage increase in the median remuneration of employees in the Financial Year	1.2%	
4.	Number of permanent employees on the rolls of Company at the end of Financial Year	4585	
5.	Average percentile increases 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 salaries of employees other than managerial personnel, has increased by 8% in the Financial Year 2025-26. There has been an average increase in the Managerial Remuneration by 10.67% for the Financial Year 2025-26.	
6.	Affirmation that the remuneration is as per Remuneration Policy of the Company	It is affirmed that remuneration paid is as per the Remuneration Policy of the Company.	

@ Ceased to be Non-Executive Non-Independent Director with effect from August 28, 2025.

^ Ceased to be Whole-Time Director and Chief Executive Officer of the Company with effect from May 11, 2025.

* Appointed as an Additional Director (Non-Executive Independent Director) with effect from April 21, 2025.

$ Appointed as an Additional Director with effect from August 28, 2025 and regularised as the Non-Executive Non-Independent Director on September 25, 2025 by the Shareholders at 16th Annual General Meeting.

Notes:

The sitting fees paid to Non-Executive Independent Directors has not been included for calculation of remuneration paid to them.

ANNEXURE II

FORM NO. MR-3

SECRETARIAL AUDIT REPORT
FOR THE YEAR ENDED MARCH 31, 2026
{Pursuant to Section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014}

To,
The Members,
INDOSTAR CAPITAL FINANCE LIMITED
Office No- 301, Wing A, CTS No 477
Silver Utopia, Chakala Road,
Opposite Proctor and Gamble, Andheri (E),
Sahargaon, Mumbai- India 400099

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

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Based on our verification of the IndoStar Capital Finance Limited books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised 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, (hereinafter called the "Audit Period") complied with the statutory provisions listed here under 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 IndoStar Capital Finance Limited (hereinafter called "the Company") for the Financial Year ended on March 31, 2026, according to the provisions of:

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

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

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

(iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and ~~External Commercial Borrowings~~;

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

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

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

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

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

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

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

(g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(during the period under review not applicable to the Company)**;

(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(during the period under review not applicable to the Company)**;

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(during the period under review not applicable to the Company)**;

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

(i) Secretarial Standards issued by the Institute of Company Secretaries of India;

(ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder (Hereinafter referred as "Listing Regulations")

During the period under review the Company has complied with the provisions of Act, Rules, Regulations, Guidelines etc except:

a. Regulation 17(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 prescribes the requirement of having at least one-third of the Board of Directors as Independent Directors. However, during the period from April 01, 2025 to April 20, 2025, the composition of the Board was not duly constituted in the absence of the requisite number of Independent Directors.

b. The Company has failed to adhere to Regulation 19(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the period from March 05, 2025 to April 28, 2025, by appointing Ms. Naina Krishna Murthy as the Chairperson of the Nomination & Remuneration Committee, who was also the Chairperson of the Board.

c. The Company submitted the intimation pertaining to the appointment of the Secretarial Auditor to the Stock Exchanges beyond the timeline prescribed under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

d. The Company has delayed the compliance with the provisions of Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, regarding publication of notice of transfer of equity shares to IEPF account, as the requisite notice was published approximately one month prior to the due date of transfer instead of the prescribed timeline of at least three months before the due date.

e. The Company submitted the intimation pertaining to the allotment of equity shares under the applicable ESOP Scheme(s), allotted on November 11, 2025, to the Stock Exchanges beyond the timeline prescribed under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

f. During the period under review, it was observed that the intimation pertaining to the allotment of securities made on January 22, 2026, was intimated to the Stock Exchange in PDF Format within the timelines. However, the XBRL was submitted to the Stock Exchanges beyond the prescribed timeline under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further report that:

The Board of Directors of the Company was duly constituted with proper balance of the Executive Directors, Non-Executive Directors and Independent Directors except for the period starting from April 01, 2025 upto April 20, 2025 as stated above. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices are given to all Directors to schedule the Board / Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance to all the Directors. Meetings held at shorter notice are in compliance with the provisions of the Act and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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 Company had the following specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

a. The Members of the Company, by way of postal ballot dated May 26, 2025 approved amendments to Indostar ESOP Plan 2012, ESOP 2016, ESOP 2016-II, ESOP 2017 and ESOP 2018,

b. The Members of the Company, at the Annual General Meeting held on September 25, 2025, approved the borrowing by way of issuance of Non-Convertible Debentures ("NCDs"), in one or more tranches, on a private placement basis, for an aggregate amount not exceeding ₹6,000 crore, pursuant to the recommendation of the Board of Directors at its meeting held on August 13, 2025.

c. The Board of Directors via circular resolution dated November 25, 2025 has allotted 10,869,565 (Ten Million Eight Hundred and Sixty-Nine Thousand Five Hundred and Sixty-Five) equity shares at a price of ₹ 184 (Indian Rupees One Hundred and Eighty-Four) per equity shares pursuant to exercise of right of conversion of warrants into equity shares and on payment of balance consideration of ₹ 138 per equity shares to Florintree Tecserv LLP, a limited liability partnership.

d. The Board of Directors vide circular resolution dated December 20, 2025 has allotted 13,949,323 (Thirteen Million Nine Hundred and Forty-Nine Thousand Three Hundred and Twenty-Three) equity shares at a price of ₹ 184 (Indian Rupees One Hundred and Eighty-Four) per equity shares pursuant to exercise of right of conversion of warrants into equity shares and on payment of balance consideration of ₹ 36.80 per equity shares to BCP V Multiple Holdings Pte Ltd., a Promoter of the Company.

e. The Company allotted following ESOP under Indostar ESOP Plan 2016, ESOP Plan 2017 and ESOP Plan 2018-

Sr. No.	Date of Allotment	Number of Equity Shares allotted of face value ₹ 10/ (Rupee Ten only)
1.	April 02, 2025	5,000
2.	April 22, 2025	375
3.	April 28, 2025	1,33,686
4.	May 19, 2025	77,430
5.	May 26, 2025	33,916
6.	June 04, 2025	109,613
7.	June 13, 2025	203,810
8.	June 23, 2025	11,723
9.	August 11, 2025	4,260
10.	August 29, 2025	26,250
11.	September 11, 2025	4,739
12.	October 13, 2025	1,486
13.	November 11, 2025	3,501
14.	January 12, 2026	4,344
15.	February 11, 2026	798

f. The borrowing committee has allotted following non-convertible debentures during the period under review-

Sr. No.	Date of Allotment	Number of Debentures allotted of face value ₹ 1,00,000/ (Rupees One lakhs only)
1.	May 26, 2025	25,000
2.	June 19, 2025	40,000
3.	January 22, 2026	50,000

For **Mehta & Mehta,**
Company Secretaries
(ICSI Unique Code P1996MH007500)

Atul Mehta
Partner
FCS No: 5782
CP No: 2486
PR No: 7281/2025
Place: Mumbai
Date: May 27, 2026
UDIN: F005782H000509087

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

Annexure A

To,
The Members,
INDOSTAR CAPITAL FINANCE LIMITED
Office No- 301, Wing A, CTS No 477
Silver Utopia, Chakala Road,
Opposite Proctor and Gamble, Andheri (E),
Sahargaon, Mumbai- India 400099

Our Secretarial Audit Report for the Financial Year ended March 31, 2026 of even date is to be read along with this letter.

1) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the 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 laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6) As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred in Secretarial Audit Report in Form MR-3, the adherence and compliance to the requirements of the said regulations is the responsibility of management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.

7) 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 **Mehta & Mehta,**
Company Secretaries
(ICSI Unique Code P1996MH007500)

Atul Mehta
Partner
FCS No: 5782
CP No: 2486
PR No: 7281/2025
Place: Mumbai
Date: May 27, 2026
UDIN: F005782H000509087

ANNEXURE III

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline on CSR policy of the Company:

The CSR Policy of the Company is enunciated in accordance with Section 135 of Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Company's CSR Vision is to 'the Company, through its CSR projects, will enhance value creation in the society and in the community in which it operates, through its services, conduct and initiatives, so as to promote sustained growth for the society and community, in fulfillment of its role as a socially responsible corporate citizen. The ultimate aim of the CSR projects will be to benefit the communities at large and over a period of time enhance the quality of life and economic well-being of the local populace.'

The Company's CSR activities are undertaken broadly in the area of 'Health Care'.

2. Composition of CSR Committee:

Sr. No.	Name of the Director	Designation / Nature of Directorship	Number of meetings of CSR Committee	
			Held during the year	Attended during the year
1	Ms. Naina Krishna Murthy	Chairperson (Non-Executive Independent Director)	1	1
2	Mr. Bobby Parikh	Member (Non-Executive Non-Independent Director)	1	1
3	Mr. Vishal Goenka*	Member (Non-Executive Non-Independent Director)	1	0
4	Mr. Randhir Singh	Member (Managing Director)	1	1
5	Mr. Devdutt Marathe	Member (Non-Executive Non-Independent Director)	1	1

*Appointed as Member of the Committee with effect from August 28, 2025

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company: https://www.indostarcapital.com/about-us#CSRatIndoStar

4. Executive summary along with the web-link(s) of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8, if applicable : Not Applicable

5. a) Average net profit of the Company as per sub-section (5) of Section 135: ₹ 83,13,63,703.21 (Rupees Eighty Three Crore Thirteen Lakh Sixty Three Thousand Seven Hundred Three and Twenty One Paisa Only)

b) Two percent of average net profit of the Company as per sub-section (5) of Section 135: ₹ 1,66,27,274.06 (Rupees One Crore Sixty Six Lakh Twenty Seven Thousand Two Hundred Seventy Four and Six Paisa only). The Board of Directors of the Company had approved CSR budget of ₹ 1,67,00,000 (Rupees One Hundred And Sixty Seven Lakhs Only) for the Financial Year 2025-26.

c) Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years: NIL

d) Amount required to be set off for the Financial Year, if any – NIL

e) Total CSR obligation for the Financial Year [(b) +(c)-(d)]: ₹ 1,66,27,274.06 (Rupees One Crore Sixty Six Lakh Twenty Seven Thousand Two Hundred Seventy Four and Six Paisa Only)

6. a) Amount spent on CSR Projects (both Ongoing Project and Other than Ongoing Projects): ₹ 67,26,630 (Rupees Sixty Seven Lakh Twenty Six Thousand Six Hundred and Thirty Only)

b) Amount spent in Administrative Overheads: NIL

c) Amount spent on Impact Assessment, if applicable: Not Applicable

d) Total amount spent for the Financial Year [(a) + (b) + (c)] – ₹ 67,26,630*

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

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of Transfer
67,26,630	99,73,370	April 27, 2026	Not Applicable		

f) Excess amount for set off, if any – NIL

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	1,66,27,274.06
(ii)	Total amount spent for the Financial Year	1,67,00,000.00#
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	72,725.94
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NIL
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	72,725.94

*excludes unspent CSR amount of ₹ 99,73,370 transferred to unspent CSR account earmarked for ongoing CSR projects.

#includes unspent CSR amount transferred to unspent CSR account of ₹ 99,73,370 earmarked for ongoing CSR projects.

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

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	Amount transferred to 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
					Name of the Fund	Amount	Date of transfer		
1	2022-23	NIL							
2	2023-24								
3	2024-25								

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

◯ Yes ● No

If Yes, enter the number of Capital assets created/acquired: Not Applicable

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

Sl. No. (1)	Short particulars of the property or asset(s) (including complete address and location of the property) (2)	Pincode of the property or asset(s) (3)	Date of creation (4)	Amount of CSR amount spent (5)	Detail of Entity/Authority/ beneficiary of the registered owner (6)		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

All the fields should be captured as appearing in the revenue record. Flat No., House No., Municipal Office/ Municipal Corporation/Gram Panchayat are to be specified, along with the area of the immovable property as well as its boundaries.

9. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per sub-section (5) of section 135: Not applicable

Randhir Singh
Managing Director and Executive Vice Chairman
DIN: 05353131

Naina Krishna Murthy
Independent Director and
Chairperson – CSR Committee
DIN: 01216114

ANNEXURE IV

COMPLIANCE CERTIFICATE BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

[Pursuant to Regulation 17(8) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015]

To
Board of Directors
IndoStar Capital Finance Limited

We, Randhir Singh, Managing Director and Executive Vice Chairman and Jayesh Jain, Chief Financial Officer of IndoStar Capital Finance Limited ("the Company") certify the following:

1. We have reviewed the audited standalone and consolidated financial statements and the cash flow statement of the Company for the Financial Year ended March 31, 2026 and to the best of our knowledge and belief:
   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
   ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept the responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit committee:
   i. significant changes in internal control over financial reporting during the year, if any;
   ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, if any; and
   iii. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Randhir Singh
Managing Director and Executive Vice Chairman
DIN: 05353131

Jayesh Jain
Chief Financial Officer

Place: Mumbai
Date: May 27, 2026

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

Sl. No	Required Information	
1	Corporate Identity Number (CIN) of the Listed Entity	L65100MH2009PLC268160
2	Name of the Listed Entity	IndoStar Capital Finance Limited (referred to as 'the Company')
3	Year of incorporation	July 21, 2009
4	Registered office address	Silver Utopia, Third Floor, Unit No 301-A, Opposite P & G Plaza, Cardinal Gracious Road, Chakala, Andheri (E), Mumbai – 400 099
5	Corporate address	Silver Utopia, Third Floor, Unit No 301-A, Opposite P & G Plaza, Cardinal Gracious Road, Chakala, Andheri (E), Mumbai – 400 099
6	E-mail	icf.secretarial@indostarcapital.com
7	Telephone	022-4315 7000
8	Website	www.indostarcapital.com
9	Financial year for which reporting is being done	2025-26
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited National Stock Exchange of India Ltd.
11	Paid-up Capital	₹ 1,61,53,72,660.00
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Ms. Shikha Jain Company Secretary and Compliance Officer Phone: 022 – 4315 7000 Email id: sjain4@indostarcapital.com
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone Basis
14	Name of Assessment or Assurance Provider	Not Applicable (NA)
15	Type of Assessment or Assurance obtained	NA

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	Other financial activities	100%

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

Sl. No	Product / Service	NIC Code	% of total Turnover contributed
1	Non-banking financial company involved in financing and related services	649	100%

III. Operation

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	454	454
International	NA	NA	NA

19 Market Served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	24
International (No. of Countries)	NA

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

Nil. The Company is not engaged in any export-related activities.

c. A brief on types of customers

The Company operates as a non-banking financial institution with a focus on diversified lending across retail and institutional segments. The Company's key business verticals and corresponding customer segments are outlined below:

Vehicle Finance:

This segment primarily serves transport operators, particularly Small Road Transport Operators (SRTOs), by providing asset-backed financing for Commercial Vehicle, Construction Equipment, Passanger Vehicle and Farm Equipment. The Company aims to address segment-specific credit requirements while maintaining prudent risk management practices.

Housing Finance:

Undertaken through its erstwhile wholly-owned subsidiary, Niwas Housing Finance Limited (NHFL), this segment catered to customers in semi-urban and emerging markets. The Company focused on financing the purchase and construction of self-occupied residential properties. As on March 31, 2025, the Company held investments in its wholly owned subsidiary, Niwas Housing Finance Limited. Pursuant to the sale of the subsidiary to Witkopeend BV, an affiliate of BPEA EQT, during 2025–26, Niwas Housing Finance Limited ceased to be a wholly owned subsidiary of the Company effective July 17, 2025.

SME Finance:

The Company extends secured credit facilities to small and medium enterprises to support working capital needs, business expansion, and other operational requirements. The customer base comprises traders, manufacturers, professionals, and service-oriented businesses, with a portion of the portfolio qualifying under Priority Sector Lending (PSL).

Corporate Lending:

This segment provides structured financing solutions to mid-sized and large corporates across multiple sectors. The Company supports both project-specific and general funding requirements across industries such as manufacturing, infrastructure-linked sectors, consumer goods, and financial services.

Micro LAP:

The Company offers secured, small-ticket loans to small business operators in Tier 2 and Tier 3 markets. These facilities are primarily utilised for working capital and expansion purposes, with a focus on collateral-backed lending and disciplined credit structures.

IV. Employees

20 Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sl. No	Particulars	Total (A)	Male		Female	
			No.(B)	% (B/A)	No.(C)	% (C/A)
	Employees					
1	Permanent (D)	4,585	4,449	97.03%	136	2.97%
2	Other than Permanent (E)	38	29	76.32%	9	23.68%
3	**Total employees (D+E)**	4,623	4,478	96.86%	145	3.14%
	Workers					
4	Permanent (F)	-	-	-	-	-
5	Other than Permanent (G)	-	-	-	-	-
6	**Total workers (F+G)**	-	-	-	-	-

b. Differently abled Employees and workers:

Sl. No	Particulars	Total (A)	Male		Female	
			No.(B)	% (B/A)	No.(C)	% (C/A)
	Differently Abled Employees					
1	Permanent (D)	1	1	100%	-	-
2	Other than Permanent (E)	-	-	-	-	-
3	**Total differently abled employees (D+E)**	1	1	100%	-	-
	Differently Abled Workers					
4	Permanent (F)	-	-	-	-	-
5	Other than Permanent (G)	-	-	-	-	-
6	**Total differently abled workers (F+G)**	-	-	-	-	-

21 Participation/Inclusion/Representation of women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	2	25%
Key Management Personnel	3	1	33.33%

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

	2025-26 (Turnover rate in current FY)			2024-25 (Turnover rate in previous FY)			2023-24 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	44.61%	33.68%	44.26%	35.65%	18.91%	35.04%	29.25%	20.37%	28.87%
Permanent Workers	NA	NA	NA	NA	NA	NA	NA	NA	NA

V. Holding, Subsidiary and Associate Companies (Including Joint Ventures)

23 (a) Name 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	BCP V Multiple Holdings Pte. Ltd.	Holding company	55.98%	No
2	IndoStar Asset Advisory Private Limited	Wholly-owned subsidiary	100%	No

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

(ii) Turnover (in ₹): 1,39,358.33 lakhs

(iii) Net worth (in ₹): 3,76,605.47 lakhs

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	2025- 26 Current Financial Year			2024- 25 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	https://www.indostarcapital.com/contact-us	Nil	NA	NA	Nil	NA	NA
Investors (other than shareholders)	https://www.indostarcapital.com/investors-corner#investorContact	Nil	NA	NA	Nil	NA	NA
Shareholders	https://www.indostarcapital.com/investors-corner#investorContact	Nil	NA	NA	1	NA	NA
Employees and workers	https://www.indostarcapital.com/	Nil	NA	NA	Nil	NA	NA
Customers	Customer Grievance Redressal Mechanism. Please refer to the section, 'Policy Compendium' for accessing the policy. Website: https://www.indostarcapital.com/contact-us/ Contact Number: 022-50799503 / 080-44070071 Email: contact@indostarcapital.com	2,064	53	50 complaints were under process of resolution at the end of the quarter end and subsequently closed within the regulatory timeline. 3 complaints had breached the regulatory timeline due to the below reasons: a. Delay by Branch in recording Closure request b. Non-cooperation with the complainants	1654	8	The complaints reflect pendency as these were under the process of resolution at the time of the quarter end and were resolved in the subsequent month.

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	2025- 26 Current Financial Year			2024- 25 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Value Chain Partners	https://www.indostarcapital.com/	Nil	NA	NA	Nil	NA	NA
Other (please specify)	-	Nil	NA	NA	Nil	NA	NA

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 and Ethics	Opportunity	Robust governance practices, adherence to ethical standards, and a commitment to transparency contribute to sustaining stakeholder confidence and mitigating business risks.	-	Positive
2	Data Privacy and Cybersecurity	Risk	The expansion of digital operations heightens exposure to cyber risks, including ransomware attacks, phishing incidents, and potential data breaches.	Investments are undertaken in cyber security infrastructure, supported by periodic penetration testing, employee training programmes, robust access controls, and continuous threat monitoring.	Negative
3	Employee Well-being and Workplace Culture	Opportunity	A conducive workplace environment enhances operational efficiency, lowers employee turnover, and supports sustained talent retention over the long term.	-	Positive
4	Corporate Social Responsibility	Opportunity	Corporate Social Responsibility (CSR) initiatives contribute to meaningful social outcomes and support reputation enhancement, particularly in critical sectors such as healthcare and education.	-	Positive
5	Branding and Reputation	Opportunity	A well-established reputation, in turn, strengthens investor confidence and fosters sustained customer trust.	-	Positive
6	Diversity, Equity and Inclusion (DEI)	Opportunity	Diversity, Equity, and Inclusion (DEI) are integral to fostering innovation, enabling diverse perspectives, and promoting equitable practices within the workplace.	-	Positive
7	Regulatory Compliance	Risk & Opportunity	Non-compliance with applicable regulations may result in regulatory actions, financial penalties, and reputational risks. Adherence to the updated regulatory requirements strengthens transparency and governance practices, enabling the organisation to uphold the highest standards of accountability and enhance stakeholder trust.	The Company has established real-time compliance monitoring systems, supported by periodic internal audits, employee training programmes, and enhanced internal control mechanisms. These initiatives will reinforce regulatory compliance, improve governance practices, and facilitate timely identification and resolution of compliance issues.	Positive & Negative
8	Financial Inclusion and Access to Credit	Opportunity	Expanding outreach to underserved segments supports national priorities while creating new avenues for growth.		Positive
9	Responsible Lending Practices	Opportunity	The Company is committed to promoting responsible financing practices that create long-term value for all stakeholders. By adhering to ethical lending practices, the Company strengthens financial stability, enhances customer trust, and reinforces its reputation as a responsible NBFC. Responsible financing also supports prudent risk management by reducing the likelihood of loan defaults, fostering long-term business resilience, and encouraging greater investor confidence. Furthermore, it contributes to broader financial inclusion and sustainable economic development.	-	Positive

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)
10	Digital Transformation and FinTech Integration	Opportunity	Accelerated digitisation is transforming NBFC operations, with technology-enabled services enhancing customer experience and improving operational efficiency.	-	Positive
11	Customer Experience and Satisfaction	Opportunity	Improving customer experience fosters trust, encourages continued engagement, and supports long-term profitability.	-	Positive
12	Risk and Crisis Management	Risk	Effective risk and crisis preparedness is critical to maintaining continuity of operations during economic, operational, or environmental uncertainties.	Implementation of Enterprise Risk Management (ERM) frameworks, supported by scenario analysis, stress testing, and defined crisis response protocols.	Negative

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions			P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes											
1	a	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes								
	b	Has the policy been approved by the Board? (Yes/No)	Yes								
	c	Web Link of the Policies, if available	Policies are available on the website of the Company at https://www.indostarcapital.com/investors-corner/ or Please refer to the section, 'Policy Compendium' for accessing the policy.								
2		Whether the entity has translated the policy into procedures. (Yes / No)	Yes								
3		Do the enlisted policies extend to your value chain partners? (Yes/No)	No. However, the Company encourages the participation of its business associates and representatives in its sustainability initiatives.								
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.	NA								
5		Specific commitments, goals and targets set by the entity with defined timelines, if any.	Environmental stewardship continues to be a key focus area for the Company. It remains committed to enhancing operational energy efficiency, improving waste management practices, and accelerating digitalisation across its operations to reduce paper consumption and optimise resource use. On the social front, the Company is dedicated to fostering an inclusive, diverse, and people-centric workplace by strengthening employee well-being, learning and development, and equal opportunity practices. Increasing gender diversity across offices and branches remains a strategic priority, alongside enhancing employee engagement, ensuring workplace safety, and cultivating a culture founded on respect, ethics, integrity, and zero tolerance for discrimination and harassment. The Company also continues to promote financial inclusion and expand community development initiatives, with a particular focus on healthcare, to create sustainable and long-term social impact in underserved and underbanked communities. From a governance perspective, the Company is committed to strengthening its governance framework through robust Board and leadership oversight of ESG priorities and their integration into long-term business strategy and decision-making. It continues to reinforce a culture of ethical conduct, transparency, accountability, and regulatory compliance, while enhancing sustainability disclosures and embedding ESG considerations into its risk management framework, lending practices, policies, and operational processes.								

6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The Company believes that sustainable growth is driven by responsible business practices. By integrating Environmental, Social and Governance (ESG) considerations into its decision-making, it aims to enhance long-term resilience, create sustainable stakeholder value, and contribute positively to the communities it serves. Some of our key ESG highlights during 2025-26 include: **1. Digitalisation:** Continued digitisation of loan approval and operational processes to minimise paper consumption. Leveraging digital solutions such as Indo Mitra, Scorecards, and Connector Apps to enhance efficiency across customer sourcing, credit underwriting, loan processing, and collections. The Company has implemented a holistic digital Loan Origination System (LOS) to digitise the end-to-end lending lifecycle, spanning sourcing, underwriting, and disbursement. By leveraging API-based KYC, automated underwriting, e-signatures, e-NACH mandates, and digital documentation, the Company has enhanced operational efficiency, improved customer experience, and reduced reliance on paper-based processes. As of March 2026, digital adoption remained strong, with Vehicle Finance (VF) recording 87% e-NACH and 84% e-Sign adoption, while MLap achieved 96% e-NACH and 100% e-Sign, reflecting the Company's continued progress towards a fully digital lending ecosystem. **2. Energy Efficiency:** Continued implementation of energy efficiency initiatives across the Company's operations, including the transition from CFLs to energy-efficient LED sensor lighting at the corporate office. Energy optimisation measures at branches- such as regular monitoring of electricity consumption, improving air-conditioning efficiency, optimising temperature settings, and addressing infrastructure-related energy issues- have collectively contributed to a reduction in overall electricity consumption compared to 2024-25, resulting in ~3.89% reduction in Scope 2 Emissions. The Company has initiated the measurement and disclosure of Scope 3 emissions as part of its broader commitment to environmental stewardship and the effective management of its overall environmental impact. **3. ESG Governance:** Strengthened ESG governance through active oversight by the Board and the ESG Working Committee. **4. Ethical Business Conduct:** Reinforced our commitment to ethical business conduct through the adoption of a comprehensive Anti-Corruption Policy and a zero-tolerance approach towards unethical practices. **5. Community Development:** The Company undertakes CSR initiatives with a focus on promotion of Healthcare including Preventive Healthcare, The Company undertakes CSR initiatives with a focus on promoting healthcare including preventive healthcare, addressing the health needs of underserved and vulnerable communities. Through its partnership with Smile Foundation, the Company supported the Smile on Wheels programme for members of the trucking and transport community. The initiative provides a range of healthcare services, including OPD consultations, screening and diagnosis for common ailments through rapid Hb and sugar tests, physiotherapy, eye check-ups, medicines, first-aid kits and referrals to local or government healthcare centres, as required. In addition, through Jivika Foundation, the Company supported the Cervical Cancer Mukt Bharat programme, aimed at promoting preventive healthcare among young girls through vaccination against cervical cancer using the Gardasil vaccine. **6. Employee Well-Being:** Continued to prioritise employee well-being through comprehensive medical and term insurance coverage, wellness programmes, employee engagement initiatives, and awareness sessions. In 2025-26, 0.55% of the cost was incurred on employee well-being as a % of total revenue of the Company and ~55% of the employees were covered under skill upgradation training.
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)	We are pleased to present the BRSR of IndoStar Capital Finance Limited (the Company) for 2025-26. Supported by a strong liquidity profile, robust capital position, and a retail-focused business model, we remain committed to delivering sustainable value through our vehicle finance and Micro LAP businesses. The Company recognises that sustainable growth is intrinsically linked to responsible business practices. Integrating Environmental, Social, and Governance (ESG) considerations into its decision-making processes enables the Company to strengthen its resilience, create long-term stakeholder value, and contribute meaningfully to the communities it serves. During the year, the Company continued to strengthen its ESG foundation by aligning internal policies with evolving regulatory expectations, enhancing ESG data management systems, adopting digitalisation and energy efficiency initiatives, conducting training and awareness sessions, employee well-being initiatives and accountability across the organisation.

		Some of our key ESG highlights during 2025-26 include: • Adopted energy efficiency initiatives such as regular monitoring of electricity consumption, improving air-conditioning efficiency, optimising temperature settings, and addressing infrastructure-related energy issues resulting in ~3.89% reduction in Scope 2 Emissions as compared to 2024-25. • Accelerated digitalisation initiatives to reduce paper consumption and improve operational efficiency. • Initiated the measurement and disclosure of Scope 3 emissions to strengthen the management of the Company's environmental footprint. • Continued to promote employee well-being through comprehensive health and life insurance coverage, wellness programmes and employee engagement initiatives. • Strengthened employee capacity by conducting regular training and awareness programmes for employees, Key Managerial Personnel (KMPs), and the Board of Directors on ESG, ethics, compliance, and other relevant topics. • Expanded community development initiatives, with a focus on healthcare, to generate sustainable social impact in underserved and underbanked communities. • Strengthened ESG governance through active oversight by the Board of Directors and the ESG Working Committee. • Enhanced the ESG framework by aligning internal policies with evolving regulatory requirements. • Reinforced ethical business practices through the adoption of a comprehensive Anti-Corruption Policy and a zero-tolerance approach to corruption and unethical conduct. As we move forward, we remain committed to embedding ESG principles more deeply across our operations, enhancing transparency and accountability, and creating lasting positive impact for our stakeholders. Through responsible growth, sound governance, and sustainable business practices, we aim to contribute to a more inclusive and resilient future.
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (yes).	**Name:** Mr. Randhir Singh **Designation:** Managing Director designated as Executive Vice Chairman **DIN:** 05353131 **Name:** Mr. Jayesh Jain **Designation:** Chief Financial Officer
9	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, the Board of Directors has constituted an ESG Working Committee with an object to oversee the implementation and monitoring of Business Responsibility policies. The Committee comprises Ms. Shikha Jain, Company Secretary and Compliance Officer; Mr. Mihir Bhavsar, Chief Information Security Officer and Mr. K V Bharadwaj, Chief Credit Officer.

10 Details of Review of NGRBCs by the Company:

Subject of 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 Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliance	All stated policies are duly approved by the Board, its committees, or the Senior Management of the Company. These are subject to periodic review, typically on an annual basis, taking into account applicable regulatory requirements as well as the review cycles defined within each policy. The Company ensures adherence to all applicable statutory requirements, as and when they arise.																	

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
CARE Analytics and Advisory Private Limited (CAAPL) has reviewed the existing policies and procedures in relation to BRSR requirements and provided recommendations to align them accordingly.								

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
a.	The entity does not consider the principles material to its business (Yes/No)	Not Applicable								
b.	The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
c.	The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
d.	It is planned to be done in the next financial year (Yes/ No)									
e.	Any other reason (please specify)									

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:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	4	Business strategy, Risk Management System, Regulatory changes, recent developments in operations and IT of the Company, new initiatives taken by the Company, corporate governance and succession planning	100%
Key Managerial Personnel	25		
Employees other than BoD and KMPs		ABAC, Cyber Security, POSH, KYC-AML, Interaction with public officials, Excel, PPT, Health and Safety trainings and Training on insider training awareness	100%
Workers	NA	NA	NA

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

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

Non- Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	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
Not Applicable	

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

The Company conducts its business in accordance with principles of integrity, transparency, and ethical conduct. It adopts a zero-tolerance approach towards bribery and corruption and seeks to uphold high standards of professionalism across all operations and engagements.

Appropriate controls and processes have been instituted to mitigate and address risks relating to unethical practices. In line with applicable anti-corruption and sanctions regulations, the Company has formalised an Anti-Bribery & Anti-Corruption Policy which is available on the website of the Company. Please refer to the section, 'Policy Compendium' for accessing the policy.

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

	2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6 Details of complaints with regard to conflict of interest:

	2025-26 (Current Financial Year)		2024-25 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	NA	Nil	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	NA	Nil	NA

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.

NA

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

	2025-26* (Current Financial Year)	2024-25 (Previous Financial Year)
Number of days of accounts payables*	-	-

Note: *Considering the nature of business, cost of goods sold/services procured cannot be ascertained and hence, the said ratio cannot be computed.

9 Open-ness of business

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

Parameter	Metrics	2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	-	-
	b. Number of trading houses where purchases are made from	-	-
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	-	-
Concentration of Sales	a. Sales to dealers/ distributors as % of total sales	-	-
	b. Number of dealers / distributors to whom sales are made	-	-
	c. Sales to top 10 dealers/distributors as % of total sales to dealers / distributors	-	-
Shares of RPTs in	a. Purchases (Purchases with related parties/ total purchases)	-	-
	b. Sales (Sales to related parties/ total sales)	-	-
	c. Loans & advances (Loans & advances given to related parties / total loans and advances)	-	-
	d. Investments (Investments in related parties / total investments made)	0%*	25%

Note: *The Company had investment of ₹ 4,50,00,00,000 in its Wholly Owned Subsidiary Company - Niwas Housing Finance Limited as on March 31, 2025. During the 2025-26 the subsidiary was sold to Witkopeend BV, affiliated with BPEA EQT and it is ceased to be the Wholly owned subsidiary of the IndoStar Capital Finance Limited with effect from July 17, 2025.

Leadership Indicators

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

Total number of awareness programmes held	Topics/principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
Not Conducted		

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

Yes, the Company has established a Code of Conduct applicable to everyone working with or on behalf of the Company, including employees, contingent staff (including off roll employees), the board of directors, customers, shareholders, vendors, service providers, other business partners and government regulators. Directors and Senior Management are required to promptly disclose any such conflicts and, where applicable, refrain from participating in related decision-making. Annual declarations confirming compliance with the Code are obtained to ensure adherence to ethical and governance standards.

Please refer to the section, 'Policy Compendium' for accessing the Code of Conduct.

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 (Current Financial Year)	2024-25 (Previous Financial Year)	Details of improvements in environmental and social impacts
R & D	Nil	Nil	-
Capex	Nil	Nil	-

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

No

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

NA

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)	As the Company operates in the financial services sector and does not engage in manufacturing activities, this indicator is not applicable. Nevertheless, waste generated from IT hardware, networking equipment, and other electronic assets is disposed of responsibly in accordance with the Company's internal policies.
(b)	E-waste	
(c)	Hazardous waste	
(d)	Other 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.

Extended Producer Responsibility (EPR) is not applicable to the Company's business activities.

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 byindependent external agency (Yes/No)	Results communicatedin public domain (Yes/No) If yes, providethe 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	Recycled or re-used input material to total material	
	2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)
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 Current Financial Year			2024-25 Previous Financial Year		
	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)	% of employees covered by									
		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	4449	4449	100%	4449	100%	-	-	4449	100%	4449	100%
Female	136	136	100%	136	100%	136	100%	-	-	136	100%
Total	**4585**	**4585**	**100%**	**4585**	**100%**	**136**	**2.96%**	**4449**	**97.03%**	**4585**	**100%**
Other than Permanent employees											
Male	29	-	-	-	-	-	-	-	-	-	-
Female	9	-	-	-	-	-	-	-	-	-	-
Total	**38**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

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

Category	Total (A)	% of workers covered by									
		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 workers											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Other than Permanent workers											
Male	-	-	-	-	-	-	-	-	-	-	-
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 (Current Financial Year)	2024-25 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the Company	0.55%	0.54%

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

Benefits	2025-26 (Current Financial Year)			2024-25 (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	NA	Y	100%	NA	Y
Gratuity	100%	NA	Y	100%	NA	Y
ESI	7%	NA	Y	6%	NA	Y
Others	NA	NA	NA	NA	NA	NA

3 Accessibility of workplaces

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

The shared office premises accommodating the Company's corporate functions are equipped with facilities that support accessibility for persons with disabilities. The Company is committed to fostering an inclusive work environment and will continue to evaluate and implement additional accessibility measures, as needed, to further enhance inclusivity.

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

Yes. The Company upholds the principles of equity, respect, and non-discrimination in alignment with the Rights of Persons with Disabilities Act, 2016. An Equal Opportunity framework, embedded within its Code of Conduct, guides fair and unbiased treatment of all stakeholders, including individuals with disabilities. All employment-related decisions are based on objective criteria such as competence, performance, and potential, without consideration of personal attributes. The Company also fosters an inclusive and respectful work environment that supports open communication and appropriate working conditions.

The Code of Conduct is available on the website of the Company. Please refer to the section, 'Policy Compendium' for accessing the Code of Conduct.

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

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

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

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	The employees can write to hr@indostarcapital.com to share their grievances.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

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

Benefits	2025-26 (Current Financial Year)			2024-25 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	There are no constraints on employee participation in associations; however, employees are currently not affiliated with any such organisations.					
Male						
Female						
Total Permanent Workers						
Male						
Female						

8 Details of training given to employees and workers:

Category	2025-26 Current Financial Year					2024-25 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. F	% (F/D)
Employees										
Male	4,449	2,450*	53.43%	2,425	54.51%	4,155	-	-	2,170	52.23%
Female	136			73	53.68%	149	-	-	82	55.03%
Total	**4,585**	**2,450***	**53.43%**	**2,498**	**54.48%**	**4,304**	**-**	**-**	**2,252**	**52.32%**
Workers										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**

* Note: The reported figures include employees participating in multiple training sessions.

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

Category	2025-26 Current Financial Year			2024-25 Previous Financial Year		
	Total (A)	No.(B)	% (B/A)	Total (C)	No.(D)	% (D/C)
Employees						
Male	4449	3123	70.20%	4,155	3,301	79.45%
Female	136	125	91.91%	149	132	88.59%
Total	**4585**	**3,248**	**70.84%**	**4,304**	**3,433**	**79.76%**
Workers						
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA
Total	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**

10 Health and safety management system:

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

As the Company operates in the financial services sector, this indicator is not applicable. However, the Company places strong emphasis on safeguarding the health, safety, and well-being of its employees. First aid kits are available across all office locations, and regular road safety awareness programmes promote the use of helmets among employees. During 2025-26, the Company also conducted a range of health and safety training sessions covering topics such as stress management, mental health awareness, family fitness, full-body mobility, desk ergonomics, epilepsy awareness, power yoga, and injury prevention. These initiatives resulted in ~53% of employees receiving health and safety-related training during the year.

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

As a financial services organisation, this indicator is not applicable to the Company's operations. Notwithstanding this, the Human Resources function remains focused on fostering a supportive work environment that emphasises employee well-being.

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

As the Company operates within the financial services sector, this indicator is not applicable.

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

Yes, the Company extends medical and term insurance coverage to all employees as part of its overall benefits framework.

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

Safety Incident/Number	Category	2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	1.11	1.29
	Workers	NA	NA
Total recordable work-related injuries	Employees	11	12
	Workers	NA	NA
No. of fatalities	Employees	8	3
	Workers	NA	NA
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	1
	Workers	NA	NA

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

During 2025-26, the Company strengthened employee well-being and workplace safety through health and safety awareness programmes covering stress management, mental health, fitness, ergonomics, epilepsy awareness, power yoga, and injury prevention. Around 53% of employees received health and safety-related training, while a mock fire drill at the Head Office further enhanced emergency preparedness. Overall, these initiatives engaged more than 2,400 employees during the year.

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

Category	2025-26 Current Financial Year			2024-25 Previous Financial Year		
	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
Working Conditions	Nil	Nil	NA	Nil	Nil	NA
Health & Safety	Nil	Nil	NA	Nil	Nil	NA

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	NA
Working Conditions	NA

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.

As the Company operates within the financial services sector, this indicator is not applicable.

Leadership Indicators

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

Yes, the relevant policies are extended to its employees.

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

Currently, the Company is not involved in assessing its value chain partners.

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

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)	2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)
Employees	8	4	0	0
Workers	Not Applicable			

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

No

5 Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	0%
Working Conditions	0%

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.

Assessment not conducted

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1 Describe the processes for identifying key stakeholder groups of the entity:

The Company defines its key stakeholders as individuals, groups, institutions, or entities that have the potential to impact, or be impacted by, its operations, both in the present and over the long term. This includes customers, investors, lenders, government, regulatory authorities, shareholders, value chain partners, Board members, employees, and the broader community.

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

S. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
1	Customer	No	Digital platforms and application, in-person engagement at branches	Periodic	To enhance customer satisfaction, ensure effective grievance resolution, gather feedback for product refinement, and strengthen customer relationship management.
2	Investors/ Shareholders	No	Press releases and publications, Investor meets, Annual General Meeting, SMS and Email Communication, Stock exchange communication, Website disclosures, Through RTA (Registrar and Transfer Agent)	Quarterly	To communicate the Company's performance and key developments, address investor queries, and provide general updates.
3	Lenders	No	Press releases and publications, Investor meets, Stock exchange communication, Website disclosures	Periodic	To communicate the Company's performance and business developments, and to respond to stakeholder queries.
4	Regulators	No	Statutory filings, meetings	Periodic	To ensure adherence to statutory requirements and stay aligned with relevant industry developments.

S. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
5	Value chain partners	No	E-mails, Meetings, Training Programmes	Periodic	To develop an understanding of the range of services offered by the business
6	Employees	No	Emails and meetings, Internal portals, Employee satisfaction survey, Training programmes, Performance appraisal, Grievance redressal mechanisms, Town halls.	Periodic	To ensure a safe and secure work environment, promote merit-based opportunities aligned with the Company's vision and objectives, and support professional development and capacity building

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

The Company firmly believes that constant and proactive engagement with key stakeholders is essential for effectively communicating its strategies and performance. Ongoing dialogue helps align stakeholder expectations with the Company's objectives, enhancing the ability to serve them better. The Board is regularly updated on key developments, and feedback is actively sought from the Directors to ensure informed and responsive decision-making.

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. The Company is progressively strengthening its approach towards stakeholder engagement for the identification and management of environmental and social (E&S) topics. As part of its BRSR reporting process, the Company has identified and prioritised material ESG issues relevant to its business and stakeholders, providing a foundation for defining its sustainability priorities.

During the reporting period, the Company also undertook, policy mapping and development exercise to assess its practices and policies against industry peers, best practices and evolving ESG expectations. This exercise provided insights into areas for further strengthening of the Company's ESG practices, policies and disclosures, including opportunities to enhance stakeholder engagement. Going forward, the Company intends to build on this initiatives and progressively strengthen its stakeholder engagement mechanisms.

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

The Company remains conscious of its social responsibilities and has established a CSR Policy to guide its community engagement efforts. Going forward, the Company aims to focus its CSR initiatives on supporting disadvantaged, vulnerable, and marginalised sections of society. Details of the CSR activities undertaken are separately disclosed in the Annual Report, reflecting the Company's commitment to fostering inclusive growth and responsible community development.

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

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

Category	2025-26 Current Financial Year			2024-25 Previous Financial Year		
	Total (A)	No. of employees/ workers covered (B)	% (B / A)	Total (C)	No. of employees/ workers covered (D)	% (D / C)
Employees						
Permanent	4,585	4,470	97.49%	4,304	3,824	88.85%
Other than permanent	38	-	0.00%	132	73	55.30%
Total Employees	**4,623**	**4,470**	**96.69%**	**4,436**	**3,897**	**87.85%**
Workers						
Permanent	NA	NA	NA	NA	NA	NA
Other than permanent	NA	NA	NA	NA	NA	NA
Total Workers	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**

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

Category	2025-26 Current Financial Year					2024-25 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. F	% (F/D)
Employees										
Permanent	4585	-	-	4585	100.00%	4,304	-	-	4,304	100.00%
Male	4449	-	-	4449	100.00%	4,155	-	-	4,155	100.00%
Female	136	-	-	136	100.00%	149	-	-	149	100.00%
Other than permanent	38	-	-	38	100.00%	132	-	-	132	100.00%
Male	29	-	-	29	100.00%	130	-	-	130	100.00%
Female	9	-	-	9	100.00%	2	-	-	2	100.00%
Workers										
Permanent	Not Applicable					Not Applicable				
Male										
Female										
Other than permanent										
Male										
Female										

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

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	2*	1,90,35,667	-	-
Key Managerial Personnel	1#	1,83,90,118	1**	18,17,664
Employees other than BoD and KMP	4,449	3,99,444	136	5,34,828
Workers	NA	NA	NA	NA

Notes:

* As on March 31, 2026, the Board of Directors comprised 8 members. Mr. Karthikeyan Srinivasan ceased to be the Whole-time Director and Chief Executive Officer of the Company with effect from May 11, 2025. Accordingly, the reported median remuneration for male Board members includes the remuneration paid to Mr. Karthikeyan Srinivasan (up to May 11, 2025) and Mr. Randhir Singh, Managing Director & Executive Vice Chairman.

The sitting fees paid to Mr. Hemant Kaul, Ms. Naina Krishna Murthy and Ms. Sujatha Mohan, Independent Directors, is excluded from the above remuneration details. Further, Mr. Aditya Joshi, Mr. Vishal Goenka, Mr. Bobby Parikh and Mr. Devdutt Marathe, Non-Executive Directors, do not draw any remuneration from the Company.

KMP (Male) includes Mr. Jayesh Jain - Chief Financial Officer.

** KMP (Female) includes Ms. Shikha Jain – Company Secretary and Compliance Officer.

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

	2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)
Gross wages paid to females as % of total wages	3.83%	5.00%

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

Yes

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

Employees may report human rights–related concerns to their respective department heads or the Disciplinary Action Committee (DAC). Such matters may also be escalated to the Chairperson of the Audit Committee under the Whistle Blower Policy or to the Presiding Officer of the Internal Complaints Committee (POSH Committee), as applicable. All grievances are addressed in line with the procedures set out in the relevant policies, and appropriate corrective actions are undertaken where required.

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

Category	2025-26 Current Financial Year			2024-25 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	-	-	-	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/ Involuntary	-	-	-	-	-	-
Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other Human rights related issues						

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

	2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	-	-
Complaints on POSH as a % of female employees / workers	NA	NA
Complaints on POSH upheld	NA	NA

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

The Whistle Blower Policy and the Code of Conduct incorporate provisions to safeguard individuals who report concerns related to discrimination or harassment. These frameworks ensure protection against any form of retaliation or adverse action, thereby preventing victimisation and encouraging the reporting of concerns in good faith.

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

No

10 Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	0%
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 10 above.

Nil

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

During the reporting period, the Company did not receive any significant human rights-related grievances or complaints that required changes to its existing policies, procedures, or business processes.

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

The Company incorporates human rights considerations within its existing policies and practices, including those relating to employee welfare, non-discrimination, prevention of harassment, fair employment practices and grievance redressal. In FY26, 96.69% of employees received training on human rights, reinforcing the Company's commitment to fostering a workplace that upholds and respects fundamental human rights principles. The Company will continue to strengthen its policies, monitoring mechanisms, employee awareness and grievance redressal processes in line with evolving regulatory requirements and industry best practices.

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?

The Company is committed to ensuring full compliance with the Persons with Disabilities Act 2016, as we actively enhance our premises to provide optimal accessibility for all visitors, including differently abled.

4 Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	The Company expects and strives to influence its value chain partners to adhere to the same values, principles and business ethics upheld by the Company. No specific assessment in respect of value chain partners has been carried out.
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.

No corrective actions pertaining to Question 4 was necessitated by the Company during the year under review.

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: (GJ)

Parameter	2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	-	-
From non-renewable sources		
Total electricity consumption (D)	14,008.47*	14,235.08
Total fuel consumption (E)	-	-
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	**14,008.47**	**14,235.08**
Total energy consumed (A+B+C+D+E+F)	**14,008.47**	**14,235.08**
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations in ₹)	0.000001	0.000001
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	0.000020	0.000021
Energy intensity in terms of physical output (Total energy consumed / Full Time Equivalent Employees)	3.03	3.21
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) If yes, name of the external agency

Not Applicable

Note: *Although new branches were added during 2025-26, around 10 branches were closed from September 2025 onwards as part of the branch rationalisation initiative, reducing the operational footprint during the second half of the year. In addition, the Company implemented energy optimisation measures across branches, including monitoring electricity consumption, improving AC efficiency, optimising temperature settings, and addressing infrastructure-related energy issues. Collectively, these factors contributed to the reduction in overall electricity consumption compared to 2024-25.

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.

As the Company operates within the financial services sector, the PAT Scheme of the Government of India is not applicable.

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

Parameter	2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	52,008.75	49,905.00*
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**52,008.75**	**49,905.00**
Total volume of water consumption (in kilolitres)	**52,008.75**	**49,905.00***
Water intensity per rupee of turnover (Total water consumption / Revenue from operations in ₹)	0.0000037	0.0000035*
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.000075	0.000073*
Water intensity in terms of physical output (Total water consumption / Full Time Equivalent Employees)	11.25	11.25
Water 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 Not Applicable

Note: *Data updated in accordance with the CGWA guidelines.

4 Provide the following details related to water discharged:

Parameter	2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Groundwater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) To Seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others (Municipal Sewers)		
- No treatment	41,607.00	39,924.00
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	**41,607.00**	**39,924.00**

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

Not Applicable

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

No

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

Parameter	Please specify unit	2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)
NOx	-	Not Applicable	Not Applicable
SOx	-		
Particulate matter (PM)	-		
Persistent organic pollutants (POP)	-		
Volatile organic compounds (VOC)	-		
Hazardous air pollutants (HAP)	-		
Others – please specify	-		

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

Not Applicable

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

Parameter	Unit	2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	2.58*	-
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	2762.78^	2,874.70
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations in ₹)	Metric tonnes of CO_2 equivalent / ₹	0.00000019	0.0000002
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)	Metric tonnes of CO2 equivalent / Revenue from operations in ₹ adjusted for PPP	0.0000040	0.0000042
Total Scope 1 and Scope 2 emission intensity in terms of physical output (Total Scope 1 and Scope 2 GHG emissions / Full Time Equivalent Employees)	Metric tonnes of CO2 equivalent / FTE Employees	0.59	0.65
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) If yes, name of the external agency.

Not Applicable

Note:

(1) * - Data currently pertains to the Head Office (HO) only. Systems are being implemented to capture branch-level data, which will be incorporated into future reporting cycles.

(2) ^ - Energy efficiency initiatives implemented during 2025-26 (refer to the note under P6: EI.1) contributed to a reduction in overall electricity consumption compared to 2024-25, resulting in lower Scope 2 emissions during the year.

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

The Company has initiated a structured approach to control and optimise electricity consumption across branches by identifying high-consumption locations through detailed data analysis.

A standardised framework has been implemented to capture key parameters such as AC efficiency, operating hours, temperature settings, and meter integrity.

The Company is actively engaging with branch managers to validate on-ground issues, with initial findings indicating factors such as ageing AC units, improper usage practices, and shared electricity meters as key contributors to higher consumption. Corrective actions including AC replacement planning, enforcing optimal temperature settings, meter segregation, and energy usage awareness are being driven.

The Company is currently collecting detailed data and implementing targeted cost optimisation measures to ensure a sustainable reduction in electricity consumption across the branch network.

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

Parameter	2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)
Total Waste generated (in metric tonnes)		The Company follows a systematic waste management framework focused on waste minimisation, resource recovery, and environmentally sound disposal of waste arising from its operations. Key initiatives include source-level segregation, compliance with responsible disposal protocols, and the adoption of digital solutions to reduce resource consumption and environmental footprint.
Plastic waste (A)	-	
E-waste (B)	5.17	
Bio-medical waste (C)	-	
Construction and demolition waste (D)	-	
Battery waste (E)	-	
Radioactive waste (F)	-	
Other Hazardous waste (Oil-soaked cotton waste, DG filters, paint cans, chemical cans, paint residue, oil sludge, DG chimney soot, coolant oil and used oil). 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) – Paper Waste	-	
Total (A+B + C + D + E + F + G + H)	**5.17**	
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations in ₹)	0.000	
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.000	
Waste intensity in terms of physical output (Total waste generated / Full Time Equivalent Employees)	0.001	
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	5.17	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	**5.17**	**-**

Parameter	2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	**-**	**-**

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.

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 mage such wastes.

As the Company is engaged in financial services business, its material category of waste are Paper waste and E-waste. The Company is cognisant of the environmental impact of improper management of waste and has adopted appropriate e-waste management systems to minimise adverse outcomes. It strives to ensure that e-waste is disposed in an appropriate manner by engaging with certified e-waste recycling vendors. In 2025-26, 5177.8 Kgs of e-waste was recycled through authorised e-waste recycler. The Company is undertaking digitisation initiatives i.e., use of software for automation of loan application, claims and approval process, reducing the use of paper significantly.

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.

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

Sl. 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
The Company adheres to all applicable environmental regulations relevant to the financial services sector and is committed to conducting its operations in a responsible and environmentally conscious manner.				

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:		
1	(i) Name of the area (ii) Nature of operations	The Company's branches are located across six districts - Chhatarpur, Sagar, Vidisha, Shivpuri, Banda and Jhansi. The Company follows the applicable CGWA guidelines for assessing and managing its water requirements. Accordingly, while water consumption is currently assessed based on the prescribed methodology, detailed district-wise data on water withdrawal, consumption and discharge is not separately quantified at present. The Company continues to strengthen its water data management practices and will evaluate opportunities to enhance the granularity of such disclosures going forward.

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

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

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

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

Parameter	Unit	2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)
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 CO_2 equivalent	4311.70*	-

Parameter	Unit	2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)
Total Scope 3 emissions per rupee of turnover (Total Scope 3 emissions / Revenue from operations in ₹)	Metric tonnes of CO_2 equivalent / ₹	0.00000031	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	Total Scope 3 emissions/Full Time Equivalent (FTE)	0.932	-

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 -

Note: *Scope 3 emissions include relevant categories such as Category 2 (Capital Goods), Category 6 (Business Travel), and Category 7 (Employee Commuting).

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

Not Applicable

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

Sl. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
Given its operations in the financial services sector, the Company neither uses nor generates hazardous or toxic chemicals. Nevertheless, it remains committed to minimising its environmental impact through responsible resource management and waste reduction initiatives. These efforts include continued digitisation of processes and electronic circulation of Board and Committee materials to reduce paper consumption, secure shredding and recycling of residual paper waste, adoption of energy-efficient LED lighting, reduction of single-use plastics through the use of sustainable alternatives such as glass, and ongoing awareness programmes to encourage prudent water consumption across office locations.			

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

Risk and Crisis Management is a material focus area for the Company, reflecting its commitment to operational resilience and long-term business sustainability. The Company has established a robust Risk Management Framework to identify, assess, monitor, and mitigate potential risks arising from economic, operational, environmental, and other external factors. This framework is strengthened through an Enterprise Risk Management (ERM) approach, incorporating scenario planning, stress testing, and crisis response protocols to enhance preparedness, support informed decision-making, and ensure continuity of critical operations during periods of disruption.

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.

Given the nature of business operations, no significant adverse impacts on environment have been observed.

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

No specific assessments were conducted for value chain partners to assess environmental impacts.

8 How many Green Credits have been generated or procured:

a. By the listed entity

Nil, the organisation did not generate or procure any Green Credits during the financial year.

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

Not Assessed

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.

1

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.

Sl. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State / National)
1	Finance Industry Development Council (FIDC)	National

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

Name of authority	Brief of the case	Corrective action taken
Nil		

Leadership Indicators

1 Details of public policy positions advocated by the entity:

Sl. 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
The Company did not engage in any direct public policy advocacy during the reporting period. However, it maintains constructive engagement with industry experts, regulatory authorities, and relevant stakeholders through established channels, while actively monitoring policy and regulatory developments that may impact its business and operations.					

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
As the Company operates within the financial services sector, this indicator is 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:

Sl. No	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
As the Company operates within the financial services sector, this indicator is not applicable.						

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

No community-related grievances have been reported to the Company. The Company, however, remains committed to maintaining an effective and responsive grievance redressal framework to address any concerns that may arise going forward. Details of the mechanism are available at the designated link: https://www.indostarcapital.com/investor-contact/

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

Parameter	2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	As a financial services company, the Company's operations do not depend on substantial input materials.	
Directly sourced within India		

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 (Current Financial Year)	2024-25 (Previous Financial Year)
Rural	13.43%	3.63%
Semi-urban	5.18%	5.68%
Urban	46.54%	30.86%
Metropolitan	34.85%	59.83%

(Place categorised as per RBI Classification System - 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:

Sl. No	State	Aspirational District	Amount spent (In ₹)
No CSR projects were undertaken in aspirational districts during 2025-26.			

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

No

(b) From which marginalised /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:

Sl. No	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
There were no such intellectual properties owned or acquired during the year.				

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:

Sl. No	Project Title	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1	Smile on Wheels	5,992	NA
2	Cervical Cancer Mukt Bharat	566	NA

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.

IndoStar provides multiple channels for customers to raise queries, service requests, and complaints, including:

- **Email:** (contact@indostarcapital.com / pno@indostarcapital.com)
- **Call Centre:** (022-50799503 / 080-44070071)
- **PNO Contact:** (044-4004 5818)
- **App:** IndoMitra Mobile App
- **Website:** www.indostarcapital.com
- **Facebook:** IndoStar Capital Finance Limited
- **WhatsApp Bot:** AskIndo
- **Branch Walk-ins**

All customer interactions are channelled through a centralised Customer Management System (CMS/SCRM), facilitating consistent responses and maintaining an auditable record trail. For customers without email access, responses are conveyed through the call centre, with call recordings retained for documentation purposes.

Complaints may also be received via regulatory platforms such as the Reserve Bank of India CMS and CPGRAMS. These are directed to the appropriate internal functions, including operations, legal, collections, and branch teams, and escalated to senior management where necessary. Each grievance is evaluated based on relevant factors, such as loan status and prior interaction history, before issuing a response supported by appropriate documentation.

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

The Company adopts a transparent and equitable approach in all customer interactions. It ensures that product-related information is conveyed in a clear and comprehensive manner, enabling customers to make informed decisions.

	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 Current Financial Year		Remarks	2024-25 Previous Financial Year		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	Nil	NA	Nil	Nil	NA
Advertising	Nil	Nil	NA	Nil	Nil	NA
Cybersecurity	Nil	Nil	NA	Nil	Nil	NA
Delivery of essential services	Nil	Nil	NA	Nil	Nil	NA
Restrictive trade practices	Nil	Nil	NA	Nil	Nil	NA
Unfair trade practices	Nil	Nil	NA	Nil	Nil	NA
Other	Nil	Nil	NA	Nil	Nil	NA

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

The Company maintains transparency and fairness across all customer interactions. It ensures that comprehensive product-related information is made available to customers to support informed decision-making.

	Reasons for recall	Number
Voluntary recalls	Not Applicable	0
Forced recalls	Not Applicable	0

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, the Company has established a comprehensive framework to address cybersecurity and data privacy risks through its IT Policy, Data Privacy Policy, and Code of Conduct. These policies outline employee responsibilities regarding the secure use of organisational assets, protection of confidential and sensitive information, and adherence to applicable data protection requirements. Together, they help ensure robust safeguards for customer and employee data and support the Company's commitment to maintaining information security and privacy. The Code of Conduct is available on the website of the Company. Please refer to the section, 'Policy Compendium' for accessing the Code of Conduct.

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

No corrective measures were required during the reporting period, as the Company did not record any concerns, non-compliances, or violations relating to advertising and marketing practices, customer data privacy and cybersecurity, product and service safety, service recalls, or the delivery of essential services. Furthermore, no penalties, sanctions, or regulatory actions were imposed on the Company in connection with the safety or quality of its products and services.

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

Not Applicable

c. Impact, if any, of the data breaches

Not Applicable

Leadership Indicators

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

The Company provides a wide range of financial service; the information can be accessed from the website: https://www.indostarcapital.com/

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

The Company conducts 'Loan Melas' where existing and new customers meet the Company's team members to solve the customers queries during that time. Also, comprehensive information on the Company's products, services, and related offerings is also readily available on its website, ensuring convenient access for all stakeholders. Post-disbursement Loan Documents are shared to customers over email and WhatsApp.

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

The Company is committed to maintaining transparent and timely communication with its customers regarding any disruption or discontinuation of essential services. Company has a WhatsApp bot/Customer service app - INDO MITRA and website where the customer & loan-related information is available.

4 Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/) 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)

Comprehensive information regarding the Company's products and services is made readily available through its website to ensure transparency and ease of access for customers. In addition, the Company actively engages with customers through its Customer Relationship Management (CRM) framework. The Company doesn't conduct any customer satisfaction surveys regarding its services or products.

REPORT ON CORPORATE GOVERNANCE

Corporate governance is about commitment to values and ethical business conduct. It is also about how an organisation is managed viz., its corporate and business structure, culture, policies, and the manner in which it deals with various stakeholders. Timely and accurate disclosure of information regarding the financial position of the Company, performance and ownership forms part of the corporate governance.

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

At IndoStar we believe that sound corporate governance practices are the bedrock for the functioning of the Company and creation of value for its stakeholders on a sustainable and long-term basis. This philosophy guides us in defining and maintaining an ethical framework within which we operate. At a macro level, your Company's governance philosophy rests on five basic tenets, viz., (i) Board accountability to the Company and Members; (ii) strategic guidance and effective monitoring by the Board; (iii) protection of minority interests and rights; (iv) equitable treatment of all Members; and (v) transparency and timely disclosures.

The Corporate Governance framework of your Company is based on an effective and independent Board, separation of the Board's supervisory role from the Senior Management, and constitution and functioning of Board Committees, as required under applicable laws.

To enforce our ethical culture, the Company has adopted a Code of Conduct for its directors and employees including the Managing Director and Non-Executive Directors. In addition, the Company has adopted a Code of Conduct for Independent Directors that suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013 ("the Act").

The Company believes in conducting its business in an honest and ethical manner. The Company has a zero-tolerance approach to corruption and is committed to act professionally with integrity in all its business dealings and relationships wherever it operates and to that effect is inclined towards implementing and enforcing effective systems to prevent / counter corruption. Consistent with its core values, the Company is committed to complying with applicable anti-corruption and sanction laws and has adopted an Anti-Bribery and Anti-Corruption Policy. Please refer to the section, 'Policy Compendium' for accessing the policy.

The Company has in place various Information Security related policies that ensure proper utilisation of IT resources and protection of sensitive data of the Company.

The details of compliance with the requirements stipulated under Chapter IV read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI Listing Regulations") and Reserve Bank of India (Non-Banking Financial Companies – Governance) Directions, 2025 or any other Guidelines / Directions issued by Reserve Bank of India ("RBI") as may be applicable to NBFCs ("RBI Directions").

II. BOARD OF DIRECTORS

The Company's Board of Directors has a pivotal role to protect and enhance stakeholders' value through strategic supervision. The Board of Directors is a pinnacle body, which inter alia, provides strategic directions and exercises appropriate controls over the business and operations of the Company to achieve its objectives. The Board is a blend of members having diverse skills, experience, knowledge, capabilities, expertise, attributes and educational qualifications, amongst others. The composition of the Board comprises highly experienced and knowledgeable persons with good repute and eminence. It has a diverse mix of executive, non-executive and independent directors representing an optimal mix of professionalism, knowledge and experience required for the financial services industry. The corporate governance principles of the Company have been formulated to ensure that the Board of Directors remain informed, independent and participate actively in the affairs of the Company.

In addition to the basic governance practices, the Board of Directors of the Company lays a strong emphasis on transparency, accountability and integrity. The Company also strives to enhance stakeholders' value by taking measures to continuously improve its corporate governance standards.

A. Composition of the Board of Directors

Your Company recognises and embraces the importance of diverse culture of the Board. The Company believes that the Board enhances the quality of the decisions made by it, which is necessary for achieving desired objectives and sustainable results.

The Board of Directors of the Company ("the Board") comprised of 8 (Eight) Directors including 3 (Three) Independent Directors, of whom 2 (Two) are Woman Directors, 4 (Four) are Non-Executive Non-Independent Directors and 1 (One) is Executive Director. The Chairperson of the Board, Ms. Naina Krishna Murthy is an Independent Director.

The composition of the Board of the Company is governed by the requirements of the Act, Regulation 17 of the SEBI Listing Regulations, RBI Directions and the Articles of Association of the Company. In terms of the provisions of the Act and SEBI Listing Regulations, the Company was in compliance with the requirements of composition of the Board as on March 31, 2026. Upon expiry of the term of Mr. Bobby Parikh, as an Independent Director and Chairman of the Company on March 4, 2025, the Board of the Company consisted of only 2 (Two) Independent Directors, as against the requirement of having a minimum of one-third of the Board of Directors as an Independent Directors. Subsequent to the appointment of Ms. Sujatha Mohan as an Independent Director to the Board on April 21, 2025, the Company was again in compliance with the requirements of composition of the Board.

The Directors have submitted necessary disclosures regarding the positions held by them on the Board and / or Committees of other companies, from time to time.

On the basis of such disclosures, it is confirmed that as on the date of this report, none of the Directors:

a) hold Directorships in more than 10 (Ten) public Companies;

b) hold Directorships in more than 7 (Seven) listed entities;

c) serve as an Independent Director in more than 7 (Seven) listed entities;

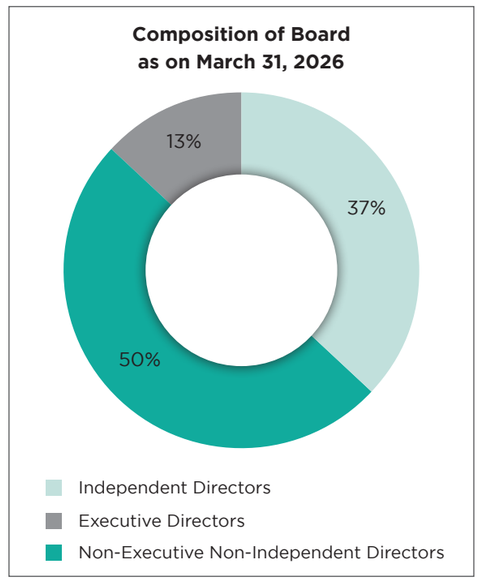
d) is a Member of more than 10 (Ten) Committees or Chairperson of more than 5 (Five) Committees (i.e. Audit and Stakeholders Relationship Committee) across all the public companies in which he / she is a Director; and

e) are related to each other.

Based on the disclosures received from the Directors, following are the details of the shares/non-convertible debentures held by the Non-Executive Director of the Company:

Sr. No	Name of the Director	Type of securities	Quantity
1	Mr. Bobby Parikh	Non-Convertible Debentures	2,500

The brief profile of the present Directors on the Board is available on the Company's website at https://www.indostarcapital.com/about-us#BoardofDirectors. The composition of the Board is depicted in the chart below:



The details of the Directors of the Company with regard to their other Directorships, Committee positions, including that in listed entities, as on March 31, 2026 are as follows:

Name of Director	Category in the Company	No. of Directorship(s) Held* (including this Company)	Committee positions held@		Names of other listed entities where Director holds Directorship (excluding the Company) and the category of directorship held in such other listed entity
			Member	Chairperson	
Ms. Naina Krishna Murthy	Chairperson & Non-Executive Independent Director	7	5	0	Non-Executive Independent Director: • Sterling and Wilson Renewable Energy Limited • Den Networks Limited • Hathway Cable and Datacom Limited • Page Industries Limited
Ms. Sujatha Mohan	Non-Executive Independent Director	3	0	0	-
Mr. Hemant Kaul	Non-Executive Independent Director	6	3	3	-
Mr. Bobby Parikh	Non-Executive Director	7	7	3	Non-Executive Independent Director • Infosys Limited • Biocon Limited$ • Hindustan Unilever Limited
Mr. Aditya Joshi	Non-Executive Director	1	0	0	-
Mr. Devdutt Marathe	Non-Executive Director	1	2	1	-
Mr. Vishal Goenka	Non-Executive Director	6	3	0	-
Mr. Randhir Singh	Managing Director and Executive Vice Chairman	2	1	0	-

* Includes directorship(s) in public companies, private companies but excludes directorship(s) in companies incorporated under Section 8 of the Companies Act, 2013 and foreign companies.

@ Includes membership(s) and chairmanship(s) in Audit Committee and Stakeholders' Relationship Committee in all public limited companies and high value debt listed companies as defined under SEBI Listing Regulations. If a Director is a Chairman of a Committee, the same is being included in Membership count also.

$ ceased to be Independent Director with effect from July 22, 2026.

Skills / Expertise / Competencies of the Board of Directors

The diverse skills, expertise and competencies of Board of Directors ensures that the Company retains its competitive advantage. The Board composition represents an optimal mix of professionalism, knowledge, expertise and experience which enables the Board to discharge its responsibilities and provide effective leadership to the business. The Board members have rich and varied experience in critical areas like governance, finance, entrepreneurship, economics, commercial, general management, technology, sustainability, marketing, etc., that allows them to make effective contribution to the Board and its Committees. The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business(es) for it to function effectively:

- Leadership
- Experience in the Financial Services Industry
- Strategic Planning
- Knowledge of Regulatory Environment
- Financial and Accounting Expertise
- Board Service, Corporate Governance and Risk Management
- Knowledge in the field of Information Technology

The names of directors who have the above skills / expertise / competencies are as follows:

Name of Director	Leadership	Experience in the Financial Services Industry	Strategic Planning	Knowledge of Regulatory Environment	Financial and Accounting Expertise	Board Service, Corporate Governance and Risk Management	Knowledge in the field of Information Technology
Ms. Naina Krishna Murthy	✓	✓	✓	✓	✓	✓	✓
Ms. Sujatha Mohan#	✓	✓	✓	✓	✓	✓	✓
Mr. Hemant Kaul	✓	✓	✓	✓	✓	✓	✓
Mr. Bobby Parikh	✓	✓	✓	✓	✓	✓	✓
Mr. Aditya Joshi	✓	✓	✓	✓	✓	✓	✓
Mr. Devdutt Marathe	✓	✓	✓	✓	✓	✓	✓
Mr. Randhir Singh*	✓	✓	✓	✓	✓	✓	✓
Mr. Vishal Goenka^	✓	✓	✓	✓	✓	✓	✓

appointed as Non-Executive Independent Director with effect from April 21, 2025

* re-designated as Managing Director and Executive Vice Chairman with effect from May 11, 2025

^ appointed as Non-Executive Non-Independent Director with effect from August 28, 2025

Formal Induction and Familiarisation Programme For Directors

The Company's Independent Directors are eminent professionals with several decades of experience in banking and financial services industry, technology, finance, governance, risk management, analytics, data science and management areas and are fully conversant and familiar with the business of the Company. The Company has an ongoing familiarisation programme for all directors with regard to their roles, duties, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company, etc. The programme is embedded in the regular meeting agenda where alongside the review of operations, information on the industry, competition and company strategy are presented on a quarterly basis. The details of the familiarisation programme attended by directors are available on the website of the Company. Please refer to the section, 'Policy Compendium' for accessing the programme.

As part of the initial familiarisation programme, a formal letter of appointment is being issued by the Company to the independent directors outlining the role, functions, duties and responsibilities of the independent directors being appointed. The terms and conditions of appointment of the independent directors is available on the website of the Company. Please refer to the section, 'Policy Compendium' for accessing the policy.

Further, there is a detailed quarterly discussion and presentation on review of operations of the Company and the regulatory updates impacting the business which helps the Director to familiarise himself / herself with the Company, its business, and the regulatory framework in which the Company operates.

Confirmation on Independence of Directors

All the Independent Directors have affirmed compliance with the criteria of independence as stipulated in the Act and the SEBI Listing Regulations and have also confirmed their enrollment in the databank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

Further, based on the confirmation received from all the Independent Directors and in the opinion of the Board of Directors, all the Independent Directors of the Company satisfy the criteria of independence specified in the Act and the SEBI Listing Regulations and are independent of the Company's Management.

Certificate from Company Secretary in Practice

A certificate from M/s. Mehta & Mehta, Company Secretaries, confirming that none of the Directors on the Board of the Company as on March 31, 2026 have been debarred or disqualified from being appointed or continuing as director on the Board of the Company by the Securities and Exchange Board of India ("SEBI"), the Ministry of Corporate Affairs or any such statutory authority, is annexed to this Corporate Governance Report.

Changes in the Directorships During the Financial Year 2025-26

Sr. No	Name of the Director	Nature of change	Date of change
1.	Ms. Sujatha Mohan	Appointed as Non-Executive Independent Director	With effect from April 21, 2025
2.	Mr. Karthikeyan Srinivasan	Resigned as Whole-time Director and Chief Executive Officer	With effect from May 11, 2025
3.	Mr. Randhir Singh	Re-designated as Managing Director and Executive Vice Chairman	With effect from May 11, 2025
4.	Mr. Dhanpal Jhaveri	Resigned as Non-Executive Non-Independent Director	With effect from August 28, 2025
5.	Mr. Vishal Goenka	Appointed as Non-Executive Non-Independent Director	With effect from August 28, 2025

B. Board meetings and Board procedure

The Board meets at least once in every quarter to review the quarterly results, operational performance and other items on the agenda and additional meetings are held to address specific needs and business requirements of the Company.

The information as required under Schedule V (c) of the SEBI Listing Regulations is made available to the Board. In addition, the Board also meets at regular interval in a year to consider, discuss and decide the business strategy including policy matters and gaining the understanding of various business carried on by the subsidiary of the Company.

Directors are given an option of attending Board / Committee meetings through video conference or other audio-visual means in order to ensure effective decision making through increased participation. The agenda along with detailed notes are circulated to the Directors / Members well in advance and all material information is incorporated in the agenda for facilitating meaningful and focused discussions at meetings of the Board and Committees. With a view to leverage technology and to contribute to environment conservation, the Company has adopted an electronic Board / Committee meetings application where the agenda and all supporting documents are hosted online.

During the year under review, meetings of the Board of Directors were convened and held 8 (Eight) times on April 21, 2025, April 29, 2025, May 11, 2025, August 13, 2025, September 23, 2025, October 30, 2025, December 23, 2025 and February 09, 2026. These meetings were held in a manner that not more than 120 days intervene between two consecutive meetings. The required quorum was present at all the above mentioned meetings. Due to business exigencies, certain decisions were taken by the Board by way of resolutions passed through circulation, from time to time. During the year under review 14 (Fourteen) resolutions were passed through circular resolution.

Meetings and attendance during the Financial Year under review:

Date of Board Meeting	Board Strength	No. of Directors Present
April 21, 2025	8	7
April 29, 2025	9	7
May 11, 2025	9	7
August 13, 2025	8	7
September 23, 2025	8	6
October 30, 2025	8	6
December 23, 2025	8	6
February 09, 2026	8	7

The details of attendance of each Director at the Board Meetings held during the Financial Year under review and at the previous Annual General Meeting ("AGM") of the Company held on September 25, 2025 through virtual mode are as under:

Name of the Directors	No. of Meetings held during tenure of directorship	No. of Meetings attended	Attendance at the previous AGM
Ms. Naina Krishna Murthy	8	7	Yes
Ms. Sujatha Mohan	7	7	Yes
Mr. Hemant Kaul	8	6	Yes
Mr. Bobby Parikh	8	4	No
Mr. Dhanpal Jhaveri	4	3	NA
Mr. Vishal Goenka	4	3	Yes
Mr. Aditya Joshi	8	6	No
Mr. Devdutt Marathe	8	7	Yes
Mr. Karthikeyan Srinivasan	3	2	NA
Mr. Randhir Singh	8	8	Yes

The Board has unrestricted access to all Company related information including to the members of the management. The Company Secretary ensures that the Board and the Committees of the Board are provided with the relevant information, details and documents required for decision making. All material information including the relevant information as stipulated in Part A of Schedule II of the SEBI Listing Regulations is circulated to the Board as part of the agenda. The information, in the nature of Unpublished Price Sensitive Information, is circulated to the Board / Committee members at a shorter notice on secured platform, with the unanimous consent of the Board obtained at its first meeting held during each Financial Year.

Detailed presentations and notes are laid before each meeting, by the management and senior executives of the Company to apprise the Board on overall performance on a quarterly basis. The senior executives / management of the Company are also invited to attend the meetings to make presentations on business plans, business performance, operations, financial performance, risk management, compliance matters, internal audits and update on regulatory changes applicable to the Company and its subsidiary and to provide update on other significant issues and matters to the Board on a periodical basis. These processes provide opportunity to the Board / Committee members to interact with the members of the management.

The Board is provided with all the information in a timely manner in order to discharge its duties and to take well informed decisions.

The Company Secretary attends all the meetings of the Board and its committees and is, inter alia, responsible for recording the minutes of such meetings. The draft minutes of the meetings of the Board and its committees are sent to the Board / Committee members for their comments in accordance with the Secretarial Standard on meetings of the Board of Directors (the "SS-1"), issued by the Institute of Company Secretaries of India. Suggestions, if any, received from the Board / Committee members are suitably incorporated in the draft minutes, in consultation with the Chairman of the Board / Committee.

Thereafter, the minutes are entered in the minutes book within the prescribed time limit.

Succession Planning

Succession planning is an essential component for the survival and growth of any business as it ensures continuity of business process. It provides a way to identify key roles, people with the right skills/talent and filling up the vacancy, as and when required.

The Company's succession planning framework deliberates on various factors including current tenure of Directors, anticipated vacancies in key Board and Senior Management positions, assessment of skills including skill-gaps, diversity, etc., to ensure orderly succession planning.

The Nomination and Remuneration Committee regularly reviews the succession planning policy of the Company and recommend changes, if any, to the Board for its approval. Pursuant to Regulation 17(4) of the SEBI Listing Regulations, the Board satisfies itself that plans are in place for orderly succession for appointment to the Board and senior management.

C. Separate meeting of Independent Directors

In terms of the Act and the SEBI Listing Regulations, a meeting of the Independent Directors was held on March 23, 2026 without the attendance of the Non-Independent Directors and members of the management of the Company. All the Independent Directors attended the meeting through video conference.

At their meeting, the Independent Directors reviewed the performance of the Non-Independent Directors and the Board as a collective entity. The Independent Directors also reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors of the Company. The Independent directors also 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.

As required under the SEBI Listing Regulations, the Company has Directors and Officers Liability Insurance (D&O Policy) which is renewed every year. It covers directors including independent directors of the Company and directors of its subsidiary.

D. Performance evaluation of the Board

A formal mechanism has been adopted for evaluating the performance of the Board, the Committees thereof, individual Directors and the Chairman of the Board. The evaluation is based on criteria which include, amongst others, providing strategic perspective, time devoted and preparedness for meetings, quality, quantity and timeliness of the flow of information between the Board Members and the Management, contribution at the meetings, effective decision making ability, role and effectiveness of Committees, etc. The Directors duly completed and submitted the questionnaires providing feedback on functioning of the Board as a whole, Committees and Chairman of the Board.

For more details refer Board Report.

E. Code of Conduct for Board Members and Senior Management

In compliance with Regulations 17(5) and 26(3) of the SEBI Listing Regulations, the Company has adopted a Code of Conduct for the Board of Directors and Senior Management of the Company including the Board Members and Senior Management of the Company ("the Code"). The Code is available on the website of the Company. Please refer to the section, 'Policy Compendium' for accessing the policy.

All the Board Members and Senior Management Personnel have confirmed compliance with the Code during the Financial Year under review and a declaration to that effect signed by the Managing Director and Executive Vice Chairman of the Company forms a part of this Annual Report.

III. COMMITTEES OF THE BOARD

In terms of the RBI Directions, the SEBI Listing Regulations, the applicable circular(s), regulation(s) and notification(s) issued by the SEBI, the applicable provisions of the Act and the Company's internal corporate governance standards, the Board of Directors have constituted various committees mentioned herein below and the role of each committee has been defined by the Board of Directors for effective functioning and governance within the Company. The Board of Directors have accepted and implemented the mandatory recommendations made by the Committee(s) during the year under review.

Minutes of the meetings of all the Committees constituted by the Board of Directors are placed before the Board of Directors for discussion and noting.



AUDIT COMMITTEE

Composition, Meetings and Attendance

The Audit Committee consists of 3 (Three) members, 2 (Two) of whom are Non-Executive Independent Directors and Chairman of the Audit Committee is an Independent Director thereby meeting the requirements of Section 177 of the Act read with rules thereto and Regulation 18 of the SEBI Listing Regulations and RBI Directions thereto. All the members of the Audit committee are financially literate and possess relevant knowledge of the financial services industry.

As on March 31, 2026, the Audit Committee comprised of following members:

- Mr. Hemant Kaul - Chairman
- Ms. Naina Krishna Murthy
- Mr. Devdutt Marathe

The Statutory Auditors and the Internal Auditors of the Company submit their report(s) directly to the Audit Committee.

During the year under review, the Audit Committee met 4 (Four) times on April 29, 2025, August 13, 2025, October 30, 2025 and February 09, 2026. The required quorum was present at all the above meetings. The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on September 25, 2025. During the year under review no resolution was passed through circular resolution.

The details of attendance by the Members at the meeting(s) held during the year under review are as under:

Name of the Members	Status	No. of Meetings held during tenure of membership	No. of Meetings attended
Mr. Hemant Kaul	Chairman	4	4
Ms. Naina Krishna Murthy	Member	4	4
Mr. Devdutt Marathe	Member	4	4

Ms. Shikha Jain acts as a Secretary to the Audit Committee.

Terms of reference

The terms of reference of the Audit Committee inter-alia includes:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that financial statements are correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and internal auditor, remuneration and terms of appointment of statutory auditor and internal auditor;
3. Approving the payment to statutory auditors for any other services rendered by them;
4. Reviewing and examination, with the management, of the annual financial statements and the auditors' report thereon before submission to the board for approval, with particular reference to:
   a) Matters required to be included in the Director's Responsibility Statement and other disclosure(s) to be included in the Board's Report in terms of the Companies Act, 2013;
   b) Changes, if any, in accounting policies and practices and reasons for the same;
   c) Major accounting entries involving estimates based on the exercise of judgment by management, if not in accordance with agreed accounting policies;
   d) Significant adjustments made in the financial statements arising out of audit findings;
   e) Compliance with listing, legal, regulatory and other requirements relating to financial statements;
   f) Disclosure of any related party transactions;
   g) Modified opinion(s) in the draft audit report; and
   h) Observations of the auditors and qualifications in the draft audit report.
5. Reviewing with the management, the quarterly, half-yearly and annual financial statements / financial results before submission to the Board for approval;
6. Reviewing with the management on quarterly basis (i) the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.); (ii) the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice (as certified by the statutory auditors) and (iii) the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter, till such time that the full money raised through the issue has not been fully utilised;
7. Reviewing and monitoring with the management the auditor's independence, performance and effectiveness of audit process;
8. Approving, ratifying or any subsequent modification of transactions of the company with related parties. The Committee may make omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed under Companies Act, 2013 and rules framed thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing with the management performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors on any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussing with statutory auditors and internal auditors before the audit commences, about the nature and scope of audit as well as internal control systems and post-audit discussion to ascertain any area of concern;
17. Looking into the reasons for substantial defaults in the payment to the debenture holders, borrowers, shareholders (in case of non-payment of declared dividends) and creditors;
18. Reviewing and overseeing the function of the whistle blower / vigil mechanism of the company;
19. Approving the appointment of chief financial officer after assessing the qualifications, experience and background;
20. Reviewing the utilisation of loans/advances/ investments to subsidiary company(s) exceeding 100 crore or 10% asset size of subsidiary, whichever is lower, including existing loans/advances/investments;
21. Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation, etc., if any;
22. Mandatorily reviewing the following information:
    a) management discussion and analysis of financial condition and results of operations;
    b) statement of significant related party transactions (as defined by the audit committee), submitted by management;
    c) internal audit reports relating to internal control weaknesses;
    d) the appointment, removal and terms of remuneration of the chief internal auditor;
    e) Statement of deviations:
       (i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
       (ii) annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
23. Undertaking all such acts, deeds and things as may be required to be done in accordance with the applicable law, rules and regulations prescribed by the competent authorities or authorized by the Board of Directors and to delegate any of the powers / authority to such persons as the Committee may deem necessary; and
24. Such other acts, deeds, things and matters as may be delegated from time to time, by the Board of Directors of the Company.

NOMINATION and REMUNERATION COMMITTEE

Composition, Meetings and Attendance

The Nomination and Remuneration Committee ("NRC") consists of 3 (Three) members, 2 (Two) of whom are Independent Directors thereby meeting the requirements of Section 178 of the Act read with rules thereto and Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations and RBI Directions thereto.

As on March 31, 2026, the NRC comprised of following members:

- Mr. Hemant Kaul - Chairman
- Ms. Naina Krishna Murthy
- Mr. Aditya Joshi

In order to comply with the provision of Regulation 19 of the SEBI Listing Regulations, Mr. Hemant Kaul was appointed as Chairman of the Committee with effect from April 29, 2025 and Ms. Naina Krishna Murthy was re-designated as Member of the Committee with effect from April 29, 2025.

Further, Subsequent to the end of the Financial Year, Mr. Aditya Joshi stepped down from the position of Member of the Committee with effect from April 10, 2026 and Mr. Devdutt Marathe was appointed as Member of the Committee with effect from April 10, 2026.

During the year under review, the NRC met 4 (Four) times on April 21, 2025, April 29, 2025, May 11, 2025 and August 13, 2025. The required quorum was present at all of the above Meetings. The Chairman of the NRC was present at the last Annual General Meeting of the Company held on September 25, 2025. Due to business exigencies, certain decisions were taken by the Committee by way of resolutions passed through circulation, from time to time. During the year under review 5 (Five) resolutions were passed through circular resolution.

The details of attendance by the Members at the meeting(s) held during the year under review are as under:

Name of the Members	Status	No. of Meetings held during tenure of membership	No. of Meetings attended
Mr. Hemant Kaul	Chairman	4	4
Ms. Naina Krishna Murthy	Member	4	3
Mr. Aditya Joshi	Member	4	3

Ms. Shikha Jain acts as the Secretary to the Nomination and Remuneration Committee.

Terms of reference

The terms of reference of the NRC inter-alia includes:

1. Formulating and implementing the criteria for determining qualification, positive attributes and independence of director(s) and criteria for the persons that can be appointment in senior management;
2. Evaluating the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director and recommend to the Board such a person for appointment as an independent director who shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
   a. use the services of an external agencies, if required;
   b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
   c. consider the time commitments of the candidates.
3. Formulating the criteria / manner for carrying out effective evaluation of the performance of Director, Board and its Committee and to review its implementation and compliance;
4. Devising a policy on Diversity of Board of Directors;
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;
6. Whether to extend or continue the term of appointment of independent directors, on the basis of the report of performance evaluation of independent directors;
7. Recommending to the Board, Remuneration Policy, relating to the remuneration for the directors, key managerial personnel, Senior Management and other employees;
8. Undertaking all such acts, deeds and things as may be required to be done in accordance with the applicable law, rules and regulations applicable to the Company; and
9. Such other acts, deeds, things and matters as may be delegated, from time to time, by the Board of Directors of the Company.

RISK MANAGEMENT COMMITTEE

Composition, Meetings and Attendance

The Risk Management Committee ("RMC") has been constituted pursuant to the provisions of Regulation 21 of the SEBI Listing Regulations and RBI Directions in order to frame, implement and monitor the risk management plan of the Company.

As on March 31, 2026, the RMC comprised of following members:

- Mr. Hemant Kaul – Chairman
- Mr. Devdutt Marathe
- Mr. Randhir Singh
- Mr. Jayesh Jain
- Mr. Nitin Gyanchandani

Mr. Karthikeyan Srinivasan tendered his resignation from position of the Member of Risk Management Committee with effect from May 11, 2025.

During the year under review, the RMC met 4 (Four) times on April 28, 2025, August 11, 2025, October 29, 2025, and February 06, 2026. The required quorum was present at all the above meetings. Due to business exigencies, certain decisions are taken by the Committee by way of resolutions passed through circulation, from time to time. During the year under review 3 (Three) resolutions were passed through circular resolution.

Meetings with Chief Risk Officer – During the year under review, in line with the requirements of RBI Directions, the Committee had separate meetings every quarter with Chief Risk Officer without the presence of the Managing Director and Executive Vice Chairman.

The details of attendance by the Members at the meeting(s) held during the year under review are as under:

Name of the Members	Status	No. of Meetings held during tenure of membership	No. of Meetings attended
Mr. Jayesh Jain	Member	4	4
Mr. Nitin Gyanchandani	Member	4	4

Ms. Shikha Jain acts as the Secretary to the Risk Management Committee.

Terms of reference

The terms of reference of the RMC inter-alia includes:

1. Formulating a detailed risk management policy which shall include:
   a) Framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;
   b) Measures for risk mitigation including systems and processes for internal control of identified risks; and
   c) Business continuity plan.
2. Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. Periodically review Risk Management Framework and Policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
4. Sophistication of the Company's risk monitoring capability, risk management systems and processes;
5. Keeping the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. Reviewing the appointment, removal and terms of remuneration of the Chief Risk Officer;
7. Undertaking all such acts, deeds and things as may be required to be done in accordance with the applicable law, rules and regulations applicable to the Company; and

8. Such other acts, deeds, things and matters as may be delegated, from time to time, by the Board of Directors of the Company.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Composition, Meetings and Attendance

The Corporate Social Responsibility Committee ("CSR") has been constituted pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time.

As on March 31, 2026. the CSR Committee comprised of following members:

- Ms. Naina Krishna Murthy - Chairperson
- Mr. Bobby Parikh
- Mr. Devdutt Marathe
- Mr. Randhir Singh
- Mr. Vishal Goenka

Mr. Dhanpal Jhaveri resigned from the position of Director of the Company and consequently ceased to be member of the Committee with effect from August 28, 2025 and Mr. Vishal Goenka was appointed as member of the Committee with effect from August 28, 2025.

During the year under review, the CSR Committee met once on December 15, 2025. The required quorum was present at the above meeting.

Ms. Shikha Jain acts as a Secretary of the Committee.

The details of attendance by the Members at the meeting(s) held during the year under review are as under:

Name of the Members	Status	No. of Meetings held during tenure of membership	No. of Meetings attended
Ms. Naina Krishna Murthy	Chairperson	1	1
Mr. Bobby Parikh	Member	1	1
Mr. Dhanpal Jhaveri	Member	0	0
Mr. Devdutt Marathe	Member	1	1
Mr. Randhir Singh	Member	1	1
Mr. Vishal Goenka	Member	1	0

Terms of reference

The terms of reference of the CSR Committee inter-alia includes:

1. Formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activity or activities to be undertaken by the Company as specified in Schedule VII of the Companies Act 2013;
2. Recommending the amount to be spent on CSR activities;
3. Reviewing and monitoring the Company's CSR Policy periodically;
4. Ensuring that the activities as are included in CSR Policy are undertaken by the Company;
5. Institution of transparent monitoring mechanism for the implementation of CSR Projects (Rule 5(2) of the Companies (Corporate Social Responsibility Policy) Rules 2014);
6. Undertaking all such acts, deeds and things as may be required to be done in accordance with the applicable law, rules and regulations applicable to the Company; and
7. Such other acts, deeds, things and matters as may be delegated, from time to time, by the Board of Directors of the Company.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Composition, Meetings and Attendance

The Stakeholders Relationship Committee ("SRC") has been constituted pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II of the SEBI Listing Regulations.

As on March 31, 2026, the SRC comprised of following members:

- Mr. Devdutt Marathe – Chairman
- Ms. Naina Krishna Murthy
- Mr. Bobby Parikh
- Mr. Vishal Goenka
- Mr. Randhir Singh

Mr. Dhanpal Jhaveri, Chairman of the Committee tendered his resignation from the position of Chairman with effect from August 28, 2025. Mr. Devdutt Marathe, member of the Committee was re-designated as Chairman and Mr. Vishal Goenka was appointed as member of the Committee with effect from August 28, 2025.

Ms. Shikha Jain acts as a Secretary of the Committee.

During the year under review, the SRC met once on August 13, 2025. The Chairman of the SRC was present at the last Annual General Meeting of the Company held on September 25, 2025. The requisite quorum was present at the said meeting.

The details of attendance by the Members at the meeting held during the year under review are as under:

Name of the Members	Status	No. of meetings held during tenure of membership	No. of Meetings attended
Mr. Dhanpal Jhaveri	Chairman	1	1
Mr. Devdutt Marathe[$]	Chairman	1	1
Ms. Naina Krishna Murthy	Member	1	0
Mr. Bobby Parikh	Member	1	1
Mr. Randhir Singh	Member	1	1
Mr. Vishal Goenka	Member	0	0

[$] re-designated and appointed as Chairman of the Committee with effect from August 28, 2025

Terms of Reference

The terms of reference of the SRC inter-alia includes:

1. Overseeing, reviewing and monitoring redressal of the grievances of shareholders, debenture holders, investors and other security holders including credit of securities, non-receipt of allotment advice/ share certificates, refund of application money, transfer of securities, non-receipt of annual report, non-receipt of dividends declared / interests or any other grievances a shareholder, debenture holder, investor and other security holder may have against the Company;
2. Reviewing measures taken for effective exercise of voting rights by shareholders.;
3. Reviewing adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
4. Reviewing various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company;
5. Undertaking all such acts, deeds and things as may be required to be done in accordance with the applicable law, rules and regulations applicable to the Company; and
6. Such other acts, deeds, things and matters as may be delegated, from time to time, by the Board of Directors of the Company.

During the year under review, no complaint was received from investors / shareholders which was resolved within the prescribed timelines. There were no pending complaints as on March 31, 2026.

ASSET-LIABILITY MANAGEMENT COMMITTEE

Composition, Meetings and Attendance

The Asset-Liability Management Committee ("ALCO") has been constituted under Reserve Bank of India (Non-Banking Financial Companies – Asset Liability Management) Directions, 2025:

As on March 31, 2026, the ALCO comprised of following members:

- Mr. Randhir Singh – Chairman
- Mr. Jayesh Jain
- Mr. Kaushal Mithani
- Mr. Nitin Gyanchandani
- Mr. K V Bharadwaj

Mr. Karthikeyan Srinivasan tendered his resignation from the position of Chairman of the ALCO with effect from May 11, 2025. Mr. Randhir Singh, member of the Committee was re-designated and appointed as Chairman of the Committee with effect from May 11, 2025.

During the year under review, the ALCO met 4 (Four) times on May 06, 2025, August 20, 2025, November 11, 2025 and February 11, 2026. The required quorum was present at all the above meetings. Due to business exigencies, certain decisions are taken by the ALCO by way of resolutions passed through circulation, from time to time. During the year under review 1 (One) resolution was passed through circular resolution.

The details of attendance by the Members at the meeting(s) held during the year under review are as under:

Name of the Members	Status	No. of meetings held during tenure of membership	No. of Meetings attended
Mr. Karthikeyan Srinivasan	Chairman	1	0
Mr. Randhir Singh	Chairman	4	4
Mr. Jayesh Jain	Member	4	4
Mr. Nitin Gyanchandani	Member	4	4
Mr. K V Bharadwaj	Member	4	3
Mr. Kaushal Mithani	Member	4	4

Ms. Shikha Jain acts as the Secretary to the Asset-Liability Management Committee.

Terms of reference

The terms of reference of the ALCO inter-alia includes:

1. Monitoring the asset liability composition of the Company's business, determining actions to mitigate risks associated with the asset liability mismatches;
2. Determining and reviewing the current interest rate model of the Company;
3. Approving proposals and detailed terms and conditions of borrowings from banks/ financial institutions;
4. Reviewing the borrowing programme of the Company;
5. Review product pricing and desired maturity profile of assets and liabilities and also the mix of incremental assets & liabilities
6. Undertaking all such acts, deeds and things as may be required to be done in accordance with the applicable law, rules and regulations applicable to the Company; and
7. Such other acts, deeds, things and matters as may be delegated, from time to time, by the Board of Directors of the Company;

CUSTOMER SERVICE COMMITTEE

Composition, Meetings and Attendance

The Customer Service Committee ("CSC") has been constituted pursuant to Reserve Bank of India (Non-Banking Financial Companies - Internal Ombudsman) Directions, 2026. As on March 31, 2026, the CSC comprised of following members:

- Mr. Randhir Singh – Chairman
- Mr. Devdutt Marathe - Member
- Mr. Dinesh Kumar Vishnoi – Permanent Invitee

In terms of RBI Directions, Mr. Dinesh Kumar Vishnoi, Internal Ombudsman Officer, act as a Permanent Invitee to the CSC.

Mr. Karthikeyan Srinivasan tendered his resignation from the position of Chairman with effect from May 11, 2025. Mr. Randhir Singh, member of the Committee was re-designated and appointed as Chairman of the Committee with effect from May 11, 2025 and Mr. Devdutt Marathe was appointed as member of the Committee with effect from May 11, 2025.

In compliance with the RBI Circular No. CO.CEPD.PRS.No.S874/13-01-008/2021-2022 dated November 15, 2021 and Reserve Bank of India (Non-Banking Financial Companies - Internal Ombudsman) Directions, 2026. The Board of Directors at its meeting held on October 30, 2025 had appointed Mr. Dinesh Kumar Vishnoi as a Internal Ombudsman of the Company with effect from December 01, 2025 in place of Ms. Pooja Thakur, whose term was expired on November 30, 2025 as former Internal Ombudsman of the Company.

During the year under review, the Committee met 4 (Four) times on April 22, 2025, August 08, 2025, October 28, 2025 and January 27, 2026.

The details of attendance by the Members at the meeting(s) held during the year under review are as under:

Name of the Members	Status	No. of meetings held during tenure of membership	No. of Meetings attended
Mr. Karthikeyan Srinivasan	Chairman	1	1
Mr. Randhir Singh	Chairman	4	4
Mr. Devdutt Marathe	Member	3	3
Ms. Pooja Anil Thakur^	Permanent Invitee	3	3
Mr. Dinesh Kumar Vishnoi^^	Permanent Invitee	1	1

^ ceased to be permanent invitee of the Committee with effect from November 30, 2025

^^ appointed as permanent invitee of the Committee with effect from December 01, 2025

Ms. Shikha Jain acts as the Secretary to the CSC.

Terms of Reference

The terms of reference of the CSC inter-alia includes:

1. Carrying out such functions for the redressal of the borrowers and clients' complaints including but not limited to applications for loans and their processing, loan appraisal and terms / conditions, disbursement of loans, change in terms and conditions, and any other grievance that a borrower or client of the Company may have against the Company;
2. Periodically review the customer grievance redressal mechanism to ensure that process deficiencies, if any, are addressed;
3. Reviewing the statement of complaints received, resolved and pending, along with reasons for the same;
4. Determining the structure of emoluments, facilities and benefits accorded to the Internal Ombudsman / Deputy Internal Ombudsman at the time of their appointment;
5. Review the periodic reports along with analysis of complaints on the activities of the Internal Ombudsman;
8. Undertaking all such acts, deeds and things as may be required to be done in accordance with the applicable law, rules and regulations applicable to the Company; and
9. Such other acts, deeds, things and matters as may be delegated, from time to time, by the Board of Directors of the Company.

IT STRATEGY COMMITTEE

Composition, Meetings and Attendance

The IT Strategy Committee has been constituted pursuant to Reserve Bank of India (Non-Banking Financial Companies – Cybersecurity, Technology: Risk, Resilience and Assurance Framework) Directions, 2026 ("RBI Cybersecurity Master Directions"), as amended.

As on March 31, 2026, the IT Strategy Committee comprised of:

- Ms. Sujatha Mohan – Chairperson
- Mr. Devdutt Marathe
- Mr. Randhir Singh
- Mr. Jayesh Jain
- Mr. Shivam Choudhary
- Mr. Mihir Bhavsar

In terms of RBI Cybersecurity Master Directions, as amended, the Chairperson of the IT Strategy Committee shall be an independent director and have substantial IT expertise in managing and guiding information technology initiatives.

In compliance with the above and considering expertise in Information Technology field, Ms. Sujatha Mohan, Independent Director of the Company, was appointed as the Chairperson of IT Strategy Committee of the Company with effect from April 21, 2025. Consequently, Mr. Hemant Kaul, stepped down from the the position of Chairman of the IT Strategy Committee with effect from April 21, 2025. Mr. Karthikeyan Srinivasan tendered his resignation from the position of Chairman with effect from May 11, 2025.

Further, Mr. Amit Ashwin Kothari tendered his resignation from the position of Member of the Committee with effect from January 20, 2026 and Mr. Shivam Choudhary, Chief Technology Officer of the Company, was appointed as Member of the Committee with effect from January 20, 2026.

Further, pursuant to the RBI Cybersecurity Master Directions the Board of Directors reconstituted the IT Strategy Committee as a Board-level Committee with effect from April 10, 2026. Consequent to such reconstitution, Members of the Committee who were not Directors ceased to be Members of the Committee with effect from the same date.

During the year under review, the Committee met 4 (Four) times on June 09, 2025, September 26, 2025, December 29, 2025 and March 24, 2026.

Ms. Shikha Jain acts as the Secretary to the IT Strategy Committee.

The details of attendance by the Members at the meeting(s) held during the year under review are as under:

Name of the Members	Status	No. of meetings held during tenure of membership	No. of Meetings attended
Mr. Hemant Kaul	Chairman	0	0
Ms. Sujatha Mohan	Chairperson	4	4
Mr. Devdutt Marathe	Member	4	4
Mr. Jayesh Jain	Member	4	3

Name of the Members	Status	No. of meetings held during tenure of membership	No. of Meetings attended
Mr. Amit Ashwin Kothari#	Member	3	3
Mr. Mihir Bhavsar	Member	4	4
Mr. Shivam Choudhary@	Member	1	1
Mr. Karthikeyan Srinivasan	Member	0	0

ceased to be Member of the Committee with effect from January 20, 2026

@ appointed as Member of the Committee with effect from January 20, 2026

Terms of Reference

The terms of reference of the IT Strategy Committee inter-alia includes:

1. Approving and monitoring information technology strategy and policy documents;
2. Monitoring processes and practices to ensure IT delivers value to business;
3. Ensuring that IT investments represent a balance of risks and benefits;
4. Determining the IT resources required to achieve strategic goals;
5. Providing high-level direction for sourcing and use of IT resources;
6. Managing IT related risks;
7. Undertaking all such acts, deeds and things as may be required to be done in accordance with the applicable law, rules and regulations applicable to the Company; and
8. Such other acts, deeds, things and matters as may be delegated, from time to time, by the Board of Directors of the Company.

INTERNAL COMPLAINTS COMMITTEE

Composition and Meetings

In terms of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Board of Directors constituted an Internal Complaints Committee.

As on March 31, 2026, the Internal Complaints Committee comprised of following members:

- Ms. Jasmine Bawa - Presiding Officer
- Mr. Dipesh Mehta
- Ms. Shikha Jain
- Ms. Seema Rawal
- Ms. Baby Juliet Mercy
- Mr. Surajit Roy
- Ms. Krupa Jayaprakash Sakharkar
- Mr. Amit Kumar Khan
- Mr. Sudhir Goyal
- Mr. Prajakta Dilip Bamne
- Ms. Srividya Sriram (External Member from an association committed to the cause of women).
- Mr. Krishnamoorthy Swaminathan

No complaints related to sexual harassment were received during the year under review and there were no complaints pending as on March 31, 2026.

Terms of Reference

The terms of reference of the Internal Complaints Committee inter-alia includes conducting an inquiry into complaints made by any aggrieved woman at the workplace and arrive at a conclusion as to whether the allegation for which the complaint has been filed is proved or not and take necessary action to resolve the complaints, preparing annual report for each calendar year and submitting the same to the Board of Directors, the District Officer and such other officer as may be prescribed, and monitoring and implementing the Company's Care and Dignity Policy.

COMMITTEE OF EXECUTIVE

The Committee of Executive ("COE") has been constituted pursuant to Reserve Bank of India (Non-Banking Financial Companies – Fraud Risk Management) Directions, 2026.

As on March 31, 2026, the Committee of Executive comprised of following members:

- Mr. Randhir Singh
- Mr. Jayesh Jain
- Mr. Dipesh Kumar Mehta
- Mr. Binoy Parikh
- Ms. Jasmine Bawa

During the year under review, the Committee met 4 (Four) times on May 21, 2025, August 21, 2025, September 16, 2025 and December 17, 2026.

Ms. Shikha Jain acts as the Secretary to the Committee of Executive.

OTHER COMMITTEES

Apart from above statutory committees, the Board of Directors of the Company has constituted various other committee comprising of directors and senior management personnel of the Company to look into various day to day matters and also to strengthen corporate governance.

These committees handles the matters delegated to it as per the term of reference approved by the Board of Directors and meet as and when necessary.

IV. CODES AND POLICIES

Policy on Selection Criteria / "Fit and Proper" Person Criteria

In terms of the provision of Companies Act, 2013, Reserve Bank of India (Non-Banking Financial Companies – Governance) Directions, 2025 and the SEBI Listing Regulations, the Board of Directors adopted a 'Policy on Selection Criteria / "Fit and Proper" Person Criteria' which lays down a framework relating to appointment of Director(s) and senior management personnel including key managerial personnel of the Company.

The Policy on Selection Criteria / "Fit and Proper" Person Criteria inter-alia includes:

- Manner / process for selection of Directors and senior management personnel including key managerial personnel;
- Criteria to be considered for appointment of Directors including qualifications, positive attributes, fit and proper person status and independence criteria for Independent Directors;
- Criteria to be considered for appointment in senior management of the Company.

In terms of the Policy on Selection Criteria / "Fit and Proper" Person Criteria, the Nomination and Remuneration Committee is primarily responsible for:

- Guiding and recommending to the Board of Directors the appointment and removal of Director(s), senior management personnel and key managerial personnel of the Company.
- Ensuring "Fit and Proper" Person status of proposed / existing Director(s).

The Policy on Selection Criteria / "Fit and Proper" Person Criteria is available on the website of the Company Please refer to the section, 'Policy Compendium' for accessing the policy.

Whistle Blower Policy and Vigil Mechanism

In compliance with the provisions of Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI Listing Regulations, the Company has formulated a Whistle blower policy and Vigil mechanism for internal stakeholders of the Company including the Directors, Employees and external stakeholders including vendors, suppliers, consultants, agents to report genuine concerns related to unethical behavior, actual or suspected fraud, violation of any applicable laws, codes of conduct or policies of the Company, any suspected misconduct/ illegal/ improper conduct and leak or suspected leak of unpublished price sensitive information and to provide for adequate safeguards against victimisation of stakeholder who report genuine concerns under the mechanism.

The Vigil Mechanism provides channel including an online platform and telephonic hotline number for raising concerns directly with the appropriate authority. It also provides adequate safeguards against victimisation of persons who use such mechanism. The mechanism provides for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. During the year, no person has been denied access to the Audit Committee. The Whistle Blower Policy and Vigil Mechanism is available on the website of the Company Please refer to the section, 'Policy Compendium' for accessing the policy.

Further, in order to ensure that complaints with respect to any wrong-doing / policy-breach by an employee or any third party were investigated appropriately and in order to ensure that actions to be taken against convicts were approved by an appropriate authority, the Company implemented a formal investigation protocol document.

Related Party Transaction Policy

In term of the provisions of the SEBI Listing Regulations, the Act and RBI Directions, the Board of Directors adopted a 'Related Party Transaction Policy' to ensure proper approval and reporting of transactions between the Company and its related parties.

The Related Party Transaction Policy inter-alia sets out criteria for identifying material related party transactions and includes the process and manner of approval of transactions with related parties, identification of related parties and identification of potential related party transactions. In terms of the Related Party Transaction Policy of the Company, any transaction with any related parties shall be considered to be appropriate only if it is in the best interests of the Company and its shareholders.

The Related Party Transaction Policy is available on the website of the Company. Please refer to the section, 'Policy Compendium' for accessing the policy.

Policy for Determining Material Subsidiary

In terms of the provisions of the SEBI Listing Regulations, the Board of Directors adopted a 'Policy for Determining Material Subsidiary' which inter-alia sets out parameters for identifying a subsidiary as a "Material Subsidiary". The Policy for Determining Material Subsidiary is available on the website of the Company. Please refer to the section, 'Policy Compendium' for accessing the policy.

Remuneration Policy

The success of any organisation in achieving good performance and governance depends on its ability to attract quality individuals on the board. The Company has in place a remuneration policy which is guided by the principles and objectives as enumerated in section 178 of the Companies Act, 2013, Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations and the RBI Directions.

The Policy covers aspects relating to remuneration to be paid to Directors including criteria for making payment to Executive and Non-Executive Directors, senior management including key managerial personnel and other employees of the Company, details on guaranteed bonus & recovery of annual bonus and modification of salary structure.

The Remuneration Policy is adopted to inter-alia ensure that remuneration paid by the Company is in compliance with the requirements of the applicable law(s) and relationship of remuneration to performance is clear and meets appropriate performance benchmarks. The Remuneration Policy is available on the website of the Company. Please refer to the section, 'Policy Compendium' for accessing the policy.

Remuneration to Executive Director

As on March 31, 2026, the Company had one Executive Director ("ED") on the Board viz. Mr. Randhir Singh, Managing Director & Executive Vice Chairman. The compensation paid to them is within the scale approved by the Board and shareholders. The elements of compensation comprise a fixed component, performance incentive and employee stock options. The compensation is determined based on the level of responsibility and scales prevailing in the industry. EDs are not paid sitting fees for any board / committee meetings attended by them. The Board upon recommendation of the NRC, may decide the quantum / portion of variable pay (cash and non-cash components) that will be subject to deferral based on the time horizon of the risks. Claw back provisions if required, any for deferred variable pay including cancellation of vested and unexercised ESOPs may be invoked by the board based on the recommendation of NRC as per policy.

Details of the remuneration and other terms and conditions of appointment of the ED for the Financial Year ended March 31, 2026 are as follows:

(in crore)

Name of the Director	Mr. Karthikeyan Srinivasan*	Mr. Randhir Singh#
Terms of contract	5 years with effect from March 30, 2023	5 years with effect from July 22, 2024
Notice period	6 months	3 months
Gross Salary	0.37	3.33
Fixed Bonus	0.00	0.00
Allowances	0.05	0.06
Incentives	0.00	0.00
Perquisites & Contributions	3.18	0.00
Reimbursement (Non Taxable)	0.00	0.06
Total	**3.60**	**3.45**

* ceased to be Whole-Time Director and Chief Executive Officer of the Company with effect from May 11, 2025

re-designated and appointed as Managing Director and Executive Vice Chairman with effect from May 11, 2025 for remaining period of his term of appointment i.e. upto July 21, 2029

Notes:

Criteria for payment of performance linked incentive: The Performance Pay / Incentive is linked to assessment of performance. Performance assessment is based on achievement of individual targets linked to KRAs for the year, defined level of performance for the role / individual, and Company's / Business's / Functions' budgets / targets / objectives and achievements.

Stock Options: During the year under review, the Company has not granted any Stock Options to ED of the Company.

Remuneration of Non-Executive Directors

Non-Executive Directors other than Independent Directors were not paid any remuneration during the year under review. Independent Directors of the Company were paid sitting fees of ₹ 75,000 for every meeting of Board and ₹ 40,000 for every audit committee meeting and ₹ 25,000 for every meeting of Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Risk Management Committee, Corporate Social Responsibility Committee, IT Strategy Committee, Review Committee, Independent Director's Meeting and others during the Financial Year 2025-26.

Mentioned below are details of sitting fees paid/ payable to Non-Executive Independent Directors for attending Board and Committee Meetings held during the year under review:

(₹ In lakhs)

Name of the Director	Sitting Fees
Mr. Hemant Kaul	8.60
Ms. Naina Krishna Murthy	7.70
Ms. Sujatha Mohan	6.50

During the year under review, there were no pecuniary relationships or transactions between the Company and any of its Non-Executive Directors apart from payment of sitting fees.

Dividend Distribution Policy

In terms of the SEBI Listing Regulations and as an initiative towards setting out a good corporate governance structure within the organisation, the Board of Directors adopted a 'Dividend Distribution Policy' in line with Company's idea of meeting the long term capital requirement from internal cash accruals and appropriately rewarding shareholders. The Dividend Distribution Policy prescribes parameters to be considered for declaring / recommending dividend and sets out indicative range and frequency of dividend pay-out.

The Dividend Distribution Policy of the Company is available on the website of the Company. Please refer to the section, 'Policy Compendium' for accessing the policy.

Corporate Social Responsibility Policy

In accordance with Section 135 of the Companies Act, 2013, the Company has constituted a Corporate Social Responsibility ("CSR") Committee. In terms of the provisions of the Companies Act, 2013, the CSR Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy ("CSR Policy") indicating the activities to be undertaken by the Company, which has been approved by the Board. The Board of Directors has adopted a 'CSR Policy' which helps towards contribution and furtherance of the Company's objective to create value in the society and community in which it operates, through its services, conduct

and initiatives, so as to promote sustained growth for the society and community, in fulfillment of its role as a socially responsible corporate citizen.

The CSR Policy of the Company inter-alia indicates the CSR activities that can be undertaken by the Company and defines the roles and responsibilities of the Board of Directors and CSR Committee in implementing and monitoring CSR projects identified and supported by the Company.

The CSR Policy is available on the website of the Company. Please refer to the section, 'Policy Compendium' for accessing the policy.

Board Performance Evaluation Policy

In terms of the provisions of the SEBI Listing Regulations and the Companies Act, 2013, the Board of Directors adopted a Board Performance Evaluation Policy to set out a formal mechanism for evaluating performance of the Board, that of its Committee(s) and individual Directors including the Chairperson. Additionally, in order to outline detailed process and criteria for performance evaluation, the Nomination and Remuneration Committee has put in place the 'Performance Evaluation Process – Board, Committees and Directors, which forms an integral part of the Board Performance Evaluation Policy.

The manner in which formal annual evaluation of the performance of the Board, its Committees and individual Directors including Chairperson was conducted is given below:

- A structured questionnaire prepared in accordance with the Board Performance Evaluation Policy and Performance Evaluation Process, inter-alia setting out criteria for evaluation of performance of the Board collectively, individual non-independent directors and the Chairperson, was circulated to the Independent Directors and uploaded on the online portal. Performance ratings were given by the Independent Directors on the questionnaire circulated for each category to be evaluated by them at their separate meeting held;
- Based on Independent Directors feedback on the questionnaires, the Independent Directors, at their separate meeting, evaluated the performance of Non-Independent Directors, the Board as a whole and the Chairperson; and
- Further, based on evaluation by Independent Directors and in light of the criteria prescribed in the Performance Evaluation Process, the Board analysed and evaluated its own performance, that of its Committees and each Director including the Chairperson.

Performance Evaluation Criteria for Independent Directors

The Performance Evaluation Process adopted by the Nomination and Remuneration Committee inter-alia prescribes criteria for performance evaluation of Independent Directors.

In terms of the performance evaluation process, performance of Independent Directors is to be evaluated broadly on parameters such as contribution towards strengthening corporate governance, financial reporting, development of strategy and risk management; relationship with other Board members; attendance and participation at the meetings of the Board, Committees and shareholders; understanding of the sector in which the Company operates, keeping up-to-date information about the Company and external environment in which it operates, latest developments in areas such as corporate governance, financial reporting and applicable regulatory aspects; level of integrity and confidentiality maintained by them, compliance with the Code of Conduct for Independent Directors, fulfillment of the prescribed Independence criteria and independence from the Management.

Code for Prevention of Insider Trading

The Board has adopted a code to regulate, monitor and report trading by insiders in securities of the Company. The code inter-alia requires pre-clearance for dealing in the securities of the Company and prohibits the purchase or sale of securities of the Company while in possession of unpublished price sensitive information in relation to the Company and during the period when the trading window is closed. The Board has further approved the code for practices and procedures for fair disclosure of unpublished price sensitive information and policy governing the procedure of inquiry in case of actual or suspected leak of unpublished price sensitive information.

The code has also been hosted on the website of the Company. Please refer to the section, 'Policy Compendium' for accessing the Code. The Company has also put in place a structured digital database as required under Regulation 3(5) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

V. SENIOR MANAGEMENT PERSONNEL AS ON MARCH 31, 2026

Sr. No.	Name of SMPs	Designation
1.	Mr. Randhir Singh[1]	Managing Director and Executive Vice Chairman
2.	Mr. Jayesh Jain	Chief Financial Officer
3.	Mr. Nitin Gyanchandani	Chief Risk Officer
4.	Mr. Amandeep Singh Sandhu[3]	Chief Operating Officer – Vehicle Finance
5.	Mr. Amit Kumar Khan[4]	Chief Operating Officer – Micro LAP
6.	Mr. K V Bharadwaj	Chief Credit Officer
7.	Mr. Binoy Parikh[2]	Chief Compliance Officer
8.	Ms. Jasmine Bawa[5]	Chief Human Resource Officer
9.	Mr. Kaushal Mithani	Head – Treasury
10.	Mr. Kekin Savla	Head - Finance
11.	Mr. Shivam Choudhary[6]	Chief Technology Officer
12.	Mr. Krishnamoorthy Swaminathan	Head – Operations
13.	Mr. Kashinath Palekar	Head – Internal Audit
14.	Mr. Mihir Bhavsar	Chief Information Security Officer
15.	Mr. P Krishnan	Principal Officer
16.	Ms. Shikha Jain	Company Secretary and Compliance Officer
17.	Ms. Rashmita Prajapati[7]	Chief Compliance Officer
18.	Ms. Priya Prasad[8]	Chief Compliance Officer
19.	Mr. Devraj C[9]	Chief Business Officer - Vehicle Finance
20.	Mr. Arvind Uppal[10]	Chief Business Officer – Vehicle Finance
21.	Mr. Dipesh Kumar Mehta[11]	Chief Product Officer

[1]Re-designated with effect from May 11, 2025

[2]Appointed with effect from October 13, 2025

[3]Appointed with effect from December 15, 2025

[4]Appointed with effect from August 14, 2025

[5]Appointed with effect from October 01, 2025

[6]Appointed with effect from January 20, 2026

[7]Resigned with effect from May 26, 2025

[8]Resigned with effect from July 01, 2025

[9]Resigned with effect from November 03, 2025

[10]Resigned with effect from February 03, 2026

[11]Resigned with effect from May 25, 2026

VI. DETAILS OF MATERIAL SUBSIDIARIES OF THE LISTED ENTITY AS ON MARCH 31, 2026

Name of material subsidiary	Date and Place of incorporation	Name of statutory Auditors	Date of appointment of statutory auditors
Not Applicable			

Niwas Housing Finance Limited ceased to be a material subsidiary of the Company pursuant to the divestment with effect from July 17, 2025 and as on March 31, 2026 the Company had no material subsidiary as defined under Regulation 16 of the SEBI Listing Regulations.

VII. GENERAL BODY MEETINGS

For Financial Year	Date	Time	Special Resolutions passed	Venue
2022-23	September 18, 2023	10.30 a.m.	• Issue of Non-Convertible Debentures under Private Placement for aggregate principal amount not exceeding ₹ 7,500 crore, during a year. • Material Related Party Transaction for the amount not exceeding ₹ 1,000 crore with BCP V Multiple Holdings Pte Ltd., the holding company of the Company at arm's length and in the ordinary course of business of the Company	Held through Video Conferencing / Other Audio Visual Means
2023-24	September 30, 2024	03:00 p.m.	• Issue of Non-Convertible Debentures under Private Placement for aggregate principal amount not exceeding ₹ 6,000 crore, during a year. • Alteration of Articles of Association of the Company	Held through Video Conferencing / Other Audio Visual Means
2024-25	September 25, 2025	03:00 p.m.	• Issue of Non-Convertible Debentures under Private Placement for aggregate principal amount not exceeding ₹ 6,000 crore, during a year.	Held through Video Conferencing / Other Audio Visual Means

Postal Ballot

The Company sought the approval of the Members on the Special Resolutions by way of Postal Ballot notice dated April 21, 2025 and July 03, 2025 which was passed with requisite majority on May 24, 2025 and August 03, 2025 respectively, details of same are mentioned below:

Sr. No	Ordinary/Special Resolutions passed through Postal Ballot	Voting percentage of shareholders participated
	Postal Ballot Notice dated April 21, 2025	
1.	Appointment of Ms. Sujatha Mohan (DIN: 10743626) as a Non-Executive Independent Director for a term of five consecutive years with effect from April 21, 2025.	% of vote in Favour: 99.99 % of vote in Against: 0.01
2.	Appointment of Mr. Bobby Parikh (DIN: 00019437) as a Non-Executive Non-Independent Director with effect from March 05, 2025.	% of vote in Favour: 99.98 % of vote in Against: 0.02
3.	Amendment of IndoStar ESOP Plan 2012	% of vote in Favour: 99.76 % of vote in Against: 0.24
4.	Amendment of IndoStar ESOP Plan 2016	% of vote in Favour: 99.76 % of vote in Against: 0.24
5.	Amendment of IndoStar ESOP Plan 2016 - II	% of vote in Favour: 99.76 % of vote in Against: 0.24
6.	Amendment of IndoStar ESOP Plan 2017	% of vote in Favour: 99.76 % of vote in Against: 0.24
7.	Amendment of IndoStar ESOP Plan 2018	% of vote in Favour: 99.98 % of vote in Against: 0.02
	Postal Ballot Notice dated July 03, 2025	
1.	Re-designation and appointment of Mr. Randhir Singh (DIN: 05353131) as Managing Director designated as Executive Vice Chairman of the Company	% of vote in Favour: 99.76 % of vote in Against: 0.24

Ms. Alifya Sapatwala (ICSI Membership No. - A24091), Partner, M/s Mehta & Mehta , Company Secretaries, acted as the Scrutiniser, for conducting the Postal Ballot process dated April 21, 2025 in a fair and transparent manner.

Ms. Ashwini Inamdar (ICSI Membership No. – F9409), Partner, M/s Mehta & Mehta , Company Secretaries, acted as the Scrutiniser, for conducting the Postal Ballot process dated July 03, 2025 in a fair and transparent manner.

Procedure for postal ballot

Pursuant to the provisions of the Companies Act, 2013 read with the SEBI Listing Regulations, the Company provides facility to the members to exercise votes through electronic voting system ('e-Voting'). Postal ballot notices are sent to members / beneficial owners through email at their registered email addresses. The Company also publishes notice in the newspapers for the information of the members. Voting rights are reckoned on the equity shares held by the members as on the cut-off date.

Pursuant to the provisions of the Act the Company appoints a scrutiniser for conducting the postal ballot process in a fair and transparent manner. The scrutiniser submits his / her consolidated report to the Chairperson or any person authorised by him / her and the voting results are announced by the Chairperson or any person authorised by him / her by placing the same along with the scrutiniser's report on the Company's website, besides being communicated to the stock exchanges. The resolution, if passed by requisite majority, is deemed to have been passed on the last date specified by the Company for closure of remote e-Voting.

In view of the dispensation granted by MCA, postal ballot notice was sent through e-mail only, to all those members who had registered their e-mail ids with the Company / depositories and only e-Voting facility was provided to the members to cast their votes. Arrangements were also made for other members to register their e-mail address to cast their vote online.

None of the businesses to be transacted at the ensuing Annual General Meeting are proposed to be conducted through postal ballot.

VIII. MEANS OF COMMUNICATION

- Quarterly and annual financial results of the Company are disseminated to stock exchanges and hosted on Company's website;
- Quarterly and annual financial results are published in Business Standard and prahaar, as required under applicable law;
- Presentations and media releases on financial position and important events / material developments of the Company are issued by the Company for information of investors;
- The Company arranges for investors calls / conferences for discussing financial position of the Company from time to time;
- The shareholders can also access the details of corporate governance policies, Board committees, financial information, shareholding information, details of unclaimed dividends, etc. on the Company's website; and
- Institutional investors / analysts' presentations and media releases are submitted to the stock exchanges and are hosted on the website of the Company at https://www.indostarcapital.com/investors-corner#investorServices.

IX. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting - Date, Time and Venue	17th Annual General Meeting Date: September 25, 2026 Time: 11.00 a.m. (IST) Mode of conducting the meeting: Video conferencing / other audio-visual means
Financial Year	April 01, 2025 to March 31, 2026
Dividend Payment Date	Not Applicable
Listing on Stock Exchanges	The BSE Limited ('BSE") (Equity Shares and Non-Convertible Debentures) Phiroze Jeejeeboy Towers, Dalal Street, Fort, Mumbai - 400 001 The National Stock Exchange of India Limited ("NSE") (Equity Shares) Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051

Payment of Annual Listing Fees	Requisite Annual Listing Fees has been paid to both the Stock Exchanges.
Stock Code	BSE: 541336 NSE: INDOSTAR
In case the Securities are Suspended from Trading, the Directors Report shall explain the Reason thereof	Not applicable
Registrar and Transfer Agents	MUFG Intime India Private Limited Address: C 101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai - 400083 Telephone: +91 8108116767 Fax: +91 22 49186060 Email id: investor.helpdesk@in.mpms.mufg.com
Share Transfer System	In terms of the SEBI Listing Regulations with effect from April 01, 2019, the Equity Shares of the Company can be transferred only in dematerialised form, except in case of request received for transmission or transposition of securities, which shall be approved by the Stakeholders Relationship Committee.
Dematerialisation of Shares and Liquidity	Equity shares of the Company are available for trading only in dematerialised form under both the Depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited. The International Securities Identification Number (ISIN) allotted to the Company's Equity Shares is INE896L01010. As on March 31, 2026, 100% of Equity shares are held in dematerialised form.
Commodity Price Risk or Foreign Exchange Risk and Hedging Activities	Not applicable
Utilisation of Funds raised through Preferential Allotment/ Qualified Institutions Placement	During the year under review, the Company has raised ₹ 201.33 crore by way of Preferential allotment of equity shares pursuant to conversion of warrants and the same was fully utilised towards objective stated in the respective offer document.
Plant Locations	Since the Company is engaged in the business of providing financial services, the Company does not have any manufacturing plant. It operates from its Registered & Corporate Office and branches located at different places throughout India.
Address for Correspondence	Ms. Shikha Jain Company Secretary & Compliance Officer Unit No. 301-A, 3rd Floor, Silver Utopia, Opposite P&G Plaza, Cardinal Gracious Road, Chakala, Andheri (East), Mumbai – 400099 Telephone: +91 22 43157000; Email id: investor.relations@indostarcapital.com
List of Credit Ratings along with any revisions during the Financial Year	**LONG TERM**
	Debt Programme
	CARE Ratings Limited — CARE AA- /Stable
	CRISIL Limited — CRISIL AA- /Stable
	Market Linked Debentures
	CARE Ratings Limited — CARE PP-MLD AA- /Stable
	SHORT TERM DEBT PROGRAMME/COMMERCIAL PAPER:
	CARE Ratings Limited — CARE A1+
	CRISIL Limited — CRISIL A1+

Secretarial Audit

The Company annually conducts a secretarial audit by an independent practicing company secretary. For the year ended March 31, 2026, M/s. Mehta & Mehta, Company Secretaries, had conducted the secretarial audit and the certificate was placed before the board and attached to this report.

Reconciliation of Share Capital Audit

As required by the Securities and Exchange Board of India (SEBI), quarterly audit of the Company's share capital is being carried out by an independent auditor with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital. The certificate issued by an independent practicing company secretary is submitted to the stock exchanges and is also placed before the board of directors.

Compliance Certificate on Corporate Governance

The certificate on compliance of corporate governance norms from an independent practicing company secretary is annexed to the report.

Green initiative in Corporate Governance

The Companies Act, 2013 and the underlying rules permit companies to send various documents including the financial statements through electronic mode to the shareholders. In compliance with the circulars issued by MCA and SEBI, electronic copies of the notice of the AGM and annual report for year under review will be sent to all the shareholders whose email addresses are registered with the Company / depository participants. Shareholders are requested to register their e-mail ID with their depository participant, if the holding is in electronic mode. If shares are held in physical mode, the shareholders are requested to furnish their email addresses to RTA for receiving the above documents by electronic mode.

Transfer of Equity Shares to IEPF

In accordance with the provisions of section 124 and 125 of the Companies Act, 2013, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF), the underlying shares of all dividends which remain unpaid/ unclaimed for a period of seven consecutive years be transferred to Investor Education and Protection Fund (IEPF). As required under the said rules, the Company had sent out individual communication to the concerned shareholders whose dividend are unclaimed, informing them about the amount of unpaid dividend lying with the Company and requesting them to update their bank details by confirming the details to the attention of MUFG Intime India Private Limited, so as to claim the unpaid dividend amount and to ensure uninterrupted and timely payment of dividend in the future.

In accordance with the provisions of the Act, during the year under review, the Company has:

a) credited ₹ 58,142 (Rupee Fifty Eight Thousand One Hundred and Forty Two Only) to Investor Education and Protection Fund (IEPF); and

b) transferred 7,215 equity shares of ₹ 10 each to the credit of IEPF Authority.

The Company has uploaded on its website the details of unpaid and unclaimed amounts lying with the Company as on March 31, 2026. Details of shares transferred to IEPF Authority during 2025-26 are also available on the website of the Company. The Company has also uploaded these details on the website of the IEPF Authority (www.iepf.gov.in).

Ms. Shikha Jain, Company Secretary of the Company has been appointed as the Nodal Officer for and on behalf of the Company for the purpose of verification of claims and co-ordination with Investor Education and Protection Fund Authority pursuant to provisions of IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016. The details of the Nodal Officer are available on the website of the Company at https://www.indostarcapital.com.

Dispute Resolution Mechanism

SEBI has vide its Circular No. SEBI/HO/MIRSD/ MIRSD_ RTAMB/P/CIR/2022/76 dated May 30, 2022, issued a Standard Operating Procedure (SOP) for dispute resolution under Stock Exchanges Arbitration Mechanism, for dispute redressal between the Listed Company / Registrar and Share Transfer Agents (RTA) and its shareholder(s) / investor(s).

The Arbitration Mechanism shall be initiated post exhausting all actions for resolution of complaints including those received through SEBI SCORES Portal.

Pursuant to SEBI Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023, the Company has also registered on Smart Online Dispute Resolution (ODR) portal which can be accessed through the weblink https://smartodr.in/login.

SEBI Complaints Redress System (SCORES):

Investor complaints are processed at SEBI in a centralised web-based complaints redress system. The salient features of this system are centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaints and their current status.

Distribution of Shareholding as on March 31, 2026:

Sr. No.	No. of Equity Shares – Range	Shareholders		Shareholding	
		No. of equity shareholders	% of total equity shareholders	No. of equity shares held	% of total equity shares
1	1 - 500	57,930	95.44	26,73,343	1.65
2	501 - 1,000	1,097	1.81	8,61,796	0.53
3	1,001 - 2,000	664	1.09	10,02,115	0.62
4	2,001 - 3,000	276	0.45	7,07,553	0.44
5	3,001 - 4,000	114	0.19	4,11,357	0.25
6	4,001 - 5,000	117	0.19	5,54,177	0.34
7	5,001 - 10,000	225	0.37	17,14,630	1.06
8	10,001 & above	272	0.45	15,36,12,295	95.09
Total		**60,695**	**100.00**	**16,15,37,266**	**100.00**

Shareholding Pattern as on March 31, 2026:

Sr. No.	Category of Shareholder	No. of equity shares	% of total equity shares
A	**Promoter & Promoter Group**		
1	Promoter	11,36,94,544	70.38
2	Promoter Group	-	-
	Total (A)	**11,36,94,544**	**70.38**
B	**Public Shareholding**		
1	Mutual Funds	106	0.00
2	Alternative Investment Fund	17,22,142	1.07
3	Foreign Portfolio Investors	41,76,379	2.59
4	Financial Institutions / Banks	-	-
4	Insurance Companies	17,80,924	1.10
5	Directors and their relatives	60,561	0.04
6	Individuals	1,98,58,390	12.29
7	Non-Resident Indians	12,16,353	0.75
8	Foreign Nationals	-	-
9	Bodies Corporate	1,81,99,647	11.27
10	Investor Education and Protection Fund (IEPF)	7,215	0.00
11	Others	8,21,005	0.51
	Total (B)	**4,78,42,722**	**29.62**
Total (A+B)		**16,15,37,266**	**100.00**

X. OTHER DISCLOSURES

Related party transactions: All transactions with related parties that were entered into during the Financial Year were in the ordinary course of business and on an arm's length basis. There were no material transactions with related parties i.e., transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries, or relatives, etc., that may have potential conflict with the interest of company at large. Suitable disclosures as required in compliance with accounting standards with related parties are disclosed in Note No. 33 of the financial statements in the annual report.

The Board has put in place related party transactions policy and the same has been uploaded on the Company's website. Please refer to the section, 'Policy Compendium' for accessing the policy

Disclosure by listed entity and its subsidiaries of 'Loans and advances' in the nature of loans to firms/ companies in which directors are interested by name and amount: Suitable disclosures as required in compliance with accounting standards in which directors are interested are disclosed in Note No. 33 of the financial statements in the annual report.

Materially significant related party transactions: During the year under review, the Company had not entered into any materially significant related party transaction that may have potential conflict with the interests of the Company at large.

Details of non-compliance: Except as mentioned below, there were no instances of non-compliance, penalties, strictures imposed on the Company by stock exchange(s) or the SEBI or any statutory authority, on any matter related to capital markets, during the last three years:

For Financial Year	Action taken by	Details of violation	Details of action taken e.g. fines, warning letter, debarment, etc. for the last three years
2025-26	NSE	Non-compliance with the requirements pertaining to disclosure of related party transaction as per Regulation 23(9) of SEBI Listing Regulations	NSE levied a fine of ₹ 5,900 including applicable GST vide notice dated December 16, 2025. Subsequently, the fine was waived off by NSE on waiver request from the Company.
2025-26	BSE	Delay in intimation of record date for the purpose of payment of interest on non-convertible debentures under Regulation 60 of SEBI Listing Regulations for the period June 2021 and August 2021.	BSE levied a fine of ₹ 10,000 for each period excluding applicable GST vide email dated March 09, 2026.
2025-26	BSE & NSE	Non-compliance with the requirements pertaining to the composition of the Board of Directors as per Regulation 17(1) of SEBI Listing Regulations	BSE and NSE levied a fine of ₹ 2,35,000 each excluding applicable GST vide email dated May 29, 2025.
2025-26	BSE & NSE	Non-compliance with the requirements pertaining to the composition of the Nomination and Remuneration Committee as per Regulation 19(1) of SEBI Listing Regulations	BSE and NSE levied a fine of ₹ 1,10,000 each excluding applicable GST vide email dated May 29, 2025.
2023-24	BSE	Delay in intimation of payment of Interest on non-convertible debentures under Regulation 57(1) of SEBI Listing Regulations.	BSE levied a fine of ₹ 12,000 excluding applicable GST vide email dated April 30, 2024.
2023-24	BSE	Delay in intimation of record date for the purpose of payment of interest on non-convertible debentures under Regulation 60 of SEBI Listing Regulations.	BSE levied a fine of ₹ 10,000 each excluding applicable GST vide email dated April 01,2024.

For Financial Year	Action taken by	Details of violation	Details of action taken e.g. fines, warning letter, debarment, etc. for the last three years
2023-24	RBI	Non-compliances observed by the RBI in its statutory inspection of the Company with reference to the Company's financial position as on March 31, 2022	RBI vide its order and press release received by the Company on March 13, 2024, has imposed a monetary penalty on the Company aggregating to ₹ 13.60 lakhs.
2023-24	BSE & NSE	Delay in submission of Secretarial Compliance Report under Regulation 24A of the SEBI Listing Regulations	BSE & NSE levied a fine of ₹ 4,000 each excluding applicable GST vide email dated June 26, 2023.
2023-24	BSE	Delay in intimation of record date for the purpose of buy back of non-convertible debentures under Regulation 60 of SEBI Listing Regulations.	BSE levied a fine of ₹ 10,000 each excluding applicable GST vide email dated October 18, 2023.
2023-24	BSE & NSE	Non-submission of prior intimation about the meeting of the board of directors under Regulation 29 of the SEBI Listing Regulations	BSE & NSE levied a fine of ₹ 10,000 each excluding applicable GST vide email dated February 14, 2024

Compliance with Mandatory Requirements and adoption of the Non-Mandatory Requirements of Corporate Governance:

The Company has complied with the mandatory requirements including requirements of corporate governance norms as specified in Regulation 17 to Regulation 27 and clauses (b) to clause (i) of sub-regulation (2) of Regulation 46 and paragraph C, D and E of schedule V of the SEBI Listing Regulations, as applicable to the Company for Financial Year ended March 31, 2026 except as stated below:

- Non-compliance with Regulation 17(1)(b) of SEBI Listing Regulation with respect to having atleast 1/3rd of the Board of Directors as Independent Directors with effect from March 05, 2025:

Consequent to the expiry of the term of Mr. Bobby Parikh, as Independent Director and Chairman of the Company on March 04, 2025, the Board of the Company consisted of only 2 Independent Directors, as against the requirement of having a minimum of 1/3rd of the Board of Directors as independent. The Company appointed Ms. Sujatha Mohan (DIN: 10743626) as an Independent Director with effect from April 21, 2025 and the Company has since been in compliance with the Regulation 17(1)(b) of the SEBI Listing Regulations.

- Non-compliance with Regulation 19(1) of SEBI Listing Regulation with respect to the Chairman of the Nomination and Remuneration Committee with effect from March 05, 2025:

Ms. Naina Krishna Murthy who was appointed as the chairperson of the Board was also appointed as chairperson of the NRC with effect from March 05, 2025 which was not in line with the requirements of Regulation 19 of the SEBI Listing Regulations. On April 29, 2025, Mr. Hemant Kaul was again appointed as Chairman of the Committee and the Company has since been in compliance with the Regulation 19(1) of the SEBI Listing Regulations.

A certificate from M/s. Mehta & Mehta, Company Secretaries, to that effect is annexed to this Corporate Governance Report. The Company has also adopted the following discretionary requirements specified in Part E of Schedule II in terms of regulation 27(1) of the SEBI Listing Regulations:

- Modified opinion(s) in audit report: Company's financial statements have unmodified audit opinions.
- The Board of Directors of the Company has resolved not to pay any remuneration to the Chairperson to act in the capacity of the Chairperson.
- The positions of Chairperson and that of Managing Director, respectively, are held by two different persons.
- The Internal Auditor of the Company directly reports to Managing Director and Executive Vice Chairman. In terms of Reserve Bank of India (Non-Banking Financial Companies. Internal Audit Function) Directions, 2026, the Internal Auditor meets the Audit Committee at least once in a quarter, without the presence of Senior Management.

Details of non-compliance with requirements of Companies Act, 2013

The Company is in compliance with the applicable provisions of the Act, including with respect to compliance with accounting and secretarial standards except as stated below:

- The Company was in non-compliance with the provisions of Section 149(4) of the Act with respect to having atleast 1/3rd of the Board of Directors as Independent Directors with effect from March 05, 2025 to April 20, 2025.
- The Company has delayed the compliance with the provisions of Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, regarding publication of notice of transfer of equity shares to IEPF account, as the requisite notice was published approximately one month prior to the due date of transfer instead of the prescribed timeline of at least three months before the due date.

Payment made to Statutory Auditor of the Company

Details relating to the fees paid to the statutory auditors of the Company and its subsidiaries, during the Financial Year 2025-26, is stated in Note no. 29 of the notes to consolidated financial statements, which forms part of this Annual Report.

Disclosure with respect to demat suspense account / unclaimed suspense account:

No equity shares of the Company were lying in demat suspense account / unclaimed suspense account as on March 31, 2026.

Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion and likely impact on equity capital

The Company does not have any GDRs / ADRs / Warrants or other convertible instruments as on March 31, 2026.

Commodity price risk and hedging activities

The Company does not deal with any commodity and hence not exposed to any commodity price risk and commodity hedging activities as on March 31, 2026.

XI. DECLARATION BY THE MANAGING DIRECTOR OF THE COMPANY UNDER REGULATION 34(3) READ WITH PARAGRAPH D OF SCHEDULE V OF THE SEBI LISTING REGULATIONS

I, Randhir Singh, Managing Director and Executive Vice Chairman of IndoStar Capital Finance Limited hereby declare that all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Company's Code of Conduct for Directors and Senior Management for the Financial Year ended March 31, 2026.

Randhir Singh
Managing Director and
Executive Vice Chairman
DIN: 05353131

Place: Mumbai
Date: July 29, 2026

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
INDOSTAR CAPITAL FINANCE LIMITED

We have examined the compliance of conditions of Corporate Governance by **IndoStar Capital Finance Limited** (hereinafter referred as "Company") for the Financial Year ended March 31, 2026 as prescribed under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paras C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "SEBI Listing Regulations").

We state that compliance of conditions of Corporate Governance is the responsibility of the management, and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to our examination of the relevant records and the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as prescribed under SEBI Listing Regulations except the following observations:

a. ***Regulation 17(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 prescribes the requirement of having at least one-third of the Board of Directors as Independent Directors. However, during the period from April 01, 2025 to April 20, 2025, the composition of the Board was not duly constituted in the absence of the requisite number of Independent Directors.***

b. ***The Company has failed to adhere to Regulation 19(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the period from March 05, 2025 to April 28, 2025, by appointing Ms. Naina Krishna Murthy as the Chairperson of the Nomination & Remuneration Committee, who was also the Chairperson of the Board.***

We further 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.

This certificate is issued solely for the purposes of complying with SEBI Listing Regulations and may not be suitable for any other purpose.

For **Mehta & Mehta,**
Company Secretaries
(ICSI Unique Code P1996MH007500)

Atul Mehta
Partner
FCS No: 5782
CP No: 2486
PR no: 7281/2025
UDIN: F005782H000973980

Place: Mumbai
Date: July 29, 2026

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,
INDOSTAR CAPITAL FINANCE LIMITED

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **INDOSTAR CAPITAL FINANCE LIMITED** having CIN L65100MH2009PLC268160 and having registered office Office No- 301, Wing A, CTS No 477, Silver Utopia, Chakala Road, Opposite Proctor and Gamble, Andheri (E), Sahargaon, Mumbai- India 400099 (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 me / us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended 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	Designation	DIN	Date of Appointment
1.	Ms. Naina Krishna Murthy	Chairperson - Non-Executive and Independent Director	01216114	February 05, 2018
2.	Mr. Aditya Hemant Joshi	Non-Executive and Non Independent Director	08684627	July 10, 2020
3.	Mr. Hemant Kaul	Non-Executive and Independent Director	00551588	February 05, 2018
4.	Mr. Bobby Kanubhai Parikh	Non-Executive and Non-Independent Director	00019437	March 05, 2025
5.	Mr. Vishal Omprakash Goenka	Non-Executive and Non Independent Director	10084887	August 28, 2025
6.	Ms. Sujatha Mohan	Non-Executive and Independent Director	10743626	April 21, 2025
7.	Mr. Randhir Singh	Managing Director and Executive Vice Chairman	05353131	July 22, 2024
8.	Mr. Devdutt Vinayak Marathe	Non-Executive and Non Independent Director	10294876	September 08, 2023
9.	Mr. Dhanpal Jhaveri*	Non-Executive and Non Independent Director	02018124	September 02, 2010
10.	Mr. Karthikeyan Srinivasan**	Whole Time Director	10056556	March 30, 2023

* Resignation of Mr.Dhanpal Jhaveri (DIN: 02018124) as Non-Executive Non- Independent Director of the Company with effect from August 28, 2025.

** Resignation of Mr. Karthikeyan Srinivasan (DIN: 10056556) as Whole-Time Director and Chief Executive Officer of the Company with effect from May 11, 2025.

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 **Mehta & Mehta,**
Company Secretaries
(ICSI Unique Code P1996MH007500)

Atul Mehta
Partner
FCS No: 5782
CP No: 2486
PR no: 7281/2025
UDIN: F005782H000973980

Place: Mumbai
Date: July 29, 2026

INDOSTAR

POLICY COMPENDIUM

Name of the Policy/Document
Code of Conduct
Terms and Conditions of Appointment of Independent Directors
Whistle Blower Policy and Vigil Mechanism
Remuneration Policy
Policy for Determination of Materiality of Events and Information
Dividend Distribution Policy
Policy for Determining Material Subsidiary
Anti-Bribery and Anti-Corruption Policy
Related Party Transaction Policy
Code of Practices and Procedures for Fair Disclosure of UPSI
Corporate Social Responsibility Policy
Policy on Selection Criteria / “Fit and Proper” Person Criteria
Details of Familiarisation Programme for Independent Directors – 2025-26
Risk Management Framework and Policy
Customer Grievance Redressal Mechanism
ESOP Plans
ESOP Disclosure under SEBI SBEB & SE Regulations



FINANCIAL STATEMENTS

Standalone	174
Consolidated	270

INDEPENDENT AUDITOR'S REPORT

To the Members of **IndoStar Capital Finance Limited**

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying Standalone Financial Statements of IndoStar Capital Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss, including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "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 Companies (Indian Accounting Standards) Rules, 2015, as amended (the "Ind AS"), the RBI Guidelines and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and profit (including other comprehensive income), 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 ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the year ended March 31, 2026. 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 Matters	How the Key Audit Matters was addressed in our audit
1	**Impairment of loans including Expected Credit Losses ("ECL"):** Total Loans as at March 31, 2026: ₹ 7,43,446.77 lakhs (net of ECL) Impairment Provision as at March 31, 2026: ₹ 41,563.38 lakhs (Refer Note 5 of the Standalone Financial Statements) As per Ind AS 109 - Financial Instruments ("Ind AS 109") requires the Company to provide for impairment of its financial assets using ECL approach involving an estimation of probability of loss on such financial assets, considering reasonable and supportable information about past events, current conditions and forecasts of future economic conditions which could impact the credit quality of the Company's financial assets.	**Our audit procedures in respect of this area included, but not limited to:** • Obtained and read Company's Board approved policies on ECL and evaluated the appropriateness of the Company's accounting policies for impairment of financial instruments and assessed compliance of the same with Indian Accounting Standard 109 - Financial Instruments ('Ind AS 109'). • Performed a walkthrough of the impairment loss allowance process, and assessed the design and tested operating effectiveness of the key controls over completeness and accuracy of the key inputs (including loan book as at March 31, 2026) and assumptions considered for calculation, recording and monitoring of the impairment loss recognized. These controls, amongst others, included controls over the staging of the loan portfolio along with passing of journal entries and preparing disclosures.
	The estimation of impairment loss allowance on loan assets involves significant judgement and estimates, which are subject to uncertainty, and involves applying appropriate measurement principles in case of loss events. ECL is calculated using the percentage of probability of default ("PD"), loss given default ("LGD") and exposure at default ("EAD") for each of the stages of loan portfolio. Significant management judgment and assumptions involved in measuring ECL is required with respect to: • Segmentation of loan book in buckets based on common risk characteristics; • Staging of loans and in particular determining the criteria, which includes qualitative factors for identifying a significant increase in credit risk (i.e. Stage 2) and credit-impaired (i.e. Stage 3); • Factoring in future macro-economic and industry specific estimates and forecasts; • past experience and forecast data on customer behaviour on repayments and; • varied statistical modelling techniques to determine probability of default, loss given default and exposure at default basis, the default history of loans, subsequent recoveries made and other relevant factors using probability weighted scenarios. The Expected Credit Loss ('ECL') is measured at 12- month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. The management has calculated the PD and LGD as follows: • For new products launched from time to time and where the Company does not have sufficient historical data to estimate PD, the Company has engaged external leading credit bureau and accordingly PD rates have been considered based on industry data sourced from the aforesaid credit bureau. • For the remaining portfolio, the Company continues to use their existing internally developed modelling techniques using historical observable data and inputs to estimate PD and LGD. Refer note 2(f) of material accounting policies, Note 26 for the details of provision and Note 32(e) for credit risk disclosures	• We, along with the assistance of the auditor's expert, tested the modelling assumptions and inputs which are based on industry experience (new products) as collated by external credit bureau in line with the Company's ECL policy. While for remaining loan portfolio, since modelling assumptions and parameters are based on historical data, assessed whether historical experience was representative of current circumstances and was relevant in view of the recent impairment losses incurred within the portfolios. • Verified the completeness of loans included in the ECL calculations as of March 31, 2026. • Selected samples and verified appropriateness of classification of loan assets in stage 1, 2 and 3 in accordance with the policy approved by the Board of Directors. • Selected samples of exposure and verified the appropriateness of determining EAD, PD and LGD. Further, also checked the appropriateness of information used in the estimation of PD and LGD for the different stages depending on the nature of the portfolio. • Evaluated the appropriateness of the Company's determination of significant increase in credit risk in accordance with the applicable Ind AS and the basis for classification of various exposures into various stages. For a sample of exposures, also tested the appropriateness of the Company's categorization across various stages. • Obtained the management's rational for writing off the loans during the current year and tested for appropriate management approvals in line with approved write off policy. • Assessed the appropriateness and adequacy of the related presentation and disclosures of Note 32 "Financial Instruments – Fair values and Risk management" disclosed in the accompanying Standalone Financial Statements in accordance with the applicable accounting standards and related Reserve Bank of India ('RBI') circulars.

Sr. No	Key Audit Matters	How the Key Audit Matters was addressed in our audit
	Considering the significance of the above matter to the Financial Statements and since the matter required significant attention to test the calculation of ECL, we identified this as a key audit matter for current year audit.	
2	**Information Technology ("IT") systems and controls impacting financial controls** The Company key financial accounting and reporting processes are highly dependent on information systems including automated controls in systems, such that there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being misstated. Amongst its multiple IT systems, we scoped in systems that are key for overall financial reporting. Appropriate IT general controls and application controls are required to ensure that such IT systems are able to process the data, as required, completely, accurately and consistently for reliable financial reporting. We have identified 'IT systems and controls' as a key audit matter considering the high level of automation, significant number of systems being used by Management and the complexity of the IT architecture and its impact on overall financial reporting process and regulatory expectation on automation.	**Key IT audit procedures performed included the following, but not limited to:** • For testing the IT general controls, application controls and IT dependent manual controls, we involved IT specialists as part of the audit. The team also assisted in testing the accuracy of the information produced by the Company IT systems. • Obtained a comprehensive understanding of IT applications landscape implemented at the Company. It was followed by process understanding, mapping of applications to the same and understanding financial risks posed by people-process and technology. • Key IT audit procedures includes testing design and operating effectiveness of key controls operating over user access management (which includes user access provisioning, de-provisioning, access review, password configuration review, segregation of duties and privilege access), change management (which include change release in production environment are compliant to the defined procedures and segregation of environment is ensured), program development, computer operations (which includes testing of key controls pertaining to backup, Batch processing (including interface testing), incident management and data centre security), System interface controls. This included testing that requests for access to systems were appropriately logged, reviewed, and authorized. • In addition to the above, the design and operating effectiveness of certain automated controls, that were considered as key internal system controls over financial reporting were tested. Using various techniques such as inquiry, review of documentation / record / reports, observation, and re-performance. We also tested few controls using negative testing technique. • Tested compensating controls and performed alternate procedures, where necessary. In addition, understood where relevant changes made to the IT landscape during the audit period.

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

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

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

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

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

RESPONSIBILITIES OF MANAGEMENT AND BOARD OF DIRECTORS FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, 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 and RBI Guidelines. 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 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 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 with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of material accounting policies used and the reasonableness

of accounting estimates and related disclosures made by Management and Board of Directors.

- Conclude on the appropriateness of management and Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Company 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 Standalone Financial Statements for the year ended March 31, 2026 and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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, 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 of the aforesaid Standalone Financial Statements.

   (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, except for the matters stated in the paragraph 2(h)(vi) below on reporting under Rule 11(g).

   (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 Flow dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(h)(vi) below on reporting under Rule 11(g).

   (g) 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".

   (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, 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 35 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. The Company does not have any material foreseeable losses on derivative contracts - Refer Note 35 to the Standalone Financial Statements.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2026.

   iv. a. The Management has represented that, to the best of its knowledge and belief, as disclosed in Note 42.2 (i) to the Standalone Financial Statements, 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, 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, as disclosed in Note 42.2 (i) to the Standalone Financial Statements 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, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other person(s) or entity(ies) identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   c. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material mis-statement.

   v. The Company has neither declared nor paid any dividend during the year.

   vi. Based on our examination which included test checks, the Company has used certain accounting software(s) for maintaining its books of account (including two accounting software managed and maintained by a third party software service provider) which has a feature of recording audit trail (edit log) facility, except that audit trail feature was enabled at the database level during the year in respect of certain accounting software(s) to log any direct data changes as explained in Note 42.2 (k) to the Standalone Financial Statements.

   Further, where enabled, the audit trail feature has been operated for all relevant transactions recorded in the accounting software. Also, during the course of our audit and considering SOC report, we did not come across any instance of audit trail feature being tampered with in respect of such accounting software. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in respective years.

3. In our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 read with Schedule V of the Act and the rules thereunder.

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration Number: 105047W/ W101187

Tushar Kurani
Partner
Membership Number: 118580
UDIN: 26118580JTOGPE3071

Sorrento, Italy
May 27, 2026

ANNEXURE "A"

TO INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF INDOSTAR CAPITAL FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2026

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report

i. (a) A The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.

(a) B The Company has maintained proper records showing full particulars of intangible assets.

(b) Property, Plant and Equipment were physically verified by the management according to a phased programme designed to cover all items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of Property, plant and equipment have been physically verified by Management during the previous year. 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 immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the Standalone Financial Statements, are held in the name of the Company.

Further, the Company has repossessed properties under the Securitisation and Reconstruction of financial assets and Enforcement of Security Interest Act, 2002 from the borrowers who have defaulted their loan repayments. Such properties are acquired to recover the loans from the borrower and accordingly disclosed as Assets acquired in satisfaction of claim. Refer Note 11 to the Standalone Financial Statements.

(d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) and intangible assets during the year. Accordingly, the provisions stated under clause 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated under clause 3(i)(e) of the Order are not applicable to the Company.

ii. (a) The Company is involved in the business of rendering services and does not hold any inventory. Accordingly, the provisions stated under clause 3(ii)(a) of the Order are not applicable to the Company.

(b) During the year the Company has been sanctioned working capital limits in excess of ₹ 5 crores in aggregate from Banks and financial institutions on the basis of security of Loan assets and other assets. Based on the records examined by us in the normal course of audit of the Standalone Financial Statements, quarterly returns / statements filed with such Banks/ financial institutions are in agreement with the books of accounts of the Company. Refer Note 17 to the Standalone Financial Statement.

iii. (a) As explained in Note 1 to the Financial Statements, the Company is a non-deposit taking non-banking financial company ("NBFC") registered with the RBI and as part of its business activities, is engaged in the business of lending across various types of loans. The Company's principal business is to give loans and is a registered NBFC. Accordingly, provisions stated under clause 3(iii)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the investments made, guarantees provided, securities given and terms and conditions in relation to grant of all loans and advances in the nature of loans, investments made, guarantees provided

and securities given are not prejudicial to the interest of the Company.

(c) In respect of the aforesaid loans and advances in nature of loans, the schedule of repayment of principal and payment of interest have been stipulated by the Company. Considering that the Company is a Non-Banking Financial Company engaged in the business of granting loans, the entity-wise details of the amount, due date for payment and extent of delay (that has been suggested in the Guidance Note on CARO 2020 issued by the Institute of Chartered Accountants of India for reporting under this clause) have not been detailed hereunder because it is not practicable to furnish such details owing to the voluminous nature of data generated in the normal course of the Company's business.

Further, except for the instances where there are delays or defaults in repayment of principal and/or interest and in respect of which the Company has recognized necessary provisions in accordance with the principles of Indian Accounting Standards (Ind AS) and the guidelines issued by the Reserve Bank of India ("RBI") for Income Recognition and Asset Classification (which has been disclosed by the Company in Note 46 to the Standalone Financial Statements), the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, as applicable.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the details of amount overdue for more than ninety days, on the loans and advances in the nature of loans, are as follows:

No. of Cases	Principal amount overdue (in lakhs)	Interest overdue (in lakhs)	Total overdue (in lakhs)	Remarks (if any)
6,834	9,510.64	4,914.73	14,425.36	According to the information and explanation given to us, reasonable steps have been taken by the Company for recovery of principal amount and interest.

(e) The company's principal business is to give loans and is a registered NBFC, accordingly, provisions stated under clause 3(iii)(e) of the Order is not applicable.

(f) According to the information explanation provided to us, the Company has not any granted loans and / or advances in the nature of loans, including 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 during the year. Accordingly, the provisions stated under clause 3(iii)(f) of the Order are not applicable to the Company.

iv. According to the information and explanations given to us, there are no loans, guarantees and security in respect of which provisions of Section 185 of the Companies Act, 2013, are applicable to the Company. The Company has also not made investments through more than two layer of investment companies in accordance with the provisions of section 186 of the Companies Act, 2013. Hence, the requirement to report under clause 3(iv) of the Order is not applicable to the Company.

v. According to the information and explanations given to us, the Company being Non-Banking Financial Company registered with RBI, provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, are not applicable to the Company and the rules framed there under. Accordingly, the requirement to report under clause 3(v) of the Order is not applicable to the Company.

vi. The provisions of sub-Section (1) of Section 148 of the Companies Act, 2013 are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products/ services of the Company. Accordingly, the provisions stated under clause 3(vi) of the Order are not applicable to the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, cess, and other statutory dues have been generally regularly deposited by the Company with appropriate authorities in all cases during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Services tax, provident fund, employees' state insurance, income-tax, cess, and other statutory dues in arrears as at March 31, 2026, outstanding for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues relating to goods and services tax, provident fund, employees' state insurance, income-tax, cess, and other statutory dues which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment of the Company. Accordingly, the provision stated under clause 3(viii) of the Order is not applicable to the Company.

ix. (a) In our opinion and according to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the Standalone Financial Statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information explanation 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 an any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Further, the Company does not have any associate or joint ventures. Accordingly, 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 explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions stated under clause 3(x)(a) of the Order are not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made preferential allotment of shares during the year and the requirements of Section 42 and Section 62 of the Companies Act, 2013, have been complied with. The amount raised has been used for the purposes for which they were raised.

xi (a) Based on 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 report that no material fraud by the Company or on the Company has been noticed or reported during the year in the course of our audit except that as explained in Note 46 XVII(C). The Company has initiated necessary action against such instances.

(b) Based on 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, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the provisions stated under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing, and extent of audit procedures.

xii. The Company is not a Nidhi Company. Accordingly, the provisions stated under clause 3(xii)(a) to (c) of the Order are 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 Companies Act, 2013, where applicable and details of such transactions have been disclosed in Note No. 33 of the Standalone Financial Statements as required by the applicable accounting standards.

xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till the date of our audit report, 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, in our opinion, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with its directors and accordingly, the reporting on compliance with the provisions of Section 192 of the Companies Act, 2013 in clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is required to and has been registered under Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) as Non-Deposit taking Systematically Important (NBFC-ND-SI) Company.

(b) The Company has conducted non-banking financial activities during the year and the Company holds a valid Certificate of Registration from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the provisions stated under clause 3 (xvi) (c) of the Order are not applicable to the Company.

(d) The Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company as part of its group. Accordingly, the provisions stated under clause 3(xvi) (d) of the order are not applicable to the Company.

xvii. Based on the overall review of Standalone Financial Statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the provisions stated under clause 3(xvii) of the Order are not applicable to the Company.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, the provisions stated under clause 3(xviii) of the Order are not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements (as disclosed in Note 32(I) & Note 41 to the Standalone Financial Statements), our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. According to the information and explanations given to us and based on our verification, the provisions of Section 135 of the Act, are applicable to the Company.

a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a Fund as specified in Schedule VII of the Act as disclosed in Note 29 to the Standalone Financial Statements.

b) In respect of ongoing projects, the Company has transferred unspent amount to a special account within a period of thirty days from the end of the financial year in compliance with Section 135(6) of the Act.

xxi. There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order, 2020 reports of the companies included in the consolidated financial statements. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said Clause has been included in the report.

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration Number: 105047W/ W101187

Tushar Kurani
Partner
Membership Number: 118580
UDIN: 26118580JTOGPE3071

Sorrento, Italy
May 27, 2026

ANNEXURE "B"

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF INDOSTAR CAPITAL FINANCE LIMITED

[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the **IndoStar Capital Finance Limited** on the Standalone Financial Statements for the year ended March 31, 2026]

Report on the Internal Financial Controls with reference to Standalone Financial Statement under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

OPINION

We have audited the internal financial controls with reference to Standalone Financial Statements of IndoStar Capital Finance Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

In our opinion, and 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 internal control with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI').

MANAGEMENT AND BOARD OF DIRECTOR'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by 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 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 Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements 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 with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to Standalone Financial Statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

A company's internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Standalone 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 Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial Statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration Number: 105047W/ W101187

Tushar Kurani
Partner
Membership Number: 118580
UDIN: 26118580JTOGPE3071

Sorrento, Italy
May 27, 2026

STANDALONE BALANCE SHEET

AS AT MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

Particulars	Note	As at March 31, 2026	As at March 31, 2025
I. ASSETS			
Financial assets			
Cash and cash equivalents	3 (a)	3,193.15	9,192.46
Bank balances other than cash and cash equivalents	3 (b)	27,338.48	32,560.54
Derivative financial instruments	4	1,194.74	-
Loans	5	7,43,446.77	7,21,651.85
Investments	6	98,193.67	1,81,819.45
Other financial assets	7	5,861.26	12,448.46
		8,79,228.07	**9,57,672.76**
Non-financial assets			
Current tax assets (net)	8	1,255.50	1,137.81
Deferred tax assets (net)	9	31,766.52	31,674.65
Property, plant and equipment	10	4,974.34	5,955.24
Assets acquired in satisfaction of claim	11	700.00	1,300.00
Goodwill	12	30,018.69	30,018.69
Other intangible assets	12	487.22	539.00
Other non-financial assets	13	2,713.43	2,922.89
Non - current asset held for sale	14	-	45,000.00
		71,915.70	**1,18,548.28**
TOTAL ASSETS		**9,51,143.77**	**10,76,221.04**
II. LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Trade payables	15		
(i) total outstanding to micro enterprises and small enterprises		5.01	6.23
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		2.16	1.82
Debt securities	16	3,07,415.36	3,79,218.64
Borrowings (other than debt securities)	17	2,40,261.02	3,12,429.59
Other financial liabilities	18	22,053.67	40,296.33
		5,69,737.22	**7,31,952.61**
Non-financial liabilities			
Current tax liabilities (net)	8	1,058.83	-
Provisions	19	1,828.23	901.31
Other non-financial liabilities	20	762.20	744.87
		3,649.26	**1,646.18**
TOTAL LIABILITIES		**5,73,386.48**	**7,33,598.79**
EQUITY			
Equity share capital	21	16,153.73	13,609.74
Other equity	22	3,61,603.56	3,29,012.51
TOTAL EQUITY		**3,77,757.29**	**3,42,622.25**
TOTAL LIABILITIES AND EQUITY		**9,51,143.77**	**10,76,221.04**

See accompanying notes forming part of the financial statements 1 to 48

In terms of our report attached
For M S K A & Associates LLP
(formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration Number: 105047W/W101187

Tushar Kurani
Partner
Membership No. 118580

Place: Sorrento, Italy
Date: May 27, 2026

For and on behalf of the Board of Directors of
IndoStar Capital Finance Limited

Naina Krishna Murthy
Non-Executive Independent Chairperson
DIN: 01216114

Randhir Singh
Managing Director & Executive Vice Chairman
DIN: 05353131

Jayesh Jain
Chief Financial Officer

Shikha Jain
Company Secretary

Place: Mumbai
Date: May 27, 2026

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

Particulars	Note	For the year ended March 31, 2026	For the year ended March 31, 2026
REVENUE FROM OPERATIONS	23		
Interest income		1,26,251.66	1,19,654.44
Fees and commission income		9,993.54	11,963.66
Net gain on fair value changes		3,043.97	3,244.16
Net gain on derecognition of financial instruments measured at amortised cost category		-	5,529.92
Total revenue from operations		**1,39,289.17**	**1,40,392.18**
Other income	24	69.16	849.37
Total income		**1,39,358.33**	**1,41,241.55**
EXPENSES			
Finance costs	25	62,116.06	74,083.99
Impairment on financial instruments	26	1,14,321.86	13,752.34
Employee benefit expenses	27	33,475.07	29,771.41
Depreciation and amortisation expenses	28	2,886.54	3,061.80
Other expenses	29	14,233.65	15,312.92
Total expenses		**2,27,033.18**	**1,35,982.46**
Profit/(loss) before exceptional items and tax		**(87,674.85)**	**5,259.09**
Exceptional Items	14	**1,17,595.00**	**-**
Profit/(loss) before tax		**29,920.15**	**5,259.09**
Tax expense:	30		
1. Current tax		16,900.00	-
2. Tax of earlier years		-	-
3. Deferred tax expenses		-	-
Total tax expenses		**16,900.00**	**-**
Profit/(loss) after tax		**13,020.15**	**5,259.09**
Other comprehensive income			
Items that will not be reclassified to profit and loss			
- Remeasurements of the defined benefit plans		(52.36)	(111.91)
- Income tax relating to items that will not be reclassified to profit or loss		13.18	28.17
		(39.18)	(83.74)
Items that will be reclassified to profit and loss			
- Debt instruments through other comprehensive income		(312.65)	20.00
- Income tax relating to items that will be reclassified to profit or loss		78.69	(5.05)
		(233.96)	14.95
Other comprehensive income for the year, net of tax		**(273.14)**	**(68.79)**
Total comprehensive income for the year		**12,747.01**	**5,190.30**
Earnings per equity share	31		
Basic earnings per share (₹)		9.02	3.86
Diluted earnings per share (₹)		9.01	3.74
(Equity Share of face value of ₹ 10 each)			

See accompanying notes forming part of the financial statements 1 to 48

In terms of our report attached
For M S K A & Associates LLP
(formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration Number: 105047W/W101187

Tushar Kurani
Partner
Membership No. 118580

Place: Sorrento, Italy
Date: May 27, 2026

For and on behalf of the Board of Directors of
IndoStar Capital Finance Limited

Naina Krishna Murthy
Non-Executive Independent Chairperson
DIN: 01216114

Randhir Singh
Managing Director & Executive Vice Chairman
DIN: 05353131

Jayesh Jain
Chief Financial Officer

Shikha Jain
Company Secretary

Place: Mumbai
Date: May 27, 2026

STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit / (loss) before tax	29,920.15	5,259.09
	Adjustments for :		
	Interest income on financial assets	(1,26,251.66)	(1,19,654.44)
	Finance costs	62,116.06	74,083.99
	Depreciation and amortisation expense	2,886.54	3,061.80
	(Profit) / Loss on sale of property plant and equipment	(8.35)	(4.40)
	Impairment on financial instruments	1,14,321.86	13,752.34
	Provision for employee benefits	1,005.76	351.55
	Employee share based payment expense	1,158.31	2,203.70
	Net gain on fair value changes	(1,20,638.97)	(3,244.16)
	Net gain on derecognition of financial instruments measured at amortised cost category	-	(5,529.92)
		(35,490.30)	**(29,720.45)**
	Interest income realised on financial assets	1,23,961.34	1,15,375.32
	Finance costs paid	(53,855.25)	(69,788.94)
	Cash generated from operating activities before working capital changes	**34,615.79**	**15,865.93**
	Adjustments:		
	(Increase)/Decrease in loans and advances	(98,276.45)	(1,75,031.30)
	(Increase)/Decrease in other financial assets	6,280.22	26,804.65
	(Increase)/Decrease in other non-financial assets	209.46	1,412.59
	Increase/(Decrease) in trade payable	(0.88)	(122.27)
	Increase/(Decrease) in other financial liabilities	(25,795.70)	18,519.11
	Increase/(Decrease) in other non-financial liabilities	17.33	20.24
	Cash generated from/(used in) operating activities	**(82,950.23)**	**(1,12,531.05)**
	Taxes (paid) / refund	(15,958.86)	6,401.41
	Net cash generated from/(used in) operating activities (A)	**(98,909.09)**	**(1,06,129.64)**
B	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Purchase of property, plant and equipment	(869.00)	(2,155.81)
	Sale of property, plant and equipment	74.35	6.79
	Purchase of intangible assets	(560.67)	(245.14)
	Proceeds/(Investment) in bank deposits of maturity greater than 3 months (net)	5,222.06	(3,384.76)
	(Acquisition)/redemption of investments measured at FVTPL (net)	30,961.51	(29,545.44)
	(Acquisition)/redemption of investments measured at FVOCI (net)	14,567.50	(14,471.43)
	(Acquisition)/redemption of investments measured at amortised cost (net)	5,889.24	19,369.23
	Proceeds from sale of subsidiary	1,70,595.00	-
	Net cash generated from/(used in) investing activities (B)	**2,25,879.99**	**(30,426.56)**

STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from issue of shares (including securities premium and net off share issue expenses)	21,240.68	25,282.42
	Proceeds from bank borrowings	1,07,704.78	2,83,399.66
	Repayments towards bank borrowings	(1,81,777.51)	(2,47,604.83)
	Proceeds from issuance of Non-Convertible Debentures	1,15,000.00	1,15,558.54
	Repayments towards Non-Convertible Debentures	(1,60,507.00)	(1,14,300.00)
	Proceeds from Commercial Papers	64,000.00	1,32,000.00
	Repayments towards Commercial Papers	(97,500.00)	(86,300.00)
	Payment of lease liabilities	(1,131.16)	(1,060.52)
	Net cash generated from/(used in) financing activities (C)	**(1,32,970.21)**	**1,06,975.27**
	Net Increase in cash and cash equivalents (A) + (B) + (C)	**(5,999.31)**	**(29,580.93)**
	Cash and Cash Equivalents at the beginning of the year	**9,192.46**	**38,773.39**
	Cash and Cash Equivalents at the end of the year	**3,193.15**	**9,192.46**
	Reconciliation of cash and cash equivalents with the balance sheet		
	Cash on hand	406.44	533.99
	Balances with banks		
	- in current accounts	2,786.71	1,656.32
	Deposits with original maturity of less than three months	-	7,002.15
	Total	**3,193.15**	**9,192.46**

See accompanying notes forming part of the financial statements 1 to 48

In terms of our report attached
For M S K A & Associates LLP
(formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration Number: 105047W/W101187

Tushar Kurani
Partner
Membership No. 118580

Place: Sorrento, Italy
Date: May 27, 2026

For and on behalf of the Board of Directors of
IndoStar Capital Finance Limited

Naina Krishna Murthy
Non-Executive Independent Chairperson
DIN: 01216114

Randhir Singh
Managing Director & Executive Vice Chairman
DIN: 05353131

Jayesh Jain
Chief Financial Officer

Shikha Jain
Company Secretary

Place: Mumbai
Date: May 27, 2026

(a) Equity share capital of face value of ₹ 10/- each

Particulars	Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity Share Capital during the current year	Balance at the end of the current reporting period
As at March 31, 2026	**13,609.74**	**-**	**13,609.74**	**2,543.99**	**16,153.73**
As at March 31, 2025	**13,607.93**	**-**	**13,607.93**	**1.81**	**13,609.74**

(b) Other equity

Particulars	Share application money pending allotment	Reserves and surplus						Debt instruments through other comprehensive income	Money received against share warrants	Total
		Securities Premium Account	Statutory Reserves U/s 45(IC)	Capital Reserve	Share options outstanding account	General reserves	Retained earnings			
(i) Balance at April 01, 2025	**10.95**	**2,91,967.65**	**32,134.89**	**0.43**	**3,934.56**	**3,556.73**	**(28,137.11)**	**11.01**	**25,533.40**	**3,29,012.51**
Profit after tax for the year	-	-	-	-	-	-	13,020.15	-	-	13,020.15
Debt instruments through other comprehensive income	-	-	-	-	-	-	-	(233.96)	-	(233.96)
Gain/loss on re-measurement of defined benefit plans	-	-	-	-	-	-	(39.18)	-	-	(39.18)
	-	**-**	**-**	**-**	**-**	**-**	**12,980.97**	**(233.96)**	**-**	**12,747.01**
Proceeds from issue of shares (net)	(1,107.31)	44,230.09	-	-	-	-	-	-	(45,666.75)	(2,543.97)
Transferred from Retained earnings	-	-	2,604.03	-	-	-	(2,604.03)	-	-	-
Share application money received	1,096.36	-	-	-	-	-	-	-	-	1,096.36
Share based payment expense	-	-	-	-	1,158.30	-	-	-	-	1,158.30
Transfer from ESOP reserves	-	534.10	-	-	(958.97)	424.87	-	-	-	-
Money received against share warrant	-	-	-	-	-	-	-	-	20,133.35	20,133.35
Share issue expenses	-	-	-	-	-	-	-	-	-	-
Balance at March 31, 2026	**-**	**3,36,731.84**	**34,738.92**	**0.43**	**4,133.89**	**3,981.60**	**(17,760.17)**	**(222.95)**	**-**	**3,61,603.56**

Particulars	Share application money pending allotment	Reserves and surplus						Debt instruments through other comprehensive income	Money received against share warrants	Total
		Securities Premium Account	Statutory Reserves U/s 45(IC)	Capital Reserve	Share options outstanding account	General reserves	Retained earnings			
(ii) Balance at April 01, 2024	**-**	**2,92,207.63**	**31,083.07**	**0.43**	**2,122.74**	**3,447.24**	**(32,260.64)**	**(3.94)**	**-**	**2,96,596.53**
Profit after tax for the year	-	-	-	-	-	-	5,259.09	-	-	5,259.09
Debt instruments through other comprehensive income	-	-	-	-	-	-	-	14.95	-	14.95
Gain/loss on re-measurement of defined benefit plans	-	-	-	-	-	-	(83.74)	-	-	(83.74)
	-	**-**	**-**	**-**	**-**	**-**	**5,175.35**	**14.95**	**-**	**5,190.30**
Proceeds from issue of shares (net)	-	30.43	-	-	-	-	-	-	-	30.43
Transferred from Retained earnings	-	-	1,051.82	-	-	-	(1,051.82)	-	-	-
Share application money received	10.95	-	-	-	-	-	-	-	-	10.95
Share based payment expense	-	-	-	-	1,934.12	-	-	-	-	1,934.12
Transfer from ESOP reserves	-	12.81	-	-	(122.30)	109.49	-	-	-	-
Money received against share warrant	-	-	-	-	-	-	-	-	25,533.40	25,533.40
Share issue expenses	-	(283.22)	-	-	-	-	-	-	-	(283.22)
Balance at March 31, 2025	**10.95**	**2,91,967.65**	**32,134.89**	**0.43**	**3,934.56**	**3,556.73**	**(28,137.11)**	**11.01**	**25,533.40**	**3,29,012.51**

See accompanying notes forming part of the financial statements 1 to 48

In terms of our report attached
For M S K A & Associates LLP
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Chartered Accountants
ICAI Firm Registration Number: 105047W/W101187

Tushar Kurani
Partner
Membership No. 118580

Place: Sorrento, Italy
Date: May 27, 2026

For and on behalf of the Board of Directors of
IndoStar Capital Finance Limited

Naina Krishna Murthy
Non-Executive Independent Chairperson
DIN: 01216114

Randhir Singh
Managing Director & Executive Vice Chairman
DIN: 05353131

Jayesh Jain
Chief Financial Officer

Shikha Jain
Company Secretary

Place: Mumbai
Date: May 27, 2026

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

1 CORPORATE INFORMATION

IndoStar Capital Finance Limited ('the Company' or 'ICFL') was incorporated on July 21, 2009 and is domiciled in India. The Company is registered with the Reserve Bank of India (RBI) as a Systemically Important Non-Deposit taking Non-Banking Financial Company (NBFC-ND-SI) vide certificate No. N-13.02109. The Company is primarily engaged in lending business. The Company has been classified as Middle Layer as per Master Direction- Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025 dated November 28, 2025, as amended. The Company is also registered as Corporate Agent with the Insurance Regulatory and Development Authority (IRDAI) wide Certificate of Registration dated February 21, 2024.

2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

2.1 Statement of compliance with Indian Accounting Standards ('Ind AS')

The financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time. The financial statements have been prepared under the historical cost convention, as modified by the application of fair value measurements required or allowed by relevant accounting standards. Accounting policies have been consistently applied to all periods presented, unless otherwise stated.

The financial statements are prepared on a going concern basis, as the management is satisfied that the Company shall be able to continue its business for the foreseeable future. In making this assessment, the management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources.

2.2 Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division III to Schedule III to the Act applicable for Non Banking Financial Companies ("NBFC"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Division III to Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified accounting Standards, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- the normal course of business
- the event of default
- the event of insolvency of bankruptcy of the Company/ or its counterparties.

2.3 Material Accounting Policies

a) Financial Instruments

Financial assets and financial liabilities can be termed as financial instruments.

Financial instruments are recognised when the Company becomes a party to the contractual terms of the instruments.

(i) Classification of Financial Instruments

The Company classifies its financial assets into the following measurement categories:

1. Financial assets to be measured at amortised cost.
2. Financial assets to be measured at fair value through other comprehensive income.
3. Financial assets to be measured at fair value through profit or loss account.

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

The classification depends on the contractual terms of the financial assets' cash flows and the Company's business model for managing financial assets.

The Company classifies its financial liabilities at amortised cost unless it has designated liabilities at fair value through the profit and loss account or is required to measure liabilities at fair value through profit or loss (FVTPL) such as derivative liabilities. Financial liabilities, other than loan commitments and financial guarantees, are measured at FVTPL when they are derivative instruments or the fair value designation is applied.

Transaction costs directly pertaining to the acquisition or issue of financial instruments are added to or deducted from the initial measurement amount of the instrument except where the instrument is initially measured as fair value through profit or loss.

(ii) Assessment of business model and contractual cash flow characteristics for financial assets

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Company's business model determines whether the cash flows will be generated by collecting contractual cash flows, selling financial assets or by both. The Company's business model is assessed at portfolio level and not at instrument level, and is based on observable factors 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 entity's key management personnel;

(b) The risks that affect the performance of the business model and, in particular, the way those risks are managed;

(c) The expected frequency, value and timing of sales are also important aspects of the Company's assessment. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account.

Solely payment of principal and interest (SPPI) test

Subsequent to the assessment to the relevant business model of the financial assets, the Company assesses the contractual terms of financial assets to identify whether the cash flow realised are towards solely payment of principal and interest.

'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. The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk.

(iii) Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value.

(iv) Classification of Financial Instruments as per business model and SPPI test

(a) Loans and Debt instruments at amortised cost

A 'loan or debt instrument' is measured at the amortised cost if both the following conditions are met:

i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

ii) The contractual terms of the asset give rise on specified

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss.

(b) Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to sole payments of principal and interest on the principal amount outstanding and by selling financial assets.

(c) Financial assets at fair value through profit or loss (FVTPL)

Financial assets at fair value through profit or loss are those that are either held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Ind AS 109. Management only designates an instrument at FVTPL upon initial recognition when one of the following criteria are met (such designation is determined on an instrument-by-instrument basis):

The designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or recognising gains or losses on them on a different basis.

Financial assets at FVTPL are recorded in the balance sheet at fair value. Changes in fair value are recorded in statement of profit and loss.

(d) Debt securities and other borrowed funds

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the EIR. A compound financial instrument which contains both a liability and an equity component is separated at the issue date.

(e) Financial guarantees

Financial guarantees are initially recognised in the financial statements (within 'Provisions') at fair value, being the premium/ deemed premium received. Subsequent to initial recognition, the Company's liability under each guarantee is measured at the higher of (i) the amount initially recognised less cumulative amortisation recognised in the Statement of Profit and Loss and (ii) the amount of loss allowance. The premium/deemed premium is recognised in the Statement of Profit and Loss on a straight line basis over the life of the guarantee.

(f) Undrawn loan commitments

Undrawn loan commitments are commitments under which, over the duration of the commitment, the Company is required to provide a loan with pre-specified terms to the customer. Undrawn loan commitments are in the scope of the ECL requirements.

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

(v) Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line.

(vi) Derecognition of financial assets in the following circumstances

(a) Derecognition of financial assets due to substantial modification of terms and conditions

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially it becomes a new loan with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be credit-impaired at the origination date.

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

(b) Derecognition of financial assets other than due to substantial modification

Financial assets

A financial asset or a part of financial asset is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if, and only if, either:

- The Company has transferred its contractual rights to receive cash flows from the financial asset; or
- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows.

A transfer only qualifies for derecognition if either:

- The Company has transferred substantially all the risks and rewards of the asset; or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

Write off

The Company writes off financial assets when there is evidence of severe financial difficulty of the borrower and no reasonable expectation of recovery. In line with internal policy, write-offs are generally initiated at 365 days past due (DPD) for vehicle loans and SME exposures, and at 455 days past due for specified Loan against property (Micro LAP) loan categories, unless warranted earlier based on recovery assessment. Notwithstanding write-off, such accounts continue to be pursued under the Company's recovery and enforcement processes, including legal recourse where appropriate. Any subsequent recoveries are recognised in the Statement of Profit and Loss.

(vii) Derecognition of Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

b) Fair Value Measurement

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Company measures certain categories of financial instruments at fair value on each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i. In the principal market for the asset or liability, or

ii. In the absence of a principal market, in the most advantageous market for the asset or liability.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly;

Level 3: inputs for the asset or liability that are not based on observable market data.

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred, if any.

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

c) Property plant and equipment

Recognition and measurement

Property, plant and equipment (PPE) is recognised when it is probable that the future economic benefits associated with it will flow to the Company and the cost can be measured reliably.

Property, plant and equipment (PPE) are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the year till such assets are ready to be put to use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Gains or losses arising from derecognition of such assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Subsequent expenditure

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate only if it is probable that the future economic benefits associated with the item will flow to the Company and that the cost of the item can be reliably measured. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repair and maintenance expenses are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation

Depreciation is provided on Straight Line Method ('SLM'), which reflects the management's estimate of the useful life of the respective assets. The estimated useful life used to provide depreciation are as follows:

Particulars	Estimated useful life by the Company	Useful life as prescribed by Schedule II of the Companies Act 2013
Computers	3 years	3 years
Office Equipment	5 years	5 years
Office Equipment - mobiles	2 years	5 years
Furniture and fixtures	5 years	10 years
Servers and networks	5 years	6 years

Property, plant and equipment items individually costing less than ₹ 5,000 are depreciated fully in the year of purchase.

Leasehold improvement is amortised on Straight Line Method over the lease term, subject to a maximum of 60 months.

The right-of-use assets are depreciated from the date of commencement of the lease on a straight-line basis over the lease term.

Useful life of assets different from prescribed in Schedule II of the Act has been estimated by management and supported by technical assessment. Depreciation on assets acquired/sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss till the date of sale.

The useful lives and the method of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

d) Intangible assets

Recognition and measurement

An intangible asset is recognised only when its cost can be measured reliably

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

and it is probable that the expected future economic benefits that are attributable to it will flow to the Company. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition.

Amortisation

Intangible assets are amortised using the straight line method over a period of 3 years, which is the management's estimate of its useful life. The amortisation period and the amortisation method are reviewed at least as at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

e) Business Combination and goodwill thereon

Business combinations other than under common control are accounted for using the acquisition method. The cost of an acquisition is measured at the value which is aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. The identifiable assets acquired and the liabilities assumed are recognised at their fair values, as on date of acquisition.

Measurement

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. In case the excess is on account of bargain purchase, the gain is recognised directly in equity as capital reserve. When the transaction is of nature other than bargain purchase, then the gain is recognised in OCI and accumulated in equity as capital reserve.

f) Impairment

(i) Financial Assets

(a) Expected Credit Loss (ECL) principles

The Company records allowance for expected credit losses for all loans, debt financial assets not held at FVTPL, undrawn loan commitments (referred to as 'financial instruments').

For the computation of ECL on the financial instruments, the Company categories its financial instruments as mentioned below:

Stage 1: All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The Company classifies all advances upto 30 days overdue under this category.

Stage 2: Exposures are classified as Stage 2 when the amount is due for more than 30 days but less than 90 days. All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage.

Stage 3: All exposures are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. Exposures where the amount remains due for 90 days or more are considered as to be stage 3 assets.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Company undertakes the classification of exposures within the aforesaid stages at borrower level.

(b) Definition of default

A default on a financial asset is when the counterparty fails to make the contractual payments within 90 days of when they fall due. Accordingly, the financial assets shall be classified as Stage 3, if on the reporting date, it has been 90 days and above past due. Non-payment on another obligation of the same customer is also considered as a Stage 3. In addition, Company shall also classify those accounts as default which meets the criteria as per the RBI circulars as amended.

(c) Calculation of ECL:

ECL is a probability weighted credit losses (i.e. present value of all cash shortfalls) over the expected life of the financial instruments.

Cash shortfalls are the difference between the cash flows that the entity is entitled to receive on account of contract and the cash flows that the entity expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are as follows:

Exposure-At-Default (EAD) : The Exposure at Default is the amount the Company is entitled to receive as on reporting date including repayments due for principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities.

Probability of Default (PD) : The Probability of Default is an estimate of the likelihood of default of the exposure over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

Loss Given Default (LGD) : The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral.

The ECL allowance is applied on the financial instruments depending upon the classification of the financial instruments as per the credit risk involved. ECL allowance is computed on the below mentioned basis:

12-month ECL: 12-month ECL is the portion of Lifetime ECL that represents the ECL that results from default events on a financial instrument that are possible within the 12 months after the reporting date. 12-month ECL is applied on stage 1 assets.

Lifetime ECL: Lifetime ECL for credit losses expected to arise over the life of the asset in cases of credit impaired loans and in case of financial instruments where there has been significant increase in credit risk since origination. Lifetime ECL is the expected credit loss resulting from all possible default events over the expected life of a financial instrument. Lifetime ECL is applied on stage 2 and stage 3 assets.

The Company computes the ECL allowance either on individual basis or on collective basis, depending on the nature of the underlying

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portfolio of financial instruments. The Company has grouped its loan portfolio into Corporate loans, SME loans, Vehicle finance -Commercial Vehicles, Construction Equipment, Farm Equipment, Passenger Vehicles (Cars) and Micro LAP.

ECL on Trade Receivables:

The Company applies the simplified approach for computation of ECL on trade receivables as allowed as per Ind AS 109. Thus, the Company is recognising lifetime ECL for trade receivables.

Significant increase in Credit Risk

The Company monitors all financial assets and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk, the Company will measure the loss allowance based on lifetime rather than 12-month ECL.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Company's historical experience and expert credit assessment.

Given that a significant increase in credit risk since initial recognition is a relative measure, a given change in absolute terms in the PD will be more significant for a financial instrument with a lower initial PD than compared to a financial instrument with a higher PD.

As a back-stop when loan asset not being a loan becomes 30 days past due, the Company considers that a significant increase in credit risk has occurred and the asset is in stage 2 of the impairment model, i.e. the loss allowance is measured as the lifetime ECL in respect of all retail assets.

For the purpose of counting of days past due for the assessment of significant increase in credit risk, the special dispensations to any class of assets in accordance with COVID-19 Regulatory Package notified by the Reserve Bank of India (RBI) has been applied by the Company.

Modification and derecognition of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. In addition, the introduction of new covenants or adjustment of existing covenants of an existing loan may constitute a modification even if these new or adjusted covenants do not yet affect the cash flows immediately but may affect the cash flows depending on whether the covenant is or is not met (e.g. a change to the increase in the interest rate that arises when covenants are breached).

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The Company renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. A loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness) and amendments to covenants.

When a financial asset is modified the Company assesses whether this modification results in derecognition. In accordance with the Company's policy a modification results in derecognition when it gives rise to substantially different terms. To determine if the modified terms are substantially different from the original contractual terms the Company considers the following:

- Qualitative factors, such as contractual cash flows after modification are no longer SPPI,
- Change in currency or change of counterparty,
- The extent of change in interest rates, maturity, covenants.

If this does not clearly indicate a substantial modification, then:

(a) In the case where the financial asset is derecognised the loss allowance for ECL is remeasured at the date of derecognition to determine the net carrying amount of the asset at that date. The difference between this revised carrying amount and the fair value of the new financial asset with the new terms will lead to a gain or loss on derecognition. The new financial asset will have a loss allowance measured based on 12-month ECL except in the rare occasions where the new loan is considered to be originated-credit impaired. This applies only in the case where the fair value of the new loan is recognised at a significant discount to its revised par amount because there remains a high risk of default which has not been reduced by the modification. The Company monitors credit risk of modified financial assets by evaluating qualitative and quantitative information, such as if the borrower is in past due status under the new terms.

(b) When the contractual terms of a financial asset are modified and the modification does not result in derecognition, the Company determines if the financial asset's credit risk has increased significantly since initial recognition by comparing:

  - the remaining lifetime PD estimated based on data at initial recognition and the original contractual terms; with
  - the remaining lifetime PD at the reporting date based on the modified terms.

For financial assets modified, where modification did not result in derecognition, the estimate of PD reflects the Company's ability to collect the modified cash flows

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taking into account the Company's previous experience of similar forbearance action, as well as various behavioural indicators, including the borrower's payment performance against the modified contractual terms. If the credit risk remains significantly higher than what was expected at initial recognition the loss allowance will continue to be measured at an amount equal to lifetime ECL. The loss allowance on forborne loans will generally only be measured based on 12-month ECL when there is evidence of the borrower's improved repayment behaviour following modification leading to a reversal of the previous significant increase in credit risk.

Where a modification does not lead to derecognition, the Company calculates the modification gain/ loss comparing the gross carrying amount before and after the modification (excluding the ECL allowance). Then the Company measures ECL for the modified asset, where the expected cash flows arising from the modified financial asset are included in calculating the expected cash shortfalls from the original asset.

Presentation of ECL allowance in the Balance Sheet

Loss allowances for ECL are presented in the statement of financial position as follows:

- for financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- for debt instruments measured at FVTOCI: no loss allowance is recognised in Balance Sheet as the carrying amount is at fair value.

(ii) Financial Liabilities

(a) Loan commitments

Undrawn loan commitments are commitments under which, over the duration of the commitment, the Company is required to provide a loan with pre-specified terms to the customer. Undrawn loan commitments are in the scope of the ECL requirements.

(b) Financial guarantee contracts

The Company's liability under financial guarantee is measured at the higher of the amount initially recognised less cumulative amortisation recognised in the statement of profit and loss, and the ECL provision. For this purpose, the Company estimates ECLs by applying a credit conversion factor. The ECLs related to financial guarantee contracts are recognised within Provisions. Currently, the Company has not recognised any ECL in respect of financial guarantee based on estimate of expected cash flows.

(iii) Non-financial assets

(a) Intangible assets

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/ external factors. An impairment loss is recognised when the carrying amount of an individual asset exceeds its recoverable amount. The recoverable amount is the higher of fair value of the asset less cost of its disposal and value in use.

(b) Goodwill

Goodwill is recorded at the cost less any accumulated impairment losses in the previous years. Goodwill on acquisition is tested for impairment where the same allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit (CGU) to which goodwill has been allocated is tested for impairment on annual basis or whenever required in case where the Company is of the opinion that goodwill may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. Such impairment loss already recognised for goodwill is not reversed in subsequent periods.

g) Recognition of income

Revenue generated from the business transactions (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration to be received or receivable by the Company. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer;

Step 2: Identify performance obligations in the contract(s);

Step 3: Determine the transaction price;

Step 4: Allocate the transaction price to the performance obligations in the contract(s);

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

(a) Recognition of interest income

Interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR for the amortised cost asset is calculated by taking into account any discount or premium on acquisition, origination fees and transaction costs that are an integral part of the EIR.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the statement of profit and loss.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company recognised the interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial status of the financial asset improves and it no longer remains to be a credit-impaired, the Company revises the application of interest income on such financial asset to calculating interest income on a gross basis.

Interest income on all trading assets and financial assets mandatorily required to be measured at FVTPL is recognised as interest income in the statement of profit or loss.

(b) Dividend income

Dividend income is recognised when the Company's right to receive the payment

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is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

(c) Fees and commission income

Fees and commission income are recognised as income when the performance obligation as per the contract with customer is fulfilled and when the right to receive the payment against the services has been established.

(d) Origination fees

Origination fees, which the Company has received/recovered at time of granting of a loan, is considered as a component for computation of the effective rate of interest (EIR) for the purpose of computing interest income.

(e) Management Fees:

Management fees and other fees are recognised as income when the performance obligation as per the contract with customer is fulfilled and when the right to receive the payment against the services has been established.

(f) Assignment income

In accordance with Ind AS 109, in case of assignment transactions with complete transfer of risks and rewards, gain arising on such assignment transactions is recorded upfront in the Statement of Profit and Loss and the corresponding asset is derecognised from the Balance Sheet immediately upon execution of such transactions. Further the transfer of financial assets qualifies for derecognition in its entirety, the whole of the interest spread at its present value (discounted over the expected life of the asset) is recognised on the date of derecognition itself as excess interest spread and correspondingly recognised as profit on derecognition of financial asset.

The residual expected life of the pool of asset is assessed annually.

(g) Securitisation transactions :

In accordance with Ind AS 109, in case of securitisation transactions, the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

(h) Net gain/(loss) on Fair value changes

Any differences between the fair values of financial assets classified as fair value through the profit or loss, held by the Company on the balance sheet date is recognised as an unrealised gain or loss as a gain or expense respectively.

Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt instruments measured at FVOCI is recognised in net gain / loss on fair value changes.

(i) Sourcing and servicing fee

The revenue from the contract as a service provider (sourcing and collection agent) on behalf of customer, is recognised upfront for services rendered as sourcing agent and on straight line basis over the loan tenure for services in the nature of collection and performance agent. The financial guarantee provided under the service contract is recognised at fair value on sourcing and is amortised over the period of contract with subsequent measurement at higher of the unamortised value as per Ind AS 115 or expected credit losses as per Ind AS 109.

h) Finance Costs

The Company recognises interest expense on the borrowings as per EIR methodology which is calculated by considering any ancillary costs incurred and any premium payable on its maturity.

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i) Retirement and other employee benefits

(i) Defined Contribution Plan

Provident Fund

All the employees of the Company are entitled to receive benefits under the Provident Fund, a defined contribution plan in which both the employee and the Company contribute monthly at a stipulated rate. The Company has no liability for future Provident Fund benefits other than its annual contribution and recognises such contributions as an expense, when an employee renders the related service.

Employees State Insurance scheme

The Company contributes to Employees State Insurance scheme and recognises such contribution as an expense in the Statement of Profit and Loss in the period when services are rendered by the employees.

(ii) Defined Benefit schemes

(a) Gratuity

The Company provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated year. The Company accounts for liability of future gratuity benefits based on an external actuarial valuation on projected unit credit method carried out for assessing liability as at the reporting date.

Net interest recognised in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of re-measurement of net defined liability or asset through other comprehensive income. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other comprehensive income ('OCI') in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

(b) Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are provided for based on estimates. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method as at the reporting date. Actuarial gains/losses are immediately taken to Statement of profit and loss account and are not deferred.

(iii) Short term employee benefits:

Employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the related service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

j) Share based employee payments

Equity settled share based payments

The stock options granted to employees are measured at the fair value of the options at

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the grant date. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as expense in respect of such grant is transferred to the general reserve within equity.

k) Ind AS 116 Leases

The determination of whether an arrangement is a lease, or contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or whether the arrangement conveys a right to use the asset.

Company as a lessee

Leases that do not transfer to the Company substantially all of the risks and benefits incidental to ownership of the leased items are treated as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, unless the increase is in line with expected general inflation, in which case lease payments are recognised based on contractual terms. Contingent rental payable is recognised as an expense in the period in which they it is incurred.

Critical accounting estimate and judgement

1. **Determination of lease term**

   Ind AS 116 Leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

2. **Discount Rate**

   The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

l) Foreign currency translation

Functional and presentational currency

The financial statements are presented in Indian Rupees which is also functional currency of the Company and the currency of the primary economic environment in which the Company operates.

Transactions and balances

At initial recognition, foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Subsquently, Monetary assets and liabilities denominated in foreign currency, which are outstanding as at the reporting date, are translated at the reporting date at the closing exchange rate and the resultant exchange differences are recognised in the statement of profit and loss. Non–monetary items that are measured at historical cost in a foreign currency are translated using the spot exchange rates as at the date of recognition.

m) Provisions

A provision is recognised when the Company has a present obligation as a result of past event; it is probable that outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

n) Taxes

(i) Current tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(iii) Indirect tax

Expenses and assets are recognised net of the Goods and Services Tax paid, except when the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the tax paid is recognised as part of the cost of acquisition of the asset or as part of the respective expense item, as applicable.

o) Earnings Per Share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per equity shares from continuing ordinary operations. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

p) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

q) Segment reporting

Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the Company to make decisions for performance assessment and resource allocation.

The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments.

r) Cash and cash equivalents

Cash and cash equivalent in the balance sheet and for the purpose of statement of cash flows comprise cash at bank and cheques in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. They are held for the purposes of meeting short-term cash commitments (rather than for investment or other purposes).

s) Non-current assets held for sale:

Non-current assets and disposable groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal Company) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal Company) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification except in some circumstances this period can be extended if it is beyond the control of management and there are sufficient evidence that the entity remains committed to its plan to sell the asset.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

t) Derivative financial instruments:

The Company enters into derivative financial instruments to manage exposures to interest rate risk and foreign currency risk. The Company does not hold derivative financial instruments for speculative purpose. Such derivative financial instruments are initially recognised at fair value on the date which a derivative contract is entered into and are subsequently re-measured at fair value at each balance sheet date. Any gains or losses arising from changes in the fair value of derivatives are taken directly to the statement of profit and loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to the statement of profit and loss (if any) when the hedge item cash flows affects the statement of profit and loss.

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Cash flow hedge

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability and could affect Profit and loss. For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion (if any) of the gain or loss on the hedging instrument is recognised immediately as finance cost in the Statement of Profit and Loss.

When the hedged cash flow affects the Statement of Profit and Loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the Statement of Profit and Loss. When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss recognised in OCI is subsequently transferred to the Statement of Profit and Loss on ultimate recognition of the underlying hedged forecast transaction. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the Statement of Profit and Loss.

Fair value hedge

Fair value hedges hedge the exposure to changes in the fair value of a recognised asset or liability, or an identified portion of such an asset, liability, that is attributable to a particular risk and could affect profit or loss.

For designated and qualifying fair value hedges, the cumulative change in the fair value of a hedging derivative is recognised in the statement of profit and loss in Finance Costs. Meanwhile, the cumulative change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item in the balance sheet and is also recognised in the statement of profit and loss in Finance Cost.

The Company classifies a fair value hedge relationship when the hedged item (or group of items) is a distinctively identifiable asset or liability hedged by one or a few hedging instruments. The financial instruments hedged for interest rate risk in a fair value hedge relationship are fixed rate debt issued and other borrowed funds. If the hedging instrument expires or is sold, terminated or exercised, or where the hedge no longer meets the criteria for hedge accounting, the hedge relationship is discontinued prospectively. If the relationship does not meet hedge effectiveness criteria, the Company discontinues hedge accounting from the date on which the qualifying criteria are no longer met. For hedged items recorded at amortised cost, the accumulated fair value hedge adjustment to the carrying amount of the hedged item on termination of the hedge accounting relationship is amortised over the remaining term of the original hedge using the recalculated EIR method by recalculating the EIR at the date when the amortisation begins. If the hedged item is derecognised, the unamortised fair value adjustment is recognised immediately in the statement of profit and loss.

2.4 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include useful lives of property, plant and equipment & intangible assets, allowance for expected credit losses, fair value measurement, business projections for impairment assessment of goodwill etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

2.5 Securities premium account

a) Securities premium includes:

- The difference between the face value of the equity shares and the consideration received in respect of shares issued;
- The fair value of the stock options which are treated as expense, if any, in respect of shares allotted pursuant to Stock Options Scheme.

b) The issue expenses of securities which qualify as equity instruments are written off against securities premium account/ retained earning in accordance with Ind AS.

2.6 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

IND AS 1, Presentation of Financial Statements applicable w.e.f April 01, 2025 : The amendment relates to classification of liabilities as current or noncurrent and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.

IND AS 1, Presentation of Financial Statements applicable w.e.f April 01, 2026 : In case of breach of covenant, a liability will be classified as current even if the lender agreed, not to demand payment as a consequence of the breach after the reporting period but before approval of financial statements.

Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 01, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 01, 2025 – the amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilitiesand the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangementsas a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment andbased on its evaluation has determined that it does not have any impact in its financial statements.

Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively (refer note 30).

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

NOTE 3 (A) CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2026	As at March 31, 2025
Cash on hand	406.44	533.99
Balances with banks		
- in current accounts	2,786.71	1,656.32
Deposits with original maturity of less than three months	-	7,002.15
	3,193.15	**9,192.46**

NOTE 3 (B) BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2026	As at March 31, 2025
Deposits with original maturity of more than three months	187.66	997.00
Earmarked deposits with banks		
- Current accounts (unclaimed dvividend & others)	1.07	-
- Fixed accounts	27,149.75	31,563.54
	27,338.48	**32,560.54**

NOTE 4 DERIVATIVE FINANCIAL INSTRUMENTS

	As at March 31, 2026		As at March 31, 2025	
	Notional amounts	Fair value - Assets	Notional amounts	Fair value - Assets
Part I				
Currency derivatives				
- Spot and forwards	25,350.00	1,194.74	-	-
Total (I)	**25,350.00**	**1,194.74**	**-**	**-**
Part II				
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:				
Cash flow hedging				
Currency derivatives	25,350.00	1,194.74	-	-
Total (II)	**25,350.00**	**1,194.74**	**-**	**-**

NOTE 5 LOANS

Particulars	As at March 31, 2026	As at March 31, 2025
At amortised cost		
Business Loans		
Corporate lending	10,742.00	15,637.42
Small and medium enterprises lending (SME)	18,215.17	23,208.08
Commercial vehicle lending	7,38,397.10	7,02,362.88
Micro LAP	17,655.88	5,188.31
Total - Gross	**7,85,010.15**	**7,46,396.69**
Less: Impairment allowance	(41,563.38)	(24,744.84)
Total - Net	**7,43,446.77**	**7,21,651.85**

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Secured by tangible assets	7,75,225.31	7,37,161.77
(b) Unsecured	9,784.84	9,234.92
Total - Gross	**7,85,010.15**	**7,46,396.69**
Less: Impairment allowance	(41,563.38)	(24,744.84)
Total - Net	**7,43,446.77**	**7,21,651.85**
Loans in India		
(a) Public sector	-	-
(b) Others	7,85,010.15	7,46,396.69
Total - Gross	**7,85,010.15**	**7,46,396.69**
Less: Impairment allowance	(41,563.38)	(24,744.84)
Total - Net (a)	**7,43,446.77**	**7,21,651.85**
Loans outside India (b)	-	-
Total - Net (a)+(b)	**7,43,446.77**	**7,21,651.85**

Footnotes:

i) Security receipts are presented as part of "Note 6 - Investments"

ii) Stage classification of loans, investments and its impairment allowance is disclosed in Note 32(D) and Note 32(E)

iii) Secured indicates loans secured, wholly or partly, by way of hypothecation of vehicle and / or equitable mortgage of property and or equipment.

NOTE 6 INVESTMENTS

Investments as at March 31, 2026

Investment in	Amortised cost	At Fair Value		Others	Total
		Through other comprehensive income	Through profit and loss	At cost	
Mutual funds	-	-	21,595.06	-	21,595.06
Security Receipts	1,60,778.47	-	-	-	1,60,778.47
Treasury Bills	-	-	-	-	-
Bonds	-	-	-	-	-
Government securities	-	17,734.31	-	-	17,734.31
Subsidiaries	-	-	-	1.00	1.00
Total - Gross	**1,60,778.47**	**17,734.31**	**21,595.06**	**1.00**	**2,00,108.84**
Investments in India	1,60,778.47	17,734.31	21,595.06	1.00	2,00,108.84
Investments outside India	-	-	-	-	-
Total - Gross	**1,60,778.47**	**17,734.31**	**21,595.06**	**1.00**	**2,00,108.84**
Less: Impairment loss allowance	(1,01,915.17)	-	-	-	(1,01,915.17)
Total - Net	**58,863.30**	**17,734.31**	**21,595.06**	**1.00**	**98,193.67**

1. Detailed analysis on year end stage classification of investments and impairment allowance is disclosed in Note 32 (D)

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

Investment in Subsidiaries comprises of:

Name of Subsidiary	Carrying Amount	% Holding
IndoStar Asset Advisory Private Limited	1.00	100%
Total	**1.00**	

Investments as at March 31, 2025

Investment in	Amortised cost	At Fair Value		Others	Total
		Through other comprehensive income	Through profit and loss	At cost	
Mutual funds	-	-	49,511.64	-	49,511.64
Security Receipts	1,38,715.21	-	-	-	1,38,715.21
Treasury Bills	-	9,653.55	-	-	9,653.55
Bonds	-	10,160.59	-	-	10,160.59
Government securities	-	10,232.72	-	-	10,232.72
Subsidiaries	-	-	-	1.00	1.00
Total - Gross	**1,38,715.21**	**30,046.86**	**49,511.64**	**1.00**	**2,18,274.71**
Investments in India	1,38,715.21	30,046.86	49,511.64	1.00	2,18,274.71
Investments outside India	-	-	-	-	-
Total - Gross	**1,38,715.21**	**30,046.86**	**49,511.64**	**1.00**	**2,18,274.71**
Less: Impairment loss allowance	(36,455.26)	-	-	-	(36,455.26)
Total - Net	**1,02,259.95**	**30,046.86**	**49,511.64**	**1.00**	**1,81,819.45**

1. Detailed analysis on year end stage classification of investments and impairment allowance is disclosed in Note 32 (D)

Investment in Subsidiaries comprises of:

Name of Subsidiary	Carrying Amount	% Holding
IndoStar Asset Advisory Private Limited	1.00	100%
Niwas Housing Finance Limited (Formerly known as Niwas Housing Finance Private Limited)*	45,000.00	100%
Total	**45,001.00**	

* disclose under non - current asset held for sale (refer note 14)

NOTE 7 OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2026	As at March 31, 2025
Security deposit	865.78	810.99
Assignment receivables	2,351.18	5,235.45
Deposits with Trustee for securitisation*	2,591.14	4,484.14
Other receivables	656.72	2,214.46
	6,464.82	**12,745.04**
Less: Impairment loss allowance	(603.56)	(296.58)
	5,861.26	**12,448.46**

* It represents fixed deposit held as collateral with trustee for pass through certificate transactions

Footnote: Other receivable includes receivable from subsidiaries (refer note 33)

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

NOTE 8

Particulars	As at March 31, 2026	As at March 31, 2025
Current tax assets (net)		
Advance tax (net of provision)	1,255.50	1,137.81
	1,255.50	**1,137.81**
Current tax liabilities (net)		
Provision for tax (net of advance tax)	1,058.83	-
	1,058.83	**-**

NOTE 9 DEFERRED TAX ASSETS (NET)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred Tax Assets		
Impairment on financial instruments and Carried forward tax losses	39,915.71	41,732.63
Employee benefit expenses	460.15	226.85
Debt instruments through OCI	78.68	(5.04)
Depreciation on PPE and intangible assets	1,033.47	974.57
IND AS 116 - Lease	144.76	118.00
Total (A)	**41,632.77**	**43,047.01**
Deferred tax liability		
Goodwill	(7,555.10)	(7,555.10)
Assignment income amortisation	(591.75)	(1,317.66)
Impact of EIR adjustment on financial asset	(1,131.14)	(1,121.20)
Impact of EIR adjustment on financial liabilities	(588.26)	(1,378.40)
Total (B)	**(9,866.25)**	**(11,372.36)**
Net deferred tax asset (A-B) (also refer Note 30)	**31,766.52**	**31,674.65**

NOTE 10 PROPERTY, PLANT AND EQUIPMENT

DESCRIPTION	Land - Freehold*	Furniture and fixtures	Leasehold Improvement	Office equipment	Computers	Right of Use - Premises	Total
Cost as at April 01, 2024	15.05	753.44	4,350.01	777.86	4,273.81	4,903.36	15,073.53
Additions	-	5.32	692.29	87.73	1,370.47	679.14	2,834.95
Disposals	-	(0.29)	(4.30)	(6.61)	(171.17)	(566.46)	(748.83)
Cost as at March 31, 2025 (A)	**15.05**	**758.47**	**5,038.00**	**858.98**	**5,473.11**	**5,016.04**	**17,159.65**
Additions	-	7.29	358.79	186.34	316.58	530.05	1,399.05
Disposals	-	(7.36)	(187.48)	(1.86)	(477.35)	(251.32)	(925.37)
Cost as at March 31, 2026 (A)	**15.05**	**758.40**	**5,209.31**	**1,043.46**	**5,312.34**	**5,294.77**	**17,633.33**
Accumulated depreciation as at April 01, 2024	**-**	**579.45**	**3,793.90**	**590.08**	**3,240.55**	**1,302.16**	**9,506.14**
Depreciation for the year	-	11.74	492.28	62.92	873.41	844.63	2,284.98
Disposals	-	(0.29)	(4.30)	(6.57)	(168.82)	(406.73)	(586.71)
Accumulated depreciation as at March 31, 2025 (B)	**-**	**590.90**	**4,281.88**	**646.43**	**3,945.14**	**1,740.06**	**11,204.41**
Depreciation for the year	-	10.65	475.04	78.46	810.99	898.95	2,274.09
Disposals	-	(7.36)	(122.44)	(1.86)	(476.39)	(211.46)	(819.51)

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

DESCRIPTION	Land - Freehold*	Furniture and fixtures	Leasehold Improvement	Office equipment	Computers	Right of Use - Premises	Total
Accumulated depreciation as at March 31, 2026 (B)	**-**	**594.19**	**4,634.48**	**723.03**	**4,279.74**	**2,427.55**	**12,658.99**
Net carrying amount as at March 31, 2026 (A) - (B)	**15.05**	**164.21**	**574.83**	**320.43**	**1,032.60**	**2,867.22**	**4,974.34**
Net carrying amount as at March 31, 2025 (A) - (B)	15.05	167.57	756.12	212.55	1,527.97	3,275.98	5,955.24

* Mortgaged as security against Secured Non-convertible Debentures

NOTE 11 ASSETS ACQUIRED IN SATISFACTION OF CLAIM

Particulars	As at March 31, 2026	As at March 31, 2025
Assets acquired in satisfaction of claim	1,708.88	1,708.88
Less: Provision	(1,008.88)	(408.88)
	700.00	**1,300.00**

NOTE 12

a) Goodwill

DESCRIPTION	Total
Cost as at April 01, 2024	30,018.69
Acquisition of business	-
Cost as at March 31, 2025 (A)	**30,018.69**
Acquisition of business	-
Cost as at March 31, 2026 (A)	**30,018.69**
Accumulated impairment as at April 01, 2024	-
Addition	-
Accumulated impairment as at March 31, 2025 (B)	-
Addition	-
Accumulated impairment as at March 31, 2026 (B)	-
Net carrying amount as at March 31, 2026 (A)- (B)	**30,018.69**
Net carrying amount as at March 31, 2025 (A) -(B)	**30,018.69**

The Company has assessed that there is no impairment of Goodwill as at and for the year ended March 2026. The recoverable amount has been determined based on a value in use calculation. The calculation uses cash flow projections of commercial vehicle business based on financial budgets covering a five-year period and a discount rate of 18%. The Company has determined that the recoverable amount calculations are most sensitive to changes in the assumptions of yield/spread during the budget period and the discounting rate. The management believes that any reasonably possible change in the key assumptions, on which recoverable amount is based would not cause carrying amount to exceed its recoverable amount.

b) Other intangible assets

DESCRIPTION	Computer Software	Total
Cost as at April 01, 2024	**3,804.88**	**3,804.88**
Additions	245.14	245.14
Disposals	-	-
Cost as at March 31, 2025 (A)	**4,050.02**	**4,050.02**
Additions	560.67	560.67
Disposals	(0.21)	(0.21)
Cost as at March 31, 2026 (A)	**4,610.48**	**4,610.48**

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

DESCRIPTION	Computer Software	Total
Accumulated amortisation as at April 01, 2024	2,734.20	2,734.20
Amortisation recognised for the year	776.82	776.82
Disposals	-	-
Accumulated amortisation as at March 31, 2025 (B)	**3,511.02**	**3,511.02**
Amortisation recognised for the year	612.45	612.45
Disposals	(0.21)	(0.21)
Accumulated amortisation as at March 31, 2026 (B)	**4,123.26**	**4,123.26**
Net carrying amount as at March 31, 2026 (A) - (B)	**487.22**	**487.22**
Net carrying amount as at March 31, 2025 (A) - (B)	539.00	539.00

NOTE 13 OTHER NON-FINANCIAL ASSETS

Particulars	As at March 31, 2026	As at March 31, 2025
Prepaid expenses	1,151.39	1,520.64
Advances recoverable in cash or in kind or for value to be received	1,562.04	1,402.25
	2,713.43	**2,922.89**

NOTE 14 NON - CURRENT ASSET HELD FOR SALE

Particulars	As at March 31, 2026	As at March 31, 2025
Investment in subsidiary	-	45,000.00
	-	**45,000.00**

The Board of Directors of the Company in its meeting held on September 19, 2024 had considered and approved, inter-alia, subject to shareholders, regulatory and other approvals, sale of the Company's shareholding in Niwas Housing Finance Limited ("NHFL") (Formerly Niwas Housing Finance Private Limited), a debt-listed material subsidiary of the Company, to WITKOPEEND B.V. (the "Purchaser") for an aggregate consideration of ₹ 1,70,595 lakhs in accordance with the terms of the share purchase agreement dated September 19, 2024 (SPA) among the Company, NHFL and the Purchaser. Subsequently, the Shareholders' approval was obtained on October 26, 2024. The Reserve Bank of India (RBI) accorded its approval on March 21, 2025.

During the year, National Housing Bank ("NHB") as a Lender to NHFL has given No Objection for the change in shareholding dated May 30, 2025 and the Company has received other requisite approvals. Further the Company and NHFL has issued Condition Precedent ("CP") Fulfilment Notice dated June 24, 2025 and the Purchaser has issued CP Fulfilment Notice dated June 26, 2025. The Company, the Purchaser and NHFL has complied with Condition Precedent to sale in terms of the SPA. Accordingly, the transaction becomes obligatory on all the parties on June 26, 2025. Consequently, the Company recorded a gain of ₹ 1,17,595 lakhs, as "Exceptional Items", in the Standalone financial statement on divestment of NHFL after adjusting Cost of Investment and expenses incurred on the sale transaction.

Subsquently, the Company received the consideration and share transfer process was completed on July 17, 2025.

NOTE 15 TRADE PAYABLES

Particulars	As at March 31, 2026	As at March 31, 2025
Dues to Micro, small and medium enterprises	5.01	6.23
Dues to Others	2.16	1.82
	7.17	**8.05**

Footnote : Also refer Note 37

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

NOTE 16 DEBT SECURITIES

Particulars	As at March 31, 2026	As at March 31, 2025
At amortised cost		
Redeemable non convertible debentures (Refer note (a) below)	2,88,489.51	3,27,429.73
Commercial papers (net of unamortised discount) (Refer note (b) below)	18,925.85	51,788.91
	3,07,415.36	**3,79,218.64**
Debt securities in India	3,07,415.36	3,79,218.64
Debt securities outside India	-	-
Total	**3,07,415.36**	**3,79,218.64**
Secured	2,88,489.51	3,17,349.70
Unsecured	18,925.85	61,868.94
Total	**3,07,415.36**	**3,79,218.64**

(a) Non Convertible Debenture

Redeemable Non Convertible Debentures

Terms of repayment (based on contractual maturity)

Redeemable within	As at March 31, 2026	As at March 31, 2025
	Rate of interest >= 8.85% <= 10.70%	Rate of interest >= 9.85% <= 10.70%
	Amount	Amount
0-12 Months	1,60,310.06	1,65,375.51
12-24 Months	77,873.40	1,23,768.32
24-36 Months	49,796.14	37,779.45
36-48 Months	509.91	-
48-60 Months	-	506.45
Total	**2,88,489.51**	**3,27,429.73**

Nature of Security:

1. Security is created in favour of the Debenture Trustee, as follows:

   (i) First pari-passu charge (along with banks, financial institutions and other lenders which provide credit facilities to the Issuer) by way of hypothecation of standard asset portfolio of receivables (Net of NPA) of the Issuer and / or cash and cash equivalent and / or such other asset, as may be identified by the Company of ₹ 742,366 lakhs (March 2025: ₹ 668,139 lakhs); and

   (ii) First pari-passu charge on immovable property situated at village Maharajpura of Kadi taluka, Mehsana district, Gujarat.

2. Debentures may be bought back subject to applicable statutory and/or regulatory requirements, upon the terms and conditions as may be decided by the Company.

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

(b) Commercial papers

Terms of repayment (based on contractual maturity)

Redeemable within	As at March 31, 2026	As at March 31, 2025
	Rate of interest >= 8.75% <= 9.00%	Rate of interest >= 9.00% <= 10.72%
	Amount	Amount
0-12 Months	18,925.85	51,788.91
Total	**18,925.85**	**51,788.91**

NOTE 17 BORROWINGS

At amortised cost

Particulars	As at March 31, 2026	As at March 31, 2025
Term loans		
Term loans from Banks (Refer note (a) below)*	1,35,003.99	1,12,293.42
Term loans from Financial Institutions (Refer note (a) below)*	24,354.45	54,265.25
Loans repayable on demand		
Working capital demand loans from banks **	23,449.54	27,849.73
Bank overdrafts	17,135.42	-
Other borrowings	40,317.62	1,18,021.19
Total	**2,40,261.02**	**3,12,429.59**
Borrowings in India	2,40,261.02	3,12,429.59
Borrowings outside India	-	-
Total	**2,40,261.02**	**3,12,429.59**
Secured borrowings	2,40,261.02	3,12,429.59
Unsecured borrowings	-	-
Total	**2,40,261.02**	**3,12,429.59**

(a) Term loan from banks/FI :

Terms of repayment (based on contractual maturity):

Redeemable within	As at March 31, 2026	As at March 31, 2025
	Rate of interest >=7.97% <= 10.60%	Rate of interest >=7.89% <= 11.00%
	Amount	Amount
0-12 Months	83,587.68	69,561.67
12-24 Months	39,545.38	54,085.12
24-36 Months	23,079.48	24,289.84
36-48 Months	8,016.77	12,842.78
48-60 Months	3,419.43	5,779.26
Above 60 Months	1,709.70	-
Total	**1,59,358.44**	**1,66,558.67**

* first pari-passu charge by way of hypothecation of standard asset portfolio of receivables (net of provisions) of the Company and / or cash and cash equivalent and / or such other asset

** secured by First pari-passu charge by way of hypothecation on the standard asset portfolio

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

(b) Working capital demand loans:

Terms of repayment (based on contractual maturity)

Repayable within	As at March 31, 2026	As at March 31, 2025
	Rate of interest >= 8.75% <= 9.00%	Rate of interest >= 9.00% <= 10.72%
	Amount	Amount
0-12 Months	23,449.54	27,849.73
Total	**23,449.54**	**27,849.73**

(c) Other borrowings

Terms of repayment (based on contractual maturity)

Redeemable within	As at March 31, 2026	As at March 31, 2025
	Rate of interest >= 7.78% <= 10.75%	Rate of interest >= 7.78% <= 10.75%
	Amount	Amount
0-12 Months	26,936.67	58,836.64
12-24 Months	5,432.11	38,686.28
24-36 Months	1,306.67	10,015.19
36-48 Months	629.58	1,624.64
48-60 Months	627.63	1,601.21
Above 60 Months	5,384.96	7,257.23
Total	**40,317.62**	**1,18,021.19**

Footnote: Quarterly returns/statements filed by the Company with Banks or Financial Institutions are in agreement with the unaudited books of accounts as on the respective submission dates and certified by Independent Chartered Accountants / Management, as relevant and relied upon by the Auditors

NOTE 18 OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Book overdraft	493.35	13,830.49
Employee benefits payable	2,555.67	2,123.51
Unamortised lease liabilities	3,432.35	3,725.65
Others	15,572.30	20,616.68
	22,053.67	**40,296.33**

NOTE 19 PROVISIONS

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits:		
- Gratuity	1,344.15	598.93
- Compensated absences	484.08	302.38
	1,828.23	**901.31**

NOTE 20 NON-FINANCIAL LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory dues payable	762.20	744.87
	762.20	**744.87**

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

NOTE 21 EQUITY SHARE CAPITAL

(a) Details of authorised, issued and subscribed share capital

	As at March 31, 2026		As at March 31, 2025	
	Number	Amount	Number	Amount
Authorised capital				
Equity shares of ₹ 10/- each	18,75,00,000	18,750.00	18,75,00,000	18,750.00
Compulsorily Convertible Preference Shares of Face Value of ₹ 10/- each	1,25,00,000	1,250.00	1,25,00,000	1,250.00
Issued, subscribed and fully paid up				
Equity shares of ₹ 10/- each fully paid	16,15,37,266	16,153.73	13,60,97,447	13,609.74
Total	**16,15,37,266**	**16,153.73**	**13,60,97,447**	**13,609.74**

(b) Reconciliation of number of equity shares and amount outstanding at the beginning and at the end of the year

	As at March 31, 2026		As at March 31, 2025	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	13,60,97,447	13,609.74	13,60,79,295	13,607.93
Add: Shares issued during the year	2,54,39,819	2,543.99	18,152	1.81
Shares outstanding at the end of the year	**16,15,37,266**	**16,153.73**	**13,60,97,447**	**13,609.74**

(c) Particulars of equity shares held by Holding Company

Name of shareholder	Relationship	As at March 31, 2026		As at March 31, 2025	
		No of equity shares held	Percentage	No of equity shares held	Percentage
BCP V Multiple Holdings Pte. Ltd.	Holding Company	9,04,31,961	55.98%	7,64,82,638	56.20%

As per records of the Company, including its register of shareholders/members, the above shareholding represents legal ownerships of shares.

(d) Particulars of shareholders holding more than 5% of the equity share capital

Name of shareholder	Relationship	As at March 31, 2026		As at March 31, 2025	
		No of equity shares held	Percentage	No of equity shares held	Percentage
BCP V Multiple Holdings Pte. Ltd.	Holding Company	9,04,31,961	55.98%	7,64,82,638	56.20%
Indostar Capital (Mauritius)	Promoter	2,32,62,583	14.40%	2,32,62,583	17.09%
Florintree Tecserv LLP	Member	1,08,69,565	6.73%	-	-

As per records of the Company, including its register of shareholders/members, the above shareholding represents legal ownerships of shares.

(e) Terms/rights attached to equity shares

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 proportionate vote on basis of his contribution to fully paid up share capital.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the proportionate amount of contribution made by the equity shareholder to the total equity share capital.

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

(f) Objective of Capital Management

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company maintains its capital structure in line with economic conditions and the risk characteristics of its activities. The Company has adopted a dividend distribution policy and the Board reviews the capital position on a regular basis.

(g) Equity Shares held by promoters/holding company at the end of the year

Promoter Name	No. of Shares	% of Total Shares	% change during the year
As at March 31, 2026			
BCP V Multiple Holdings Pte. Ltd.	9,04,31,961	55.98%	(0.22%)
Indostar Capital (Mauritius)	2,32,62,583	14.40%	(2.69%)
As at March 31, 2025			
BCP V Multiple Holdings Pte. Ltd.	7,64,82,638	56.20%	-
Indostar Capital (Mauritius)	2,32,62,583	17.09%	-

NOTE 22 OTHER EQUITY

Particulars	As at March 31, 2026	As at March 31, 2025
Capital Reserve	0.43	0.43
Statutory reserves u/s 45-IC of The RBI Act, 1934	34,738.92	32,134.89
Securities premium	3,36,731.84	2,91,967.65
Share options outstanding account	4,133.89	3,934.56
General reserve	3,981.60	3,556.73
Retained earnings	(17,760.17)	(28,137.11)
Debt instruments through other comprehensive income	(222.95)	11.01
Share application money pending allotment	-	10.95
Money received against share warrants	-	25,533.40
	3,61,603.56	**3,29,012.51**

22.1 Other equity movement

Particulars	As at March 31, 2026	As at March 31, 2025
Capital Reserve		
Opening Balance	0.43	0.43
Add : Transferred from surplus	-	-
Closing Balance	**0.43**	**0.43**
Statutory reserves u/s 45-IC of The RBI Act, 1934		
Opening Balance	32,134.89	31,083.07
Add : Transferred from surplus	2,604.03	1,051.82
Closing Balance	**34,738.92**	**32,134.89**
Securities premium		
Opening Balance	2,91,967.65	2,92,207.63
Less : Share issue expenses	-	(283.22)

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Add: Transfer from ESOP reserves	534.10	12.81
Add : Premium collected on allotment of shares	44,230.09	30.43
Closing Balance	**3,36,731.84**	**2,91,967.65**
	-	
Share options outstanding account		
Opening Balance	3,934.56	2,122.74
Movement during the year	199.33	1,811.82
Closing Balance	**4,133.89**	**3,934.56**
General reserve		
Opening Balance	3,556.73	3,447.24
Movement during the year	424.87	109.49
Closing Balance	**3,981.60**	**3,556.73**
Retained earnings		
Opening Balance	(28,137.11)	(32,260.64)
Add: Remeasurement of defined benefit obligations	(39.18)	(83.74)
Add: Transferred from the statement of profit and loss	13,020.15	5,259.09
Less: Transfer to statutory reserve as per Section 45-IC of The RBI Act, 1934	(2,604.03)	(1,051.82)
Closing Balance	**(17,760.17)**	**(28,137.11)**
Other Comprehensive Income		
Opening balance	11.01	(3.94)
Add: Debt instruments through other comprehensive income	(233.96)	14.95
Closing balance	**(222.95)**	**11.01**
Share application money pending allotment		
Opening balance	10.95	-
Add: Money received towards share application	1,096.36	10.95
Less: Shares issued against share application	(1,107.31)	-
Closing balance	**-**	**10.95**
Money received against share warrant		
Opening balance	25,533.40	-
Add: Money received against share warrant	20,133.35	25,533.40
Less: Shares issued against share warrant	(45,666.75)	-
Closing balance	**-**	**25,533.40**

22.2 Nature and purpose of reserves

Capital Reserve

Capital reserve comprises of the amount received on shares forfeited by the Company on non-payment of call money.

Statutory reserves u/s 45-IC of The RBI Act, 1934

Statutory reserves fund is required to be created by a Non-Banking Financial Company as per Section 45-IC of the Reserve Bank of India Act, 1934. The Company is not allowed to use the reserve fund except with authorisation of Reserve Bank of India.

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

Securities premium

Securities premium is used to record the premium on issue of shares. It can be utilised in accordance with the provision of the Companies Act, 2013.

Share options outstanding account

The shares options outstanding account is used to recognise the grant date fair value of equity settled options issued to employees under stock option schemes of the Company.

Retained earnings

Retained earnings represents surplus of accumulated earnings of the Company and which are available for distribution to shareholders.

General reserve

General reserve represents transfer of fair value of options granted to employees from ESOP Reserve to General Reserve on lapse/forfeiture of vested options by employees.

Debt instruments through other comprehensive income

It includes gain/(loss) on fair valuation of investment in treasuy bills

Share application money pending allotment

It represents money received on exercise of vested options by the employees pending allotment of shares.

Money received against share warrant

The Board of Directors at its meeting held on February 27, 2024 approved issuance of 2,48,18,888 warrants of the Company to BCP V Multiple Holdings PTE Limited (the "Holding Company") and Florintree Tecserv LLP, each convertible into, or exchangeable for, 1 fully paid-up equity share of the Company of face value of ₹ 10 by way of a preferential issue on a private placement basis at a issue price of ₹ 184 per equity share, in accordance with Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"), the Companies Act, 2013 ("Act"), as amended and other applicable laws, and subject to the approval of regulatory/ statutory authorities and the shareholders of the Company (the "Preferential Issue").

The Preferential Issue has subsequently been approved by the Shareholders at the Extra-Ordinary General Meeting of the Members held on March 22, 2024.

During the year, the Board of Directors of the Company vide its Circular Resolution passed on May 26, 2024, approved the allotment of 1,08,69,565 warrants of the Company on a preferential basis by way of a private placement, to Florintree Tecserv LLP. The Company received consideration of ₹ 5,000 lakhs on the date of allotment.

The Board of Directors at its meeting held on October 18, 2024 approved change in subscription amount to be received from BCP V Multiple Holdings PTE Limited (the "Holding Company") at the time of the subscription of the warrants from 25% to 80%.

The Company received requisite approvals for issue of warrants to the Holding Company. Accordingly, the Board of Directors of the Company vide its Circular Resolution passed on November 26, 2024, approved the allotment of 1,39,49,323 warrants of the Company on a preferential basis by way of a private placement, to the Holding Company. The Company received consideration of ₹ 20,533.40 lakhs on the date of allotment.

During the year, the Company allotted 1,08,69,565 Equity shares of ₹ 10 each to Florintree Tecserv LLP, non-promoter entity and 1,39,49,323 Equity shares of ₹ 10 each to BCP V Multiple Holdings Pte Ltd, promoter of the Company, at a issue price of ₹ 184 per share, pursuant to the conversion of warrants in the ratio of 1:1. The Company received ₹ 15,000 lakhs from Florintree Tecserv LLP and ₹ 5,133.35 lakhs from BCP V Multiple Holdings Pte Ltd, respectively being balance consideration on conversion of warrants.

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

NOTE 23 REVENUE FROM OPERATIONS

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest income		
Interest income on financial assets measured at amortised cost:		
Interest on loans		
- Loan portfolio	1,20,870.64	1,15,275.95
Interest on investments		
- Debt instruments	803.04	120.24
Interest on deposits		
- Deposits with banks	2,540.89	2,163.08
- Deposits with Trustees	271.57	751.92
Interest income on financial assets measured at FVOCI:		
- Investments in debt instruments	1,765.52	1,343.25
	1,26,251.66	**1,19,654.44**
Fees and commission income		
- Fees Income	7,228.15	6,102.02
- Insurance Income	2,765.39	5,861.64
	9,993.54	**11,963.66**
Net gain on fair value changes		
Net gain/(loss) on financial instruments at fair value through profit or loss		
On trading portfolio		
- Investments	3,044.93	3,242.76
Others		
Net gain/(loss) on sale of financial instruments at FVOCI	(0.96)	1.40
	3,043.97	**3,244.16**
Fair value changes:		
- Realised	2,952.85	3,083.76
- Unrealised	91.12	160.40
	3,043.97	**3,244.16**
Net gain on derecognition of financial instruments under amortised cost category		
- Investments	-	7.47
- Assignment Income	-	5,522.45
	-	**5,529.92**
Total	**1,39,289.17**	**1,40,392.18**

NOTE 24 OTHER INCOME

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Miscellaneous income	60.81	124.10
Shared service cost recovery	-	300.00
Interest on income tax refund	-	420.87
Profit on sale of property plant and equipment	8.35	4.40
	69.16	**849.37**

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

NOTE 25 FINANCE COST

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense on financial liabilities measured at amortised cost:		
Interest expense on borrowings		
Loans from Banks/FI	17,670.16	17,088.60
Other borrowings (including Inter Corporate Deposits)	7,869.95	13,549.64
Interest expense on debt securities		
Debentures	31,427.58	38,025.08
Commercial paper	4,571.24	4,837.48
Other interest expense		
Bank charges & other related costs	577.13	583.19
	62,116.06	**74,083.99**

NOTE 26 IMPAIRMENT ON FINANCIAL INSTRUMENTS AT AMORTISED COST

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Impairment on loans		
Provision for expected credit loss	82,278.45	(6,514.38)
Financial assets written off (net of recovery)	31,432.25	20,825.87
Impairment on others		
Provision on co-lending arrangements	(295.82)	(587.18)
Others	906.98	28.03
	1,14,321.86	**13,752.34**

NOTE 27 EMPLOYEE BENEFITS EXPENSES

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, other allowances and bonus	29,585.04	25,111.99
Gratuity expenses	758.23	162.52
Compensated absences	247.53	189.03
Contribution to provident and other funds	1,275.55	1,096.63
Staff welfare expenses	450.41	1,007.54
Share based payment expense	1,158.31	2,203.70
	33,475.07	**29,771.41**

NOTE 28 DEPRECIATION

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation of property, plant and equipment (PPE)	2,274.09	2,284.98
Amortisation of intangible assets	612.45	776.82
	2,886.54	**3,061.80**

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

NOTE 29 OTHER EXPENSES

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Rent	1,279.78	1,015.74
Rates & taxes	299.16	644.28
Printing and stationery	248.60	291.90
Travelling & conveyance	1,876.46	1,656.09
Advertisement	25.66	18.91
Business Promotion	15.07	13.10
Commission & brokerage	4.52	9.73
Office expenses	1,927.19	2,499.83
Directors' fees & commission	24.85	48.06
Insurance	838.56	828.04
Communication expenses	913.51	901.47
Payment to auditors (note below)	210.07	176.93
CSR expenses (note below)	168.03	-
IT Support charges	2,658.90	2,824.41
Legal & professional charges	3,713.60	4,279.92
Membership & subscriptions	27.56	78.15
Other fees and commission	2.13	26.36
	14,233.65	**15,312.92**
Payment to auditor includes:		
a) Statutory Audit	175.00	160.00
b) Certifications	9.50	9.00
c) Others	25.57	7.93
Total	**210.07**	**176.93**

Footnote : Excludes fees amounting to ₹ 72.80 lakhs paid to auditor during the previous year in connection with initial public offer of debentures of the Company which forms part of effective interest rate method in accordance with IND AS 109 "Financial Instruments"

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Details for expenditure on Corporate Social Responsibility:	Not applicable	Not applicable
a) Gross amount required to be spent during the year	167.00	-
b) Amount of expenditure incurred	67.27	-
c) Shortfall at the end of the year	99.73	-
d) Total of previous years shortfall	-	-
e) Reason for short fall	Refer note below	NA
f) Nature of CSR activities	Smile Foundation - Health camps for transport community Jivika Foundation - Cervical Cancer vaccination	-
g) Details of related party transactions	-	-

Note :

The Board of Directors has approved CSR expenditure of ₹ 167 lakhs for 2025-26 out of which ₹ 100 lakhs was towards ongoing CSR project through Smile Foundation which would be consumed by FY 2026-27. In line with the said approval CSR expenditure of ₹ 99.73 lakhs remained unspent as on March 31, 2026 and the same shall be utilised towards the ongoing projects in accordance with provisions of Companies Act, 2013. Subsequent to balance sheet, the amount was transferred to a dedicated bank account as required under Companies Act, 2013 read with Rules made thereunder.

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

NOTE 30 INCOME TAXES

Tax expense

(a) Amounts recognised in statement of profit and loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax expense		
Current year	16,900.00	-
Tax expenses of earlier years	-	-
	16,900.00	**-**
Deferred tax expense		
Origination and reversal of temporary differences	-	-
	-	-
Tax expense for the year	**16,900.00**	**-**

(b) Amounts recognised in other comprehensive income

Particulars	For the year ended March 31, 2026			For the year ended March 31, 2025		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
- Remeasurements of the defined benefit plans	(52.36)	13.18	(39.18)	(111.91)	28.17	(83.74)
- Debt instruments through other comprehensive income	(312.65)	78.69	(233.96)	20.00	(5.05)	14.95
	(365.01)	**91.87**	**(273.14)**	**(91.91)**	**23.12**	**(68.79)**

(c) Reconciliation of effective tax rate

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit/(loss) before tax	29,920.15	5,259.09
Statutory income tax rate	25.168%	25.168%
Expected income tax expense	7,530.30	1,323.61
Difference in tax rate due to:		
- Effect of non-deductible expenses	21.43	36.25
- Effect of income taxable at different rate	16,900.00	-
- DTA recognised on previously unrecognised brought forward losses	(7,551.73)	(1,359.86)
Total tax expense	**16,900.00**	**-**
Effective tax rate	**56.48%**	**-**
Current tax	16,900.00	-
Tax of earlier years	-	-
Deferred tax	-	-
	16,900.00	**-**

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

(d) Movement in deferred tax balances

Particulars	As at March 31, 2026			
	Net balance April 01, 2025	Recognised in profit or loss	Recognised in OCI	Net deferred tax asset/ (liability)
Deferred Tax Assets				
Impairment on financial instruments and Carried forward tax losses	41,732.63	(1,816.92)	-	39,915.71
Employee benefit expenses	226.85	220.12	13.18	460.15
Debt instruments through OCI	(5.04)	5.03	78.69	78.68
Depreciation on PPE and intangible assets	974.57	58.90	-	1,033.47
IND AS 116 - Lease	118.00	26.76	-	144.76
Deferred tax liability				
Goodwill	(7,555.10)	-	-	(7,555.10)
Assignment income amortisation	(1,317.66)	725.91	-	(591.75)
Impact of EIR adjustment on financial asset	(1,121.20)	(9.94)	-	(1,131.14)
Impact of EIR adjustment on financial liabilities	(1,378.40)	790.14	-	(588.26)
Deferred tax assets / (Liabilities)	**31,674.65**	**-**	**91.87**	**31,766.52**

(e) Movement in deferred tax balances

Particulars	As at March 31, 2025			
	Net balance April 01, 2025	Recognised in profit or loss	Recognised in OCI	Net deferred tax asset/ (liability)
Deferred Tax Assets				
Impairment on financial instruments and Carried forward tax losses	41,402.71	329.92	-	41,732.63
Employee benefit expenses	133.26	65.42	28.17	226.85
Debt instruments through OCI	(2.89)	2.90	(5.05)	(5.04)
Depreciation on PPE and intangible assets	909.28	65.29	-	974.57
IND AS 116 - Lease	91.12	26.88	-	118.00
Deferred tax liability				
Goodwill	(7,555.10)	-	-	(7,555.10)
Assignment income amortisation	(329.56)	(988.10)	-	(1,317.66)
Impact of EIR adjustment on financial asset	(500.68)	(620.52)	-	(1,121.20)
Impact of EIR adjustment on financial liabilities	(2,496.61)	1,118.21	-	(1,378.40)
Deferred tax assets / (Liabilities)	**31,651.53**	**-**	**23.12**	**31,674.65**

The Management considers the deferred tax assets recognised on carried forward losses to be fully set-off against future available profits considering the expected net interest income (NIM) from the existing loan book over the tenure of the loan.

Deferred tax asset of Nil (Previous year: ₹ 876.83 lakhs) on Unused Carried forward losses is yet to be recognised.

Footnote: "The Organisation for Economic Co-operation and Development (OECD) has published the model rules for global minimum tax (Pillar Two model rules). As per the provisions of Pillar Two legislation, the Company's ultimate parent entity (UPE) has consolidated revenues exceeding the threshold prescribed under the OECD framework. Based on the current assessment, the Company does not expect a material financial impact from the application of the Pillar Two rules.

In accordance with Amendments to Ind AS 12, the Company has applied temporary mandatory relief from accounting for deferred tax that arises from implementing Pillar Two legislation.

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

NOTE 31 EARNINGS PER SHARE (EPS)

Basic EPS calculated by dividing the net profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting profit impact of dilutive potential equity shares, if any) by the aggregate of weighted average number of equity shares outstanding during the year and the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
i.	**Profit attributable to equity holders (A)**		
	Profit/(loss) for the year	13,020.15	5,259.09
ii.	**Weighted average number of equity shares for calculating Basic EPS (B)**	14,42,90,328	13,60,82,508
iii.	**Weighted average number of equity shares for calculating Diluted EPS (C)**	14,45,33,073	14,06,88,562
iv.	**Basic earnings per share (₹) (A/B)**	9.02	3.86
v.	**Diluted earnings per share (₹) (A/C)**	9.01	3.74

NOTE 32 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

A. Accounting classification and 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 in the principal (or most advantageous) market at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using a valuation technique.

The management has assessed that the carrying amounts of cash and cash equivalents, loans carried at amortised cost, other financial assets, trade payables, borrowings, bank/book overdrafts and other financial liabilities are a reasonable approximation to their fair value.

B. Risk Management Framework:

The Company's risk management framework is based on

(a) Clear understanding and identification of various risks

(b) Disciplined risk assessment by evaluating the probability and impact of each risk

(c) Measurement and monitoring of risks by establishing key risk indicators with thresholds for all critical risks and

(d) Adequate review mechanism to monitor and control risks.

The Company's risk management division works as a value centre by constantly engaging with the business providing reports based on key analysis and insights. The key risks faced by the Company are credit risk, liquidity risk, interest rate risk, operational risk, reputational and regulatory risk, which are broadly classified as credit risk, market risk and operational risk. The Company has a an established risk reporting and monitoring framework. The Company identifies and monitors risks periodically. This Process enables the Company to reassess all the critical risks in a changing environment that need to be focused on.

C. Risk governance structure:

The Company's risk governance structure operates with a well-defined Board and Risk Management Committee ('RMC') with a clearly laid down charter and roles and responsibilities. The Board oversees the risk management process and monitors the risk profile of the Company directly as well as through a Board constituted Risk Management Committee. The Committee reviews the risk management policy, implementation of risk management framework, monitoring of critical risks, review and approval of

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

exposures with conflict of interest and review of various other initiatives. The risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate limits and controls and to monitor risks and adherence to limits. The RMC reviews the risk management policies regularly to reflect the changes in market conditions and Company's activities.

The Audit Committee oversees how management monitors compliance with risk management policies and procedures and reviews the adequacy of risk management framework in relation to the risk faced by the Company.

The risk management committee has established a comprehensive risk management framework across the business and provides appropriate reports on risk exposures and analysis in its pursuit of creating awareness across the Company about risk management.

D. Fair value hierarchy

Ind AS 107, 'Financial Instrument - Disclosure' requires classification of the valuation method of financial instruments measured at fair value in the Balance Sheet, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to un-observable inputs (Level 3 measurements). The three levels of the fair-value-hierarchy under Ind AS 107 are described below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and place limited reliance on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level.

The following table shows the carrying amounts and fair values of financial assets including their levels in the fair value hierarchy:

Particulars	As at March 31, 2026							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs*	Total
Investments covered under Ind AS 109								
(a) Investments in Mutual funds	21,595.06	-	-	21,595.06	21,595.06	-	-	21,595.06
(b) Investments in Security Receipts	-	-	58,863.30	58,863.30	-	-	58,863.30	58,863.30
(c) Treasury Bills	-	-	-	-	-	-	-	-
(d) Bonds and Government securities	-	17,734.31	-	17,734.31	17,734.31	-	-	17,734.31
Total	**21,595.06**	**17,734.31**	**58,863.30**	**98,192.67**	**39,329.37**	**-**	**58,863.30**	**98,192.67**

* based on NAV statements and other information received from ARC and adjusted for Expected credit losses.

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

Particulars	As at March 31, 2025							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs*	Total
Investments covered under Ind AS 109								
(a) Investments in Mutual funds	49,511.64	-	-	49,511.64	49,511.64	-	-	49,511.64
(b) Investments in Security Receipts	-	-	1,02,259.95	1,02,259.95	-	-	1,02,259.95	1,02,259.95
(c) Treasury Bills	-	9,653.55	-	9,653.55	9,653.55	-	-	9,653.55
(d) Bonds and Government securities	-	20,393.31	-	20,393.31	20,393.31	-	-	20,393.31
Total	**49,511.64**	**30,046.86**	**1,02,259.95**	**1,81,818.45**	**79,558.50**	**-**	**1,02,259.95**	**1,81,818.45**

* based on NAV statements and other information received from ARC and adjusted for Expected credit losses.

An analysis of changes in the gross carrying amount and the corresponding impairment loss allowances in relation to investments measured at amortised cost is as follows:

Particulars	2025-26				2024-25			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	-	-	1,38,715.21	1,38,715.21	-	-	1,17,530.96	1,17,530.96
New assets originated or purchased	-	-	27,952.50	27,952.50	-	-	40,545.67	40,545.67
Assets derecognised or repaid (excluding write offs)	-	-	(5,889.24)	(5,889.24)	-	-	(19,361.42)	(19,361.42)
Gross carrying amount closing balance	**-**	**-**	**1,60,778.47**	**1,60,778.47**	**-**	**-**	**1,38,715.21**	**1,38,715.21**

Particulars	2025-26				2024-25			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Impairment loss allowance - opening balance	-	-	36,455.26	36,455.26	-	-	36,643.38	36,643.38
Incremental provisions (net)	-	-	65,459.91	65,459.91	-	-	(188.12)	(188.12)
Impairment loss allowance - closing balance	**-**	**-**	**1,01,915.17**	**1,01,915.17**	**-**	**-**	**36,455.26**	**36,455.26**

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

The following table shows the carrying amounts and fair values of financial assets including their levels in the fair value hierarchy:

Particulars	As at March 31, 2026							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs*	Total
Loans covered under Ind AS 109	-	-	7,43,446.77	7,43,446.77	-	-	7,43,446.77	7,43,446.77
Total	**-**	**-**	**7,43,446.77**	**7,43,446.77**	**-**	**-**	**7,43,446.77**	**7,43,446.77**

Particulars	As at March 31, 2025							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs*	Total
Loans covered under Ind AS 109	-	-	7,21,651.85	7,21,651.85	-	-	7,21,651.85	7,21,651.85
Total	**-**	**-**	**7,21,651.85**	**7,21,651.85**	**-**	**-**	**7,21,651.85**	**7,21,651.85**

* Discounted cash flow approach adopted for fair valuation of loans

E. Credit risk

Credit risk arises from the possibility of a borrower failing to meet contractual repayment obligations. Effective management of this risk is supported by a robust framework of policies and processes. The Company has established comprehensive and well-defined credit policies across all businesses, products, and segments. These policies cover the end-to-end credit approval process and include clear guidelines to mitigate associated risks. The appraisal framework involves thorough risk assessment of borrowers, including physical verifications and field visits, ensuring informed credit decisions.Post disbursement, the Company follows a structured monitoring mechanism to track portfolio-level trends and identify early warning signals. This enables timely policy refinements and corrective actions, thereby preventing deterioration in credit quality.

Grouping financial assets measured on a collective basis

The Company classifies its exposures into smaller, homogeneous portfolios based on shared credit risk characteristics. The segmentation is structured as follows:

- Customer category: Corporate and Retail
- Product category: Commercial Vehicles, Construction Equipment, Farm Equipment, Passenger Vehicles (Cars), Corporate Lending, SME, and Micro LAP

Significant increase in credit risk

A significant increase in credit risk (SICR) is presumed when contractual payments on a financial asset are overdue by more than 30 days. For retail loans, accounts where revised terms do not result in substantial modification—such as extensions in repayment tenure or adjustments in EMI/interest—are classified as Stage 2. For corporate loans, the assessment of SICR is undertaken on a case-by-case basis, considering the specific risk profile of each exposure. Additionally, exposures reviewed by the Credit Committee and identified as breaching pre-defined critical risk thresholds are also classified under Stage 2. Accordingly, classification into Stage 2 is based on a combination of quantitative triggers (e.g., days past due) and qualitative indicators of credit deterioration.

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

Write off

The Company writes off financial assets when there is evidence of severe financial difficulty of the borrower and no reasonable expectation of recovery. In line with internal policy, write-offs are generally initiated at 365 days past due (DPD) for vehicle loans and SME exposures, and at 455 days past due for specified Loan against property (Micro LAP) loan categories, unless warranted earlier based on recovery assessment. Notwithstanding write-off, such accounts continue to be pursued under the Company's recovery and enforcement processes, including legal recourse where appropriate. Any subsequent recoveries are recognised in the Statement of Profit and Loss.

Restructured financial assets

Loans where repayment terms are renegotiated with substantial modification due to a significant increase in the borrower's credit risk are classified as Stage 2. Such exposures remain in Stage 2 until they demonstrate consistent and timely servicing of renegotiated principal and interest obligations over a minimum observation period of typically 12 months post-renegotiation, with no other indicators of impairment. Upon satisfactory performance during the observation period, these accounts are reassessed for credit risk, and based on the outcome, may be upgraded to Stage 1 or retained in Stage 2.

Overview of the Expected Credit Loss principles

The Company recognises Expected Credit Loss (ECL) on all loans, debt financial assets not measured at fair value through profit and loss, and undrawn loan commitments (collectively referred to as financial instruments).

For the purpose of ECL computation, financial instruments are classified into the following stages:

Stage 1: Exposures where there has been no significant increase in credit risk since initial recognition, and which are not credit-impaired. This includes assets with up to 30 days past due.

Stage 2: Exposures where there has been a significant increase in credit risk since initial recognition, but which are not credit-impaired. Typically, this includes assets that are more than 30 days but up to 90 days past due.

Stage 3: Exposures classified as credit-impaired, where one or more events have occurred that adversely impact expected future cash flows. Assets that are 90 days or more past due are considered as Stage 3."

The Company has established a policy to assess, at each reporting date, whether a financial instrument has experienced a significant increase in credit risk since initial recognition, based on changes in the risk of default over its remaining life. Classification into stages is performed at the borrower level, considering the overall credit profile of the borrower.

Definition of default

A financial asset is considered to be in default when the borrower fails to meet contractual payment obligations for more than 90 days past due. Accordingly, such exposures are classified as Stage 3 as at the reporting date. Additionally, default on any other obligation of the same borrower is also treated as a trigger for classification as Stage 3.

In addition, Company shall also classify those accounts as default which meets the criteria as per the RBI circulars as amended."

Expected Credit Loss (ECL) Methodology

ECL represents the probability-weighted estimate of credit losses, measured as the present value of all expected cash shortfalls over the life of the financial instrument. Cash shortfalls refer to the difference between contractual cash flows due to the Company and the cash flows expected to be received.

The key components of the ECL framework are as follows:

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

Portfolio Segmentation:

For ECL computation, the loan portfolio is segmented into homogeneous risk buckets as follows:

1) Corporate lending
2) Small and medium enterprises lending ('SME')
3) Vehicle finance -Commercial Vehicles, Construction Equipment, Farm Equipment, Passenger Vehicles (Cars)
4) Micro lap

Exposure-At-Default (EAD) : The Exposure at Default is the amount the Company is entitled to receive as on reporting date including repayments due for principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities.

Probability of Default (PD) : The Probability of Default is an estimate of the likelihood of default of the exposure over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

Loss Given Default (LGD) : The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral.

The ECL allowance is applied on the financial instruments depending upon the classification of the financial instruments as per the credit risk involved. ECL allowance is computed on the below mentioned basis:

12-month ECL: 12-month ECL is the portion of Lifetime ECL that represents the ECL that results from default events on a financial instrument that are possible within the 12 months after the reporting date. 12-month ECL is applied on stage 1 assets.

Lifetime ECL: Lifetime ECL for credit losses expected to arise over the life of the asset in cases of credit impaired loans and in case of financial instruments where there has been significant increase in credit risk since origination. Lifetime ECL is the expected credit loss resulting from all possible default events over the expected life of a financial instrument. Lifetime ECL is applied on stage 2 and stage 3 assets. The Company computes the ECL allowance either on individual basis or on collective basis, depending on the nature of the underlying portfolio of financial instruments. The Company has grouped its loan portfolio into Corporate loans, SME loans, Vehicle finance -Commercial Vehicles, Construction Equipment, Farm Equipment, Passenger Vehicles (Cars) and Micro lap.

Forward looking information

The Company utilises statistical models to estimate the lifetime probability of default (PD) of exposures and assess how these may evolve over time. Model selection is based on the availability and reliability of product-specific default data. This analysis includes identifying and calibrating the relationship between changes in GNPA (as a proxy for default rates) and key macroeconomic variables. The primary forward-looking indicators considered include:

- Gross national income growth
- Commercial vehicle Sales

For incorporating forward-looking information, the Company applies these macroeconomic (ME) variables across each portfolio segment and compares historical PD trends with forecasted PD movements. Based on the directional trends observed, these macro economic variables are applied.The Company periodically reviews the relevance of macroeconomic variables, and emerging variables with stronger correlation may be incorporated or replace existing indicators over time.

NOTES TO STANDALONE FINANCIAL STATEMENTS

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An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loans and advances is as follows:

Particulars	2025-26				2024-25			
	Stage 1	Stage 2	Stage 3[$]	Total	Stage 1	Stage 2	Stage 3[$]	Total
Gross carrying amount opening balance	6,67,212.65	45,470.40	33,713.64	7,46,396.69	5,66,073.97	32,457.45	31,269.97	6,29,801.39
New assets originated or purchased	4,20,132.70	750.01	3,618.52	4,24,501.23	5,22,718.73	2,099.87	3,777.37	5,28,595.97
Assets derecognised or repaid (excluding write offs)	(2,82,454.21)	(29,621.52)	(14,427.29)	(3,26,503.02)	(3,13,159.27)	(24,480.74)	(15,597.78)	(3,53,237.79)
Transfers to stage 1	33,434.35	(30,002.66)	(3,431.69)	-	32,328.87	(27,375.89)	(4,952.98)	-
Transfers to stage 2	(1,22,147.42)	1,23,265.32	(1,117.90)	-	(1,23,256.01)	1,24,075.50	(819.49)	-
Transfers to stage 3	(10,938.83)	(48,358.62)	59,297.45	-	(16,235.25)	(36,311.60)	52,546.85	-
Amounts written off (net of recovery)	(255.56)	(5,325.24)	(25,851.45)	(31,432.25)	(982.03)	(5,609.02)	(14,234.82)	(20,825.87)
Presented under Investment as Security Receipts*	(4,986.15)	(8,634.45)	(14,331.90)	(27,952.50)	(276.36)	(19,385.17)	(18,275.48)	(37,937.01)
Gross carrying amount closing balance	**6,99,997.53**	**47,543.24**	**37,469.38**	**7,85,010.15**	**6,67,212.65**	**45,470.40**	**33,713.64**	**7,46,396.69**

* Presented under Investment as Security Receipts (Refer to note 32(D))

[$] Reasonable steps are being taken by the Management for recovery of the principal and interest.

Reconciliation of Impairment loss allowance is given below:

Particulars	2025-26				2024-25			
	Stage 1	Stage 2	Stage 3[$]	Total	Stage 1	Stage 2	Stage 3[$]	Total
Impairment loss allowance - opening balance	7,588.33	1,428.60	15,727.91	24,744.84	10,297.60	2,296.11	18,477.39	31,071.10
New assets originated or purchased	5,186.94	588.11	1,413.21	7,188.26	6,912.94	598.46	1,156.39	8,667.79
Assets derecognised or repaid (excluding write offs)	(3,946.52)	(1,454.59)	(15,072.79)	(20,473.90)	(5,088.18)	(1,336.97)	(17,377.03)	(23,802.18)
Transfers to stage 1	2,565.76	(719.66)	(1,846.10)	-	3,429.99	(1,050.68)	(2,379.31)	-
Transfers to stage 2	(1,476.66)	2,104.60	(627.94)	-	(3,622.64)	4,002.77	(380.13)	-
Transfers to stage 3	(579.66)	(1,714.50)	2,294.16	-	(1,395.26)	(1,578.46)	2,973.72	-
Impact on year end ECL of exposures transferred between stages during the year	2,951.18	7,880.67	32,632.05	43,463.90	(2,810.05)	1,372.77	21,265.20	19,827.92
Amounts written off (net of recovery)	(256.48)	(90.85)	(13,012.39)	(13,359.72)	(136.07)	(2,875.40)	(8,008.32)	(11,019.79)
Impairment loss allowance - closing balance	**12,032.89**	**8,022.38**	**21,508.11**	**41,563.38**	**7,588.33**	**1,428.60**	**15,727.91**	**24,744.84**

F. Liquidity risk

Liquidity is the Company's capacity to fund increase in assets and meet both the expected and unexpected obligations without incurring unacceptable losses. Liquidity risk is the inability to meet such obligations as they become due without adversely affecting the Company's financial conditions. The Asset Liability Management Policy of the Company stipulates a broad framework for Liquidity risk management to ensure that the Company can meet its liquidity obligations. The Asset Liability Management Committee ('ALCO') monitors composition, characteristics and diversification of funding sources to ensure there is no over reliance on single source of funding. The Company tracks the cash flow mismatches for measuring and

NOTES TO STANDALONE FINANCIAL STATEMENTS

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managing net funding requirement and reviews short-term liquidity profiles based on business projections and other commitments for planning purposes through Liquidity analysis. The ALCO also reviews the individual mismatch in each time bucket and cumulative mismatch and ensures the bucket wise limits are not breached.

The Company maintains a portfolio of highly marketable and diverse assets that are assumed to be easily liquidated in the event of an unforeseen interruption in cash flow. The liquidity position of the Company is assessed under a variety of scenarios giving due consideration to stress factors relating to both the market in general and risk specifics to the Company. Basis the liquidity position assessed under various stress scenarios; the Company reviews the following to effectively handle any liquidity crisis:

- Adequacy of contingency funding plan in terms of depth of various funding sources, time to activate, cost of borrowing, etc
- Availability of unencumbered eligible assets

Maturity profile of cash flows for financial liabilities as on balance sheet date have been provided below:

As on March 31, 2026

Particulars	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
Financial Liabilities					
Trade payables	7.17	-	-	-	7.17
Debt securities	48,582.26	1,30,653.65	1,28,179.45	-	3,07,415.36
Borrowings (other than debt securities)	54,155.76	96,953.55	82,057.05	7,094.66	2,40,261.02
Other financial liabilities	18,844.82	679.42	2,366.10	163.33	22,053.67
Total	**1,21,590.01**	**2,28,286.62**	**2,12,602.60**	**7,257.99**	**5,69,737.22**

Footnotes:

- The above inflows and outflows is based on scheduled maturity of the financial instruments.
- Also refer note Note 41

As on March 31, 2025

Particulars	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
Financial Liabilities					
Trade payables	8.05	-	-	-	8.05
Debt securities	95,547.28	1,21,617.14	1,62,054.22	-	3,79,218.64
Borrowings (other than debt securities)	46,981.86	1,09,266.18	1,48,924.32	7,257.23	3,12,429.59
Other financial liabilities	36,759.10	592.34	2,763.78	181.11	40,296.33
Total	**1,79,296.29**	**2,31,475.66**	**3,13,742.32**	**7,438.34**	**7,31,952.61**

The following table shows the carrying amounts and fair values of financial liabilities including their levels in the fair value hierarchy:

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(Currency : Indian Rupees in lakhs)

As on March 31, 2026

Particulars	Carrying amount	Fair value			Total
		Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs*	
At amortised cost					
Debt securities	3,07,415.36	-	-	3,07,415.36	3,07,415.36
Borrowings (other than debt securities)	2,40,261.02	-	-	2,40,261.02	2,40,261.02
Total	**5,47,676.38**	**-**	**-**	**5,47,676.38**	**5,47,676.38**

* Discounted cash flow approach adopted for fair valuation of borrowings

As on March 31, 2025

Particulars	Carrying amount	Fair value			Total
		Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs*	
At amortised cost					
Debt securities	3,79,218.64	-	-	3,79,218.64	3,79,218.64
Borrowings (other than debt securities)	3,12,429.59	-	-	3,12,429.59	3,12,429.59
Total	**6,91,648.23**	**-**	**-**	**6,91,648.23**	**6,91,648.23**

* Discounted cash flow approach adopted for fair valuation of borrowings

G. Market risk

Market Risk is the possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as interest rates, exchange rates and other asset prices. The Company's exposure to market risk is a function of asset liability management and interest rate sensitivity assessment. The Company is exposed to interest rate risk and liquidity risk, if the same is not managed properly. The Company continuously monitors these risks and manages them through appropriate risk limits. The Asset Liability Management Committee ('ALCO') reviews market related trends and risks and adopts various strategies related to assets and liabilities, in line with the Company's risk management framework.

H. Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events. The operational risks of the Company are managed through comprehensive internal control systems and procedures. Failure of managing operational risk might lead to legal / regulatory implications due to non-compliance and lead to financial loss due to control failures. While it is not practical to eliminate all the operational risk, the Company has put in place adequate control framework by way of segregation of duties, well defined process, staff training, maker and checker process, authorisation and clear reporting structure. The effectiveness of control framework is assessed by internal audit on a periodic basis.

To manage fraud risk effectively, the Company has Independent Risk Containment Unit ('RCU') which is responsible for implementing fraud risk management framework and ensure compliance. The RCU undertakes various activities such as pre-sanction loan applicant verification, pre-sanction and post disbursement documents verification, vendor verification, etc to prevent and manage frauds.

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I. Capital Disclosure

The Company maintains adequate capital to cover risks inherent in the business and is meeting the capital adequacy requirements of our regulator, Reserve Bank of India ('RBI'). The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI.

The Company has complied in full with all its externally imposed capital requirements over the reported period.

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company maintains its capital structure in line with economic conditions and the risk characteristics of its activities. The Company has adopted a dividend distribution policy and the Board reviews the capital position on a regular basis.

Particulars	As at March 31, 2026	As at March 31, 2025
CRAR – Tier I capital (%)	36.07%	28.46%
CRAR – Tier II capital (%)	0.00%	0.00%
CRAR (%)	**36.07%**	**28.46%**

J. Foreign Currency Risk:

In the normal course of its business, the Company does not deal in foreign exchanges. Foreign currency risk for the Company arise majorly on account of foreign currency borrowings, if any. The Company manages the foreign currency risk by entering into cross currency swaps and forward contracts as per the ALM policy covering currency risk management framework. As on March 31, 2026, the Company holds currency forward contracts to mitigate the risk of exchange rate fluctuations.

NOTE 33 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 (IND AS 24) ARE GIVEN BELOW:

a) Relationships

I. Ultimate Controlling Party

Brookfield Asset Management Inc.

II. Holding Company

BCP V Multiple Holdings Pte. Ltd.

III. Subsidiary Company

IndoStar Asset Advisory Private Limited

Niwas Housing Finance Limited (Formerly known as Niwas Housing Finance Private Limited) (upto June 26, 2025)

IV. Names of other related parties with whom the Company had transactions during the year:

Key Managerial Personnel (KMP)

Randhir Singh - Executive Vice Chairman & Managing Director (w.e.f May 11, 2025), and
- Executive Vice Chairman & Whole Time Director (w.e.f July 22, 2024 upto May 10, 2025)
Karthikeyan Srinivasan - Chief Executive Officer & Whole Time Director (till May 11, 2025)
Bobby Parikh - Non-Executive Director (w.e.f. March 05, 2025) and Non-Executive Independent Director (upto March 04, 2025)
Sujatha Mohan - Non Executive Independent Director (w.e.f April 21, 2025)
Hemant Kaul - Non-Executive Independent Director
Naina Krishna Murthy - Non-Executive Independent Director

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

b) Transactions with Holding Company

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Money Received against Share Warrants (refer note 22.2)	5,133.35	20,533.40

c) Transactions with Key Management Personnel (KMP):

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Short-term employee benefits	373.41	563.36
Sitting fees to Non-Executive Independent Directors	24.85	48.06
Reimbursement of expenses	0.54	0.82

The above compensation excludes contributions to post-employment defined benefit plan and share based payment expense.

d) Transactions other than those with key management personnel :

Particulars		Subsidiary Companies
Shared service cost recovery	2026	-
	2025	300.00

e) The related party balances outstanding at year end are as follows:

Particulars		Holding Company	Subsidiary Companies
Investment in subsidiary	2026	-	1.00
	2025	-	45,001.00
Reimbursement of expenses	2026	-	-
	2025	-	348.00

NOTE 34 SET OUT BELOW IS THE DISAGGREGATION OF THE REVENUE FROM CONTRACTS WITH CUSTOMERS

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Type of Services or service		
Fees and commission income	7,228.15	6,102.02
Total revenue from contracts with customers	**7,228.15**	**6,102.02**
Geographical markets		
India	7,228.15	6,102.02
Outside India	-	-
Total revenue from contracts with customers	**7,228.15**	**6,102.02**
Timing of revenue recognition		
Services transferred at a point in time	7,228.15	6,102.02
Services transferred over time	-	-
Total revenue from contracts with customers	**7,228.15**	**6,102.02**

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

NOTE 35 CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	As at March 31, 2026	As at March 31, 2025
Contingent liabilities:		
Corporate guarantee given by Company	4,800.00	-
Litigation cases filed against the Company	-	43.00
Capital commitments:		
Estimated amount of contracts remaining to be executed on capital account	-	86.95
Loans sanctioned not yet disbursed	9,808.02	9,809.52

NOTE 36 DISCLOSURES AS REQUIRED BY IND AS 116 'LEASES'

(A) Lease liability movement

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	3,725.65	3,923.54
Add : Adjustments/additions during the year	530.05	679.14
Add : Interest on lease liability	355.51	374.52
Less : Deletions	(47.69)	(191.02)
Less : Lease rental payments	(1,131.17)	(1,060.53)
	3,432.35	**3,725.65**

(B) Future lease cashflow for all leased assets

Particulars	As at March 31, 2026	As at March 31, 2025
Not later than one year	1,203.36	1,120.02
Later than one year but not later than five years	2,753.54	3,317.11
Later than five years	152.99	202.07
	4,109.89	**4,639.20**

(C) Maturity analysis of lease liability

Particulars	As at March 31, 2026	As at March 31, 2025
Lease liability		
Less than 12 months	902.92	780.76
More than 12 months	2,529.43	2944.89
	3,432.35	**3,725.65**

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

NOTE 37 DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AS PER MSMED ACT, 2006

The following disclosure is made as per the requirement under The Micro Small and Medium Enterprise Development Act, 2006 (the 'MSMED Act') on the basis of confirmations sought from suppliers on registration with the specified authorities under MSMED :

	Particulars	As at March 31, 2026	As at March 31, 2025
a.	Principal amount remaining unpaid	5.01	6.23
b.	Interest due thereon remaining unpaid	-	-
c.	Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
d.	Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act,2006)	-	-
e.	Interest accrued and remaining unpaid	-	-
f.	Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the said Act. This has been relied upon by the auditors.

No interest has been paid/is payable by the Company during the year to the suppliers registered under this Act.

Ageing analysis of Trade Payable

As at March 31, 2026

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	5.01	-	-	-	5.01
(ii) Others	2.16	-	-	-	2.16
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

As at March 31, 2025

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	6.23	-	-	-	6.23
(ii) Others	1.82	-	-	-	1.82
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

NOTE 38 GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS:

The Company has a funded defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible for gratuity on separation at 15 days basic salary (last drawn salary) for each completed year of service.

Based on Ind AS 19 'Employee Benefits' notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016, the following disclosures have been made as required by the standard:

A. Amount recognised in the balance sheet

Particulars	As at March 31, 2026	As at March 31, 2025
Present value of the obligation as at the end of the year	1,349.49	603.94
Fair value of plan assets as at the end of the year	5.34	5.01
Net (asset) / liability to be recognised in the balance sheet	**1,344.15**	**598.93**

B. Change in projected benefit obligation

Particulars	As at March 31, 2026	As at March 31, 2025
Projected benefit of obligation at the beginning of the year	603.94	389.90
Current service cost	244.35	138.81
Past service cost	480.40	-
Interest cost	35.96	24.47
Benefits paid	(65.37)	(60.72)
Actuarial (gain) / loss on obligation	50.21	111.48
Projected benefit obligation at the end of the year	**1,349.49**	**603.94**

C. Change in plan assets

Particulars	As at March 31, 2026	As at March 31, 2025
Fair value of plan assets at the beginning of the year	5.01	4.68
Return on plan assets	2.48	0.76
Actuarial gain/(loss)	(2.15)	(0.43)
Benefits paid	-	-
Fair value of plan assets at the end of the year	**5.34**	**5.01**

D. Amount recognised in the statement of profit and loss

Particulars	As at March 31, 2026	As at March 31, 2025
Current service cost	244.35	138.81
Past service cost and loss/(gain) on curtailments and settlement	480.40	-
Net interest cost	33.48	23.71
Expenses recognised in the statement of profit and loss	**758.23**	**162.52**

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

E. Amount recognised in other comprehensive income

Particulars	As at March 31, 2026	As at March 31, 2025
Actuarial (gains) / loss		
- change in financial assumption	(2.26)	77.38
- change in demographic assumption	-	-
- experience variation	52.47	34.10
Return on plan assets, excluding amount recognised in net interest expense	2.15	0.43
	52.36	**111.91**

F. Assumptions used

Particulars	As at March 31, 2026	As at March 31, 2025
Discount rate	6.60%	6.55%
Salary growth rate	9.50%	9.50%
Withdrawal rate	50% at younger ages reducing to 10% at older ages	50% at younger ages reducing to 10% at older ages

G. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	As at March 31, 2026		As at March 31, 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	1,311.23	1,356.35	593.14	615.14
Salary growth rate (0.5% movement)	1,353.53	1,313.60	614.27	593.84
Withdrawal rate (10% movement)	1,290.42	1,380.64	577.10	634.12

H. Other information :

1. Plans assets comprises 100% of Insurance funds.
2. The expected contribution for the next year is ₹ 323.12 lakhs.
3. The average outstanding term of the obligations as at valuation date is 3.28 years.
4. The above disclosure is based on report and assumptions provided by the actuary and has been relied upon by the Auditors.

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

NOTE 39 EMPLOYEE STOCK OPTION PLANS

The Company provides share-based employee benefits to the employees of the Company, the Directors, whether a whole time Director or otherwise but excluding Non-Executive Independent Directors, including the Directors of the Company, such other entities or individuals as may be permitted by Applicable Laws and any of the aforesaid employees who are on deputation at the request of the Company and during the year ended March 31, 2026, employee stock option plans (ESOPs) were in existence. The relevant details of the schemes and the grant are as below.

A. Description of share-based payment arrangements

As at March 31, 2026, the Company has the following share-based payment arrangements:

Share option plans (equity settled)

According to the Schemes, the employees selected by the Nomination and Remuneration Committee (NRC) from time to time will be entitled to options, subject to satisfaction of the prescribed vesting conditions. The contractual life (comprising the vesting period and the exercise period) of options granted is 5 to 6.5 years.

I. Details of the ESOP

Particulars	ESOP Plan 2012	ESOP Plan 2016	ESOP Plan 2016 - II	ESOP Plan 2017	ESOP Plan 2018
Date of Shareholder's Approval	July 30, 2012	May 09, 2016	October 17, 2016	April 28, 2017	December 15, 2017
Total Number of Options approved	15,00,000	27,00,000	30,00,000	20,00,000	60,00,000

Vesting Requirements	Vesting Criteria will specified for each Option Holder by the Nomination and Remuneration Committee at the time of grant of Options. For valid vesting of Options, the concerned Option Holder is required to be an Eligible Employee on the respective Vesting Date and not be subject to any disciplinary proceedings pending against him/her. Unless the NRC provides otherwise, the Vesting of Options granted hereunder shall be stalled / blocked during any unauthorised and unpaid leave of absence for such period as may prescribed by NRC or for any Cause as deemed fit by the NRC. For performance based options granted under the ESOP Plans, options shall vest based on achievement of defined annual performance parameters as determined by the NRC. The performance parameters will be based on a combination of relative Total Shareholder Return (TSR) and operating performance metrics of the Company as decided by the NRC. Each of the above performance parameters will be distinct for the purposes of the calculation of quantity of shares to be vested based on performance. These instruments will generally vest between a minimum of one to maximum of six and half years from the grant date.
The Pricing Formula	Options can be Exercised at any of the following Exercise Price, as may be determined by the NRC at its sole discretion at the time of grant of Options: (i) Fair Market Value rounded to the nearest rupee; or(ii) Market Price rounded to the nearest rupee; or(iii) such price as may be determined by the NRC. However, the Exercise Price shall not be less than the Fair Market Value of the Shares.
Maximum term of Options granted (years)	Options granted under the ESOP Plans would vest not less than 1 (one) year from the date of grant of Options. Options shall be capable of being exercised within a period of 4 years from the Date of Vesting. Performance based optins will generally vest between a minimum of one to maximum of six and half years from the grant date.
Method of Settlement	Equity
Source of shares	Primary
Variation in terms of ESOP	None
Method used for accounting of options	Fair Value Method

II. Option Movement during the year ended March 2026

Particulars	ESOP Plan 2012	ESOP Plan 2016	ESOP Plan 2016 - II	ESOP Plan 2017	ESOP Plan 2018
No. of Options Outstanding at the beginning of the year	25,000	10,76,500	10,000	16,80,250	51,76,152
Options Granted during the year	-	-	5,65,967	4,40,000	-
Options Forfeited / Lapsed during the year	-	3,18,300	1,90,770	5,26,550	8,89,841
Options Exercised during the year	-	1,53,000	-	1,85,000	2,82,931
Total number of shares arising as a result of exercise of options	-	1,53,000	-	1,85,000	2,82,931
Money realised by exercise of options (₹ lakhs)	-	219.44	-	405.23	482.64
Number of Options Outstanding at the end of the year	25,000	6,05,200	3,85,197	14,08,700	40,03,380
Number of Options exercisable at the end of the year	25,000	5,19,200	-	3,31,200	12,97,714
Weighted average market price of options exercised for the year ended March 31, 2026 (₹)	-	143.42	-	219.05	170.58

III. Option Movement during the year ended March 2025

Particulars	ESOP Plan 2012	ESOP Plan 2016	ESOP Plan 2016 - II	ESOP Plan 2017	ESOP Plan 2018
No. of Options Outstanding at the beginning of the year	31,750	13,39,500	10,000	11,80,250	36,77,136
Options Granted during the year	-	-	-	5,00,000	19,47,424
Options Forfeited / Lapsed during the year	6,750	2,58,500	-	-	4,34,756
Options Exercised during the year	-	4,500	-	-	13,652
Total number of shares arising as a result of exercise of options	-	4,500	-	-	13,652
Money realised by exercise of options (₹ lakhs)	-	6.26	-	-	25.99
Number of options Outstanding at the end of the year	25,000	10,76,500	10,000	16,80,250	51,76,152
Number of Options exercisable at the end of the year	15,000	4,90,850	10,000	4,11,500	7,71,168
Weighted average market price of options exercised for the year ended March 31, 2025 (₹)	-	263.20	-	-	269.64

NOTES TO STANDALONE FINANCIAL STATEMENTS

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(Currency : Indian Rupees in lakhs)

IV. Weighted Average remaining contractual life

Particulars	ESOP Plan 2012	ESOP Plan 2016	ESOP Plan 2016 - II	ESOP Plan 2017	ESOP Plan 2018
Range of Exercise Price (₹ per share)	218.00	139.00 - 262.55	309.10	219.05 - 437.00	131.45 - 437.00
No. of Options Outstanding as on March 31, 2026	25,000	6,05,200	3,85,197	14,08,700	40,03,380
Remaining Contractual Life (in years)	-	0.43	1.58	1.91	0.50

V. Method and Assumptions used to estimate the fair value of options granted:

The fair value of the awards are estimated using the Black-Scholes Model for time and non-market performance-based options and Monte Carlo simulation model is used for Total Shareholder Return (TSR) based options.

The assumptions used in the model are as follows

Particulars	ESOP Plan 2012	ESOP Plan 2016	ESOP Plan 2016 - II	ESOP Plan 2017	ESOP Plan 2018
1. Risk Free Interest Rate	-	-	5.98%	6.02%	-
2. Expected Life(in years)	-	-	3.75	3.75	-
3. Expected Volatility	-	-	46.27%	45.33%	-
4. Dividend Yield	-	-	-	-	-
5. Exercise Price	-	-	309.10	252.04	-
6. Price of the underlying share in market at the time of the option grant.(₹)	-	-	309.10	252.04	-

VI. Effect of share-based payment transactions on the Company's Profit or Loss for the year:

Particulars	31 March 2026	31 March 2025
Employee share based expense	1,158.31	2,203.70
Total ESOP reserve outstanding	4,133.89	3,934.56

NOTE 40 DISCLOSURE PURSUANT TO IND AS 108 'OPERATING SEGMENTS'

The Company is engaged primarily in the business of financing in India and accordingly, there are no separate operating segments as per Ind AS 108 dealing with Operating Segments.

NOTE 41 MATURITY PATTERN OF ASSETS AND LIABILITIES

An analysis of its assets and liabilities according to their timing of recoverability and settlement has been presented below in a tabulated format.

Particulars	Note	As at March 31, 2026			As at March 31, 2025		
		Within 12 months	More than 12 months	Total	Within 12 months	More than 12 months	Total
ASSETS							
Financial assets							
Cash and cash equivalents	3 (a)	3,193.15	-	**3,193.15**	9,192.46	-	**9,192.46**
Bank balances other than cash and cash equivalents	3 (b)	188.73	27,149.75	**27,338.48**	997.00	31,563.54	**32,560.54**
Derivative financial instruments	4	1,194.74	-	**1,194.74**	-	-	**-**
Loans	5	2,75,697.43	4,67,749.34	**7,43,446.77**	2,53,628.94	4,68,022.91	**7,21,651.85**
Investments	6	39,329.37	58,864.30	**98,193.67**	79,558.50	1,02,260.95	**1,81,819.45**
Other financial assets	7	656.72	5,204.54	**5,861.26**	2,214.46	10,234.00	**12,448.46**

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Particulars	Note	As at March 31, 2026			As at March 31, 2025		
		Within 12 months	More than 12 months	Total	Within 12 months	More than 12 months	Total
Non-financial assets							
Current tax assets (net)	8	-	1,255.50	**1,255.50**	-	1,137.81	**1,137.81**
Deferred tax assets (net)	9	-	31,766.52	**31,766.52**	-	31,674.65	**31,674.65**
Property, plant and equipment	10	-	4,974.34	**4,974.34**	-	5,955.24	**5,955.24**
Assets acquired in satisfaction of claim	11	-	700.00	**700.00**	-	1,300.00	**1,300.00**
Goodwill		-	30,018.69	**30,018.69**	-	30,018.69	**30,018.69**
Other intangible assets	12	-	487.22	**487.22**	-	539.00	**539.00**
Other non-financial assets	13	2,509.53	203.90	**2,713.43**	2,614.42	308.47	**2,922.89**
Non - current asset held for sale	14	-	-	**-**	45,000.00	-	**45,000.00**
TOTAL ASSETS		**3,22,769.67**	**6,28,374.10**	**9,51,143.77**	**3,93,205.78**	**6,83,015.26**	**10,76,221.04**

Particulars	Note	As at March 31, 2026			As at March 31, 2025		
		Within 12 months	More than 12 months	Total	Within 12 months	More than 12 months	Total
LIABILITIES							
Financial liabilities*							
Trade payables	15	7.17	-	7.17	8.05	-	8.05
Debt securities	16	1,79,235.91	1,28,179.45	3,07,415.36	2,17,164.42	1,62,054.22	3,79,218.64
Borrowings (other than debt securities)	17	1,51,109.31	89,151.71	2,40,261.02	1,56,248.04	1,56,181.55	3,12,429.59
Other financial liabilities	18	19,524.24	2,529.43	22,053.67	37,351.44	2,944.89	40,296.33
Non-financial liabilities							
Current tax liabilities (net)	8	-	1,058.83	1,058.83	-	-	-
Provisions	19	496.75	1,331.48	1,828.23	276.41	624.90	901.31
Other non-financial liabilities	20	762.20	-	762.20	744.87	-	744.87
TOTAL LIABILITIES		**3,51,135.58**	**2,22,250.90**	**5,73,386.48**	**4,11,793.23**	**3,21,805.56**	**7,33,598.79**

* also refer note 32(F)

NOTE 42 OTHER NOTES

Note 42.1

In relation to the loans portfolio, the Management has on a best effort basis and knowledge, has identified transactions with Nil financiers (previous year Nil) aggregating ₹ Nil (previous year Nil) used for refinancing loans of the customers.

Note 42.2

The disclosure on the following matters required under Schedule III as amended not being relevant or applicable in case of the Company, same are not covered:

a) The Company has not traded or invested in crypto currency or virtual currency during the financial year.

b) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (45 of 1988) and rules made thereunder.

c) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

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d) The Company has not entered into any scheme of arrangement.

e) Charges or satisfaction to be registered with Registrar of Companies (ROC) have been registered within the stipulated statutory timelines.

f) There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

g) In respect of the disclosure required vide notification dated March 24, 2021 issued by Ministry of Corporate Affairs, the Company has taken steps to identify transactions with the struck-off companies and considering the nature of business which is primarily lending to individuals and other small players, there are no such transactions which may be required to be reported.

h) The provision related to number of layers as prescribed under section 2(87) of the Companies Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable to Company.

i) Other than the loans and advances given in normal course of business, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has also not received any fund from any parties (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

j) Title deed of immovable property has been held in the name of the Company

k) The Company has used certain accounting software(s) for maintaining its books of account (including two accounting software managed and maintained by a third party software service provider) which has a feature of recording audit trail (edit log) facility, except that audit trail feature was enabled at the database level during the year in respect of certain accounting software(s) to log any direct data changes.

Further, where enabled, the audit trail feature has been operated for all relevant transactions recorded in the accounting software. During the year, the Company did not come across any instance of audit trail feature being tampered with in respect of such accounting software. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in respective years.

The Company has established and maintained an adequate internal control framework and based on its assessment, believes that this was effective throughout the year.

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

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NOTE 43 ASSET LIABILITY MANAGEMENT

Particulars	1 to 7 days	8 to 14 days	15 to 30 days	Over one month to 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities:											
Borrowings from banks/FI	17,876.94	7,284.31	2,764.31	8,477.67	9,028.59	39,542.86	39,197.96	62,624.86	11,436.20	1,709.70	1,99,943.40
Market borrowings	171.36	-	2,817.37	23,472.90	30,844.58	51,196.83	97,669.54	1,34,408.32	1,767.12	5,384.96	3,47,732.98
Assets:											
Loans & advances (gross)	15,267.36	13,436.74	2,462.69	22,440.85	24,237.66	68,590.14	1,44,675.22	3,86,545.69	88,132.89	19,220.91	7,85,010.15
Investments	39,329.37	-	-	-	-	-	-	-	58,863.30	1.00	98,193.67

Notes:

- The above inflows and outflows is based on scheduled maturity of the financial instruments.

  In addition to the investments shown in the table above, the Company also has cash and cash equivalents as mentioned below and undrawn funding lines amounting to ₹ 16,512.00 lakhs

- Cash & Cash Equivalents (refer note 3(a))	3,193.15
- Bank balances other than cash and cash equivalents (refer note 3(b))	27,338.48
Total	**30,531.63**

NOTE 44 EXPOSURE TO REAL ESTATE SECTOR

Category			As at March 31, 2026	As at March 31, 2025
A	**Direct exposure**			
	i.	**Residential Mortgages**		
		Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; Individual housing loans up to 15 lakhs ₹ NIL. (Previous year ₹ NIL)	12,802.44	21,705.39
	ii.	**Commercial Real Estate**		
		Lending secured by mortgages on commercial real estate's (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	20,542.00	25,441.73
	iii.	**Investments in Mortgage Backed Securities (MBS) and other securitised exposures**		
		- Residential	Nil	Nil
		- Commercial Real Estate	Nil	Nil
B	**Indirect Exposure**			
	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)		4,800.00	45,348.00

NOTES TO STANDALONE FINANCIAL STATEMENTS

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NOTE 45 EXPOSURE TO CAPITAL MARKET

	Category	As at March 31, 2026	As at March 31, 2025
1	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;	-	-
2	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
3	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
4	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-
5	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
6	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
7	Bridge loans to companies against expected equity flows / issues;	-	-
8	All exposures to Venture Capital Funds (both registered and unregistered)	-	-
9	Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds;	-	-
10	Financing to stockbrokers for margin trading;	-	-
11	All exposures to Alternative Investment Funds:		
	i Category I	-	-
	ii Category II	-	-
	iii Category III	-	-

NOTES TO STANDALONE FINANCIAL STATEMENTS

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NOTE 46 OTHER DISCLOSURES PURSUANT TO THE RBI MASTER DIRECTIONS FOR NBFC

I - Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of Profit and Loss

	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
1	Provisions for depreciation on Investment	65,459.91	(188.12)
2	Provision towards NPA#	5,780.20	(2,749.48)
3	Provision made towards Income tax	16,900.00	-
4	Other Provision and Contingencies	611.16	(559.15)
5	Provision for Standard Assets and other receivable*	11,038.34	(3,576.78)

represents provision on Stage 3 assets

* represents provision on Stage 1, Stage 2 and other receivables (net off amount transferred for provision towards NPA)

II - Concentration of Advances

	Particulars	As at March 31, 2026	As at March 31, 2025
1	Total Advances to twenty largest borrowers	19,499.01	22,081.76
2	Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	2.5%	3.0%

III - Concentration of Exposures

	Particulars	As at March 31, 2026	As at March 31, 2025
1	Total Exposure to twenty largest borrowers /customers	29,299.01	31,881.76
2	Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	3.7%	4.2%

IV - Concentration of NPAs

	Particulars	As at March 31, 2026	As at March 31, 2025
1	Total Exposure to top four NPA accounts	1,004.30	918.62

V - Sectorwise NPA (% of NPA to Total Advances in that sector)

	Particulars	As at March 31, 2026	As at March 31, 2025
1	Agriculture and allied activities	3.16%	2.82%
2	MSME	28.33%	10.08%
3	Corporate borrowers	-	-
4	Services	5.33%	5.03%
5	Unsecured personal loans	-	-
6	Auto loans	2.56%	1.94%
7	Other personal loans	-	-

Note: Sector wise classification of NPA is compiled by the Management from internal MIS and relied upon by the Auditors.

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

VI - Movement of NPAs

Particulars	As at March 31, 2026	As at March 31, 2025
Net NPAs to Net Advances (%)	2.09%	2.46%
Movement of NPAs (Gross)		
Opening balance	33,713.64	31,269.97
Additions during the year/period	62,915.97	56,324.22
Reductions during the year/period	(59,160.23)	(53,880.55)
Closing balance	37,469.38	33,713.64
Movement of Net NPAs		
Opening balance	17,985.73	12,792.58
Additions during the year/period	26,576.55	30,928.91
Reductions during the year/period	(28,601.01)	(25,735.76)
Closing balance	15,961.27	17,985.73
Movement of provisions for NPAs (excluding provisions on standard assets)		
Opening balance	15,727.91	18,477.39
Provisions made during the year/period	36,339.42	25,395.31
Write-off / write-back of excess provisions	(30,559.22)	(28,144.79)
Closing balance	21,508.11	15,727.91

Note: NPA represents Stage 3 loan assets and classified as Stage 3 as per Ind AS 109.

VII - Details of assignment transactions undertaken during the year:

(including in terms of RBI Notification - RBI/DOR/2025-26/352 DOR.STR.REC.271/21.04.048 /2025-26, 'Reserve Bank of India (Non-Banking Financial Companies - Transfer and Distribution of Credit Risk) Directions, 2025' dated November 28, 2025)

	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
1	No. of accounts	-	8,391
2	Aggregate value (net of provisions) of accounts assigned	-	56,177.95
3	Aggregate consideration	-	56,177.95
4	Additional consideration realised in respect of accounts transferred in earlier years	-	-
5	Aggregate gain / loss over net book value	-	4,361.85

VIII (A) - Details of financial assets sold to Asset Reconstruction/Securitisation Companies during the year:

	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
1	No. of accounts	5,358	3,850
2	Aggregate value (net of provisions) of accounts assigned	27,043.74	33,354.36
3	Aggregate consideration	32,885.00	44,000.00
4	Additional consideration realised in respect of accounts transferred in earlier years	-	-
5	Aggregate gain / (loss) over net book value	-	-

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

VIII (B) Details of stressed loan transferred during the year including in terms of RBI Notification - RBI/DOR/2025-26/352 DOR.STR.REC.271/21.04.048 /2025-26, 'Reserve Bank of India (Non-Banking Financial Companies - Transfer and Distribution of Credit Risk) Directions, 2025' dated November 28, 2025

	Particulars	To Asset Reconstruction Companies (ARC)	
		NPA	SMA
1	Number of accounts	2,727	2,631
2	Aggregate principal outstanding of loans transferred	18,002.53	16,363.28
3	Weighted average residual tenor of the loans transferred (in months)	28	31
4	Net book value of loans transferred (at the time of transfer)	11,057.53	15,986.20
5	Aggregate consideration	17,306.79	15,578.21
6	Additional consideration realised in respect of accounts transferred in earlier years	-	-
7	Recovery rating as at the date of transactions	Unrated	Unrated

Carrying value of the SRs held across the various categories of Recovery Ratings assigned to such SRs by the credit rating agencies

Recovery Ratings	As at March 31, 2026	As at March 31, 2025
RR1	6,207.05	46,774.92
RR2	52,656.25	43,490.46
RR3	-	-
RR4	-	11,994.57
Unrated	-	-
	58,863.30	**1,02,259.95**

VIII (C) Details of stressed loans acquired during the year including in terms of RBI Notification - RBI/DOR/2025-26/352 DOR.STR.REC.271/21.04.048 /2025-26, 'Reserve Bank of India (Non-Banking Financial Companies - Transfer and Distribution of Credit Risk) Directions, 2025' dated November 28, 2025

	Particulars	From lenders listed Clause 3	
		NPA	SMA
1	Aggregate principal outstanding of loans acquired	-	887.50
2	Aggregate consideration paid	-	887.50
3	Weighted average residual tenor of loans acquired (in months)	-	10

VIII (D) Details of loans not in default acquired during the year including in terms of RBI Notification - RBI/DOR/2025-26/352 DOR.STR.REC.271/21.04.048 /2025-26, 'Reserve Bank of India (Non-Banking Financial Companies - Transfer and Distribution of Credit Risk) Directions, 2025' dated November 28, 2025

- Nil

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

VIII (E) Details of loans not in default transferred during the year including in terms of RBI Notification - RBI/DOR/2025-26/352 DOR.STR.REC.271/21.04.048 /2025-26, 'Reserve Bank of India (Non-Banking Financial Companies - Transfer and Distribution of Credit Risk) Directions, 2025' dated November 28, 2025

Particulars		For the year ended March 31, 2026
1	No. of accounts	-
2	Aggregate value of accounts assigned ₹ in lakhs	-
3	Aggregate consideration	-
4	Additional consideration realised in respect of accounts transferred in earlier years	-
5	Aggregate gain / loss over net book value	-
6	Weighted average maturity (No. of Years)	-
7	Weighted average holding period (months)	-
8	Retention of beneficial economic interest	-

VIII (F) - Details of STC securitisation transactions

(in terms of in terms of RBI Notification - RBI/DOR/2025-26/353 DOR.STR.REC.272/21.04.177/2025-26, 'Reserve Bank of India (Non-Banking Financial Companies – Securitisation Transactions) Directions, 2025', dated November 28, 2025)

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
1	No of SPVs sponsored by the NBFC for securitisation transactions	12	11
2	Total amount of securitised assets as per books of the SPVs sponsored	32,185.07	1,07,748.88
3	Total amount of exposures retained by the NBFC towards the MRR as on the date of balance sheet		
	(I) Off-balance sheet exposures towards Credit Enhancements	-	-
	(II) On-balance sheet exposures towards Credit Enhancements	17,895.10	24,024.37
	Amount of exposures to securitisation transactions		
4	Other than MRR		
	(I) Off-balance sheet exposures towards Credit Enhancements		
	a) Exposure to own securitisations	-	-
	b) Exposure to third party securitisations	-	-
	(II) On-balance sheet exposures towards Credit Enhancements		
	a) Exposure to own securitisations	6,020.39	8,041.33
	b) Exposure to third party securitisations	-	-
5	Sale Consideration received for the securitised assets and gain/loss on sale on account of securitisation		
	a) Sale Consideration received	1,71,696.27	2,23,618.34
	b) gain/loss on sale on account of securitisation	-	-
6	Form & quantum of Services Provided:		
	a) Collection Agent Fees	11.35	45.01

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
7	Performance of facility provided		
	I) Credit Enhancement		
	(a) Amount Paid	17,895.10	24,024.37
	(b) Repayment Received	-	-
	(c) Outstanding Amount	17,895.10	24,024.37
	II) Collection Agent fees		
	(a) Amount Paid	11.35	45.01
	(b) Repayment Received	(11.35)	(45.01)
	(c) Outstanding Amount	-	-
8	Amount and number of additional/top up loan given on the same underlying asset	-	-
9	Investor Complaints		
	(a) Directly/Indirectly received	-	-
	(b) Complaints Outstanding	-	-

* The Company determines average rate of default on the entire portfolio of the product. Consequently, average rate of default for a selected pool under securitisation is not available

IX - Customer Complaints

1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
	Complaints received by the NBFC from its customers		
1	Number of complaints pending at beginning of the year	8	19
2	Number of complaints received during the year	2,064	1,654
3	Number of complaints disposed during the year	2,019	1,665
	3.1 Of which, number of complaints rejected by the NBFC	252	155
4	Number of complaints pending at the end of the year	53	8
	Maintainable complaints received by the NBFC from Office of Ombudsman		
5	Number of maintainable complaints received by the NBFC from Office of Ombudsman	186	108
	5.1. Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	184	108
	5.2 Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	2	7
	5.3 Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6	Number of Awards unimplemented within the stipulated time	-	-

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

2) Top five grounds of complaints received by the NBFCs from customer

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**
For the year ended March 31, 2026					
Loans & Advances	4	602	19%	12	3
NOC	-	174	34%	7	-
Credit Score	-	383	43%	6	-
Settlement	-	111	35%	3	-
Service issue/ Misbehaviour of employee	1	172	-9%	5	-
Others	3	622	29%	20	2
Totals	**8**	**2,064**		**53**	**5**
For the year ended March 31, 2025					
Loans & Advances	3	505	301%	4	-
NOC	1	130	88%	-	-
Credit Score	2	267	256%	-	-
Settlement	1	82	74%	-	-
Service issue/ Misbehaviour of employee	4	189	142%	1	-
Others	8	481	96%	3	1
Totals	**19**	**1654**		**8**	**1**

X - Investments

Particulars		As at March 31, 2026	As at March 31, 2025
1	Value of Investments		
	(i) Gross Value of Investments		
	(a) In India	2,00,108.84	2,63,274.71
	(b) Outside India	-	-
	(ii) Provision for Depreciation		
	(a) In India	1,01,915.17	36,455.26
	(b) Outside India	-	-
	(iii) Net Value of Investments		
	(a) In India	98,193.67	2,26,819.45
	(b) Outside India	-	-
2	Movement of provisions held towards depreciation on investments		
	(i) Opening balance	36,455.26	36,643.38
	(ii) Add : Provisions made during the year (net)	65,459.91	-
	(iii) Less : Write-off/ write-back of excess provision during the year	-	(188.12)
	(iv) Closing balance	1,01,915.17	36,455.26

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

XI - Registration obtained from other financial sector regulators :

The Company is registered as Corporate Agent with the Insurance Regulatory and Development Authority (IRDAI) vide Certificate of Registration dated February 21, 2024.

XII - Details of Single Borrower Limit (SBL) / Group Borrower Limit (GBL) exceeded by NBFC

There are no loans outstanding which exceeds SBL and GBL limit.

XIII - Details of financing of parent Company products : None

XIV - Disclosure of penalties imposed by RBI and other regulators :

Current year ₹ 7.10 lakhs excluding taxes paid to Regular authorities

- To stock exchanges relating to non compliance of SEBI regulations - ₹ 7.10 lakhs (previous year - 2.33 lakhs) excluding taxes.

XV - Draw down from reserves : None

XVI - Rating assigned by credit rating agencies and migration of ratings during the year/period

Sr. No.	Instruments	Credit Rating Agency	As at March 31, 2026	As at March 31, 2025
1	Commercial Paper	CARE	A1+	A1+
		CRISIL	A1+	A1+
2	Long Term Facilities	CARE	AA-	AA-
		CRISIL	AA-	AA-
3	NCD	CARE	AA-	AA-
		CRISIL	AA-	AA-

XVII (A) - Unsecured Advances against intangible securities :

There are no unsecured advances given against intangible securities such as charge over the rights, licenses, authority, etc. during the financial year ended March 31, 2026 and March 31, 2025.

XVII (B) - Overseas Assets and off- balance sheet SPVs sponsored (which are required to be consolidated as per accounting norms) :

Overseas Assets

The Company does not have any overseas assets as at March 31, 2026 and March 31, 2025

Off- Balance sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

The Company does not have any exposure to off balance sheet SPVs sponsored as at March 31, 2026 and March 31, 2025.

XVII (C) - Fraud committed against the Company:

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
1	No. of cases of fraud reported during the year	8	6
2	Amount involved (₹ In lakhs)	146.36	138.83
3	Amount recovered (₹ In lakhs)	29.05	22.51
4	Amount written off (₹ In lakhs)*	117.31	116.32

Note: The above information is based on FMR 1 reported to RBI.

* Represents 100% provision made

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

XVII (D) - Remuneration of non-executive Directors:

Refer note no. 33 for detailed disclosure of related party transactions

XVII (E) - Derivatives:

I) Forward Rate Agreement / Interest Rate Swap (also includes currency interest rate swaps)

	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
1	The notional principal of swap agreements	25,350.00	-
2	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
3	Collateral required by the NBFC upon entering into swaps	-	-
4	Concentration of credit risk arising from the swaps	-	-
5	The fair value of the swap book	1,194.74	-

II) Exchange traded interest rate derivatives

The Company has not traded in exchange traded interest rate derivatives during March 31, 2026 and March 31, 2025.

III) Disclosures on risk exposure in derivatives

Details for qualitative disclosure are part of material accounting policies as per financial statements. (Refer note no. 2.3(t) and note no. 32(J))

	Particulars	Currency derivatives	
		For the year ended March 31, 2026	For the year ended March 31, 2025
1	Derivatives (Notional Principal Amount) For Hedging	25,350.00	-
2	Marked to Market Positions	-	-
	a) Assets (+)	1,194.74	-
	a) Liabiliities (-)	-	-
3	Concentration of credit risk arising from the swaps	-	-
4	The fair value of the swap book	1,194.74	-

There are no interest rate derivatives as on March 31, 2026 and March 31, 2025

XVII (F) - Divergence in asset classification and provisioning:

a) The additional provisioning requirements assessed by RBI exceeds 5 percent of the reported profits before tax and impairment loss on financial instruments for financial year 2025-26 : Nil

b) The additional Gross NPAs identified by RBI exceeds 5 percent of the reported Gross NPAs for financial year 2025-26 : Nil

XVII (G) - Net profit or loss for the period, prior period items and changes in accounting policies:

There are no prior period items which are impacting Company's current year profit and loss.

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

XVIII - Disclosures of restructured accounts

Sr. No.	Type of restructuring		Under CDR Mechanism / SME Debt Restructuring Mechanism				Others*#				Total
	Asset Classification		Standard	Sub-Standard	Doubtful	Loss	Standard	Sub-Standard	Doubtful	Loss	
1	Restructured account as on April 01, 2025 (Opening Figures)	Number of Borrowers	-	-	-	-	163	47	-	-	210
		Amount Outstanding	-	-	-	-	5,372.26	2,965.57	-	-	8,337.83
		Provision Thereon	-	-	-	-	217.06	549.25	-	-	766.31
2	Fresh Restructuring during the year -(Net of closure and repayment)	Number of Borrowers	-	-	-	-	-	-	-	-	-
		Amount Outstanding	-	-	-	-	-	-	-	-	-
		Provision Thereon	-	-	-	-	-	-	-	-	-
3	Repaid out of opening	Number of Borrowers	-	-	-	-	80	15	-	-	95
		Amount Outstanding	-	-	-	-	(422.78)	(65.45)	-	-	(488.23)
		Provision Thereon **	-	-	-	-	46.84	1,199.68	-	-	1,246.52
4	Upgradations to restructured standard category during the year	Number of Borrowers	-	-	-	-	2	(2)	-	-	-
		Amount Outstanding	-	-	-	-	132.17	(132.17)	-	-	-
		Provision Thereon	-	-	-	-	18.44	(18.44)	-	-	-
5	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	Number of Borrowers	-	-	-	-	-	-	-	-	-
		Amount Outstanding	-	-	-	-	-	-	-	-	-
		Provision Thereon	-	-	-	-	-	-	-	-	-
6	Downgradations of restructured accounts during 2025-26 (Slipped to NPA as on March 31, 2026) - npa	Number of Borrowers	-	-	-	-	(9)	9	-	-	-
		Amount Outstanding	-	-	-	-	(617.98)	617.98	-	-	-
		Provision Thereon	-	-	-	-	(14.49)	14.49	-	-	-
7	Write-offs of the restructured accounts during 2025-26	Number of Borrowers	-	-	-	-	11	22	-	-	33
		Amount Outstanding	-	-	-	-	(124.84)	(248.34)	-	-	(373.18)
		Provision Thereon	-	-	-	-	(14.24)	(31.36)	-	-	(45.60)
8	Closed / Paid-up POS of the restructured accounts during 2025-26	Number of Borrowers	-	-	-	-	78	27	-	-	105
		Amount Outstanding	-	-	-	-	(1,109.88)	(146.93)	-	-	(1,256.81)
		Provision Thereon	-	-	-	-	(54.29)	(113.51)	-	-	(167.80)
9	Restructured account as on March 31, 2026 (Closing Figures)	Number of Borrowers	-	-	-	-	44	27	-	-	71
		Amount Outstanding	-	-	-	-	3,228.95	2,990.66	-	-	6,219.61
		Provision Thereon	-	-	-	-	199.32	1,600.11	-	-	1,799.43

* Includes restructuring covered under RBI Restructuring Circulars.

The above amount represents principal outstanding of restructured loans

**Includes impact of changes to models and inputs used

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

XIX - Comparison between Ind AS provisions and IRACP norms

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS#	Loss Allowances (Provisions) as required under Ind AS 109#	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	**(2)**	**(3)**	**(4)**	**(5) = (3) - (4)**	**(6)**	**(7) = (4) - (6)**
Performing Assets						
Standard	Stage 1	6,99,997.53	12,032.89	6,87,964.64	3,168.53	8,864.36
	Stage 2	47,543.24	8,022.38	39,520.86	169.89	7,852.49
Subtotal		**7,47,540.77**	**20,055.27**	**7,27,485.50**	**3,338.42**	**16,716.85**
Non-Performing Assets (NPA)						
Substandard	Stage 3	31,657.99	15,924.48	15,733.51	2,453.39	13,471.09
Subtotal for Substandard		**31,657.99**	**15,924.48**	**15,733.51**	**2,453.39**	**13,471.09**
Doubtful - up to 1 year	Stage 3	3,204.87	2,977.11	227.76	81.05	2,896.06
1 to 3 years	Stage 3	1,799.65	1,799.65	-	349.32	1,450.33
More than 3 years	Stage 3	806.87	806.87	-	298.87	508.00
Subtotal for doubtful		**5,811.39**	**5,583.63**	**227.76**	**729.24**	**4,854.39**
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**37,469.38**	**21,508.11**	**15,961.27**	**3,182.63**	**18,325.48**
Total		**7,85,010.15**	**41,563.38**	**7,43,446.77**	**6,521.05**	**35,042.33**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		**-**	**-**	**-**	**-**	**-**
Total	Stage 1	6,99,997.53	12,032.89	6,87,964.64	3,168.53	8,864.36
	Stage 2	47,543.24	8,022.38	39,520.86	169.89	7,852.49
	Stage 3	37,469.38	21,508.11	15,961.27	3,182.63	18,325.48
	Total	**7,85,010.15**	**41,563.38**	**7,43,446.77**	**6,521.05**	**35,042.33**

includes securitised loans in the scope of Ind-AS 109 and impairment loss allowance thereon.

XX - Liquidity Risk Management

(i) Funding Concentration based on significant counterparty (both deposits and borrowings)

Sr. No.	Number of Significant Counterparties	Amount	% of Total Deposits	% of Total Liabilities
1	21	3,86,134.26	N/A	72.44%

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

(ii) Top 20 large deposits - Not applicable

The Company being a Systemically Important Non-Deposit taking Non-Banking Financial Company registered with Reserve Bank of India, does not accept public deposits

(iii) Top 10 borrowings

Total Amount[1]	% of Total Borrowings
2,76,496.63	54.50%

(iv) Funding concentration based on significant instrument/product

Sr. No.	Nature of instrument	Amount	% of Total Liabilities
1	Term Loan	1,59,358.44	29.89%
2	Non-Convertible Debentures	2,88,489.51	54.12%
3	Working Capital	23,449.54	4.40%
4	Cash Credit	17,135.42	3.21%
5	Commercial Papers	18,925.85	3.55%

(v) Stock ratios

Sr. No.	Particulars	Ratios
1	**Commercial papers**	
	- as a % of total public funds	3.73%
	- as a % of total liabilities	3.55%
	- as a % of total assets	5.61%
2	**Non-convertible debentures (original maturity of less than one year)**	
	- as a % of total public funds	Nil
	- as a % of total liabilities	Nil
	- as a % of total assets	Nil
3	**Other short-term liabilities**	
	- as a % of total public funds	4.31%
	- as a % of total liabilities	4.10%
	- as a % of total assets	6.47%

(vi) Institutional set-up for liquidity risk management

The Board of Directors of the Company has instituted the Asset Liability Management Committee to monitor and manage liquidity risk inter-alia by way of monitoring the asset liability composition, reviewing the liquidity and borrowing programme of the Company, setting-up and monitoring prudential limits on negative mismatches w.r.t. liquidity and interest rate and forecasting and analysing 'what if scenario' and preparation of contingency plans. Further, the Audit Committee and the Risk Management Committee as a part of evaluation of the overall risks faced by the Company evaluate the liquidity risk faced by the Company.

Footnote -

Amount of Securitisation is excluded from total borrowing, total assets, total liabilities and public funds.

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

XXI - Liquidity coverage ratio:

Particulars		Q1 2025-26		Q2 2025-26		Q3 2025-26		Q4 2025-26	
		Amounts (Average)		Amounts (Average)		Amounts (Average)		Amounts (Average)	
		Unweighted (average)1	Weighted (average)2	Unweighted (average)1	Weighted (average)2	Unweighted (average)1	Weighted (average)2	Unweighted (average)1	Weighted (average)2
	High Quality Liquid Assets								
1	**Total High Quality Liquid Assets (HQLA)3**	28,734.70	28,734.70	26,967.81	26,967.81	20,326.72	20,326.72	19,122.70	19,122.70
	Cash Outflows								
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured funding	-	-	-	-	-	-	-	-
4	Secured funding	42,469.56	48,840.00	40,631.54	46,726.28	24,368.10	28,023.31	22,714.84	26,122.07
5	Additional requirements, of which	8,475.50	9,746.83	7,827.52	9,001.65	8,322.04	9,570.34	8,745.79	10,057.66
(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	8,475.50	9,746.83	7,827.52	9,001.65	8,322.04	9,570.34	8,745.79	10,057.66
6	Other contractual funding obligations	10,845.92	12,472.80	9,701.52	11,156.75	8,943.14	10,284.61	7,903.15	9,088.62
7	Other contingent funding obligations	-	-	-	-	-	-	-	-
8	**TOTAL CASH OUTFLOWS**	**61,790.98**	**71,059.63**	**58,160.58**	**66,884.68**	**41,633.28**	**47,878.26**	**39,363.78**	**45,268.35**
	Cash Inflows								
9	Secured Lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	29,928.48	22,446.36	29,060.97	21,795.73	29,081.13	21,810.85	30,473.72	22,855.29
11	Other cash inflows	79,032.08	59,274.06	1,67,592.72	1,25,694.54	98,626.99	73,970.24	63,059.48	47,294.61
12	**Total Cash Outflows**	**1,08,960.56**	**81,720.42**	**1,96,653.69**	**1,47,490.27**	**1,27,708.12**	**95,781.09**	**93,533.20**	**70,149.90**
		Total Adjusted Value		**Total Adjusted Value**		**Total Adjusted Value**		**Total Adjusted Value**	
13	Total HQLA		28,734.70		26,967.81		20,326.72		19,122.70
14	Total Net Cash Outflows		17,764.91		16,721.17		11,969.57		11,317.09
15	Liquidity Coverage Ratio (%)		161.75%		161.28%		169.82%		168.97%

1 Unweighted value calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).

2 Weighted values calculated after the application of respective haircuts (for HQLA) and stress factors on inflow (75%) and outflow (115%).

3 The Company, during the year ended March 31, 2026, had maintained average HQLA primarily includes cash on hand, bank balances in current account and Government securities.

4 Company for purpose of computing outflows, have considered: (1) all the contractual debt repayments, and (2) other expected or contracted cash outflows. Inflows comprises of: (1) expected receipt from all performing loans, and (2) liquid investment which are unencumbered and have not been considered as part of HQLA.

5 In preparation of LCR, the management has made certain estimates/assumptions and compiled the information from internal MIS and records, which has been relied upon by the auditors.

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

XXII - Sectoral exposure

SL No	Sectors	As at March 31, 2026			As at March 31, 2025		
		Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1	Agriculture and Allied Activities	44,532.38	1,408.48	3.16%	38,442.86	1,083.44	2.82%
2	Industry						
	- Micro and Small	1,279.32	362.46	28.33%	1,451.98	146.38	10.08%
	- Large	-	-	-	-	-	-
	Total (2)	1,279.32	362.46	28.33%	1,451.98	146.38	10.08%
3	Services						
	- Transport Operators	5,01,972.95	26,394.77	5.01%	5,27,691.79	26,622.66	4.77%
	- Computer Software	-	-	-	-	-	-
	- Tourism, Hotel and Restaurants	-	-	-	5.16	-	-
	- Professional Services	1,873.18	401.76	0.08%	1,946.50	180.57	0.03%
	- Retail Trade	1,048.64	348.89	0.07%	1,345.82	192.87	0.03%
	- Commercial Real Estate	20,542.00	-	-	25,437.42	-	-
	- NBFCs	-	-	-	-	-	-
	- Other Services	1,502.99	435.66	0.08%	2,081.06	607.46	0.11%
	Total (3)	5,26,939.76	27,581.08	5.23%	5,58,507.75	27,603.56	4.94%
4	Personal Loan	-	-	-	-	-	-
5	Retail Loans						
	- Vehicle/Auto Loans	1,92,241.41	4,917.43	2.21%	1,36,572.06	2,647.53	1.68%
	- Other Retail loans	29,825.30	3,199.93	1.44%	21,231.56	2,232.73	1.41%
	Total (5)	2,22,066.71	8,117.36	3.66%	1,57,803.62	4,880.26	3.09%
	Total (1+2+3+4+5)	**7,94,818.17**	**37,469.38**	**4.71%**	**7,56,206.21**	**33,713.64**	**4.46%**

Note: Sector wise classification of NPA is compiled by the Management from internal MIS and relied upon by the Auditors.

XXIII - Intra-group exposures

Particulars		As at March 31, 2026	As at March 31, 2025
1	Total amount of intra-group exposures	-	-
2	Total amount of top 20 intra-group exposures	-	-
3	Percentage of intra-group exposures to total exposure of the NBFC on borrowers / customers	-	-

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

XXIV- Related Party Disclosure

SL No	Particulars	Transaction	Financial year	Parent	Subsidiaries	Associates/ Joint Ventures	Key Management Personnel	Relatives of Key Management Personnel	Others	Total
1	Borrowings	Outstanding as at Year End	2025-26 (CY)	-	1.00	-	-	-	-	1.00
			2024-25 (PY)	-	-	-	-	-	-	-
		Maximum Outstanding during the year	2025-26 (CY)	-	45,001.00	-	-	-	-	45,001.00
			2024-25 (PY)	-	-	-	-	-	-	-
2	Deposits	Outstanding as at Year End	2025-26 (CY)	-	45,001.00	-	-	-	-	45,001.00
			2024-25 (PY)	-	-	-	-	-	-	-
		Maximum Outstanding during the year	2025-26 (CY)	-	45,270.58	-	-	-	-	45,270.58
			2024-25 (PY)	-	-	-	-	-	-	-
3	Placement of deposits	Outstanding as at Year End	2025-26 (CY)	-	-	-	-	-	-	-
			2024-25 (PY)	-	-	-	-	-	-	-
		Maximum Outstanding during the year	2025-26 (CY)	-	-	-	-	-	-	-
			2024-25 (PY)	-	-	-	-	-	-	-
4	Advances	Outstanding as at Year End	2025-26 (CY)	-	-	-	-	-	-	-
			2024-25 (PY)	-	-	-	-	-	-	-
		Maximum Outstanding during the year	2025-26 (CY)	-	-	-	-	-	-	-
			2024-25 (PY)	-	-	-	-	-	-	-
5	Investments	Outstanding as at Year End	2025-26 (CY)	-	-	-	-	-	-	-
			2024-25 (PY)	-	45,001.00	-	581.49	-	-	581.49
		Maximum Outstanding during the year	2025-26 (CY)	-	45,001.00	-	794.74	-	-	794.74
			2024-25 (PY)	-	45,270.58	-	-	-	-	-
6	Purchase of fixed/ other assets		2025-26 (CY)	-	-	-	-	-	-	-
			2024-25 (PY)	-	-	-	-	-	-	-
7	Sale of fixed/other assets		2025-26 (CY)	-	-	-	-	-	-	-
			2024-25 (PY)	-	-	-	-	-	-	-
8	Interest paid		2025-26 (CY)	-	-	-	-	-	-	-
			2024-25 (PY)	-	-	-	-	-	-	-
9	Interest received		2025-26 (CY)	-	-	-	-	-	-	-
			2024-25 (PY)	-	-	-	-	-	-	-
10	Others	Money Received against Share warrants	2025-26 (CY)	5,133.35	-	-	-	-	-	5,133.35
			2024-25 (PY)	20,533.40	-	-	-	-	-	20,533.40
		Short-term employee benefits	2025-26 (CY)	-	-	-	581.49	-	-	581.49
			2024-25 (PY)	-	-	-	794.74	-	-	794.74
		Recovery of Expenses	2025-26 (CY)	-	300.00	-	-	-	-	300.00
			2024-25 (PY)	-	300.00	-	-	-	-	300.00

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

XXV - Others

Particulars		As at March 31, 2026	
		Amount outstanding	Amount overdue
Liabilities side :			
(1)	**Loans and advances availed by the NBFCs**		
	inclusive of interest accrued thereon but not paid:		
	(a) Debenture : Secured	2,88,489.51	-
	: Unsecured	-	-
	(b) Deferred Credits	-	-
	(c) Term Loans	1,59,358.44	-
	(d) Inter-corporate loans and borrowing	-	-
	(e) Commercial Paper	18,925.85	-
	(f) Public Deposits (Refer Note 2 below)	-	-
	(g) Other Loans	80,902.58	-
(2)	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued**		
	(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	-	-

Particulars		As at March 31, 2026
		Amount outstanding
Assets side :		
(3)	**Break-up of Loans and Advances including bills receivables (other than those included in (4) below):**	
	(a) Secured	7,75,225.31
	(b) Unsecured	9,784.84
(4)	**Break up of Leased Assets and stock on hire**	
	counting towards AFC activities	
	(i) Lease assets including lease rentals under sundry debtors :	
	(a) Financial lease	-
	(b) Operating lease	-
	(ii) Stock on Hire including hire charges under sundry debtors :	
	(a) Assets on hire	-
	(b) Repossessed Assets	-
	(iii) Other loans counting towards AFC Activities :	-
	(a) Loans where assets have been repossessed	-
	(b) Loans other than (a) above	-

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

Particulars		As at March 31, 2026 Amount outstanding
(5)	**Break-up of Investments :**	
	Current Investments :	
	1. Quoted :	
	(i) Shares : (a) Equity	-
	(b) Preference	-
	(ii) Debenture and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	17,734.31
	(v) Others (Please specify)	-
	2. Unquoted :	
	(i) Shares: (a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	21,595.06
	(iv) Government Securities	-
	(v) Others (Please specify)	-
	Long Term investments :	
	1. Quoted :	
	(i) Shares : (a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (Please specify)	-
	2. Unquoted :	
	(i) Shares : (a) Equity	1.00
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others: Securities receipts	58,863.30

(6) Borrower group-wise classification of assets, financed as in (3) and (4) above :

Category	Amount (Net of provisions)		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	7,34,206.44	9,240.33	7,43,446.77

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

(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	1.00	1.00
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2. Other than related parties	98,192.67	98,192.67

(8) Other information

Particulars	Amount
(i) Gross Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	37,469.38
(ii) Net Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	15,961.27
(iii) Assets acquired in satisfaction of debt (net)	700.00

Note: NPA represents Stage 3 loan assets and classified as Stage 3 as per Ind AS 109.

NOTE 47

The Company does not have any unhedged foreign currency exposure for the year ended March 31, 2026

NOTE 48

Figures for the previous year have been regrouped, and / or reclassified wherever considered necessary to make them comparable to the current year presentation.

In terms of our report attached
For M S K A & Associates LLP
(formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration Number: 105047W/W101187

Tushar Kurani
Partner
Membership No. 118580

Place: Sorrento, Italy
Date: May 27, 2026

For and on behalf of the Board of Directors of
IndoStar Capital Finance Limited

Naina Krishna Murthy
Non-Executive Independent Chairperson
DIN: 01216114

Randhir Singh
Managing Director & Executive Vice Chairman
DIN: 05353131

Jayesh Jain
Chief Financial Officer

Shikha Jain
Company Secretary

Place: Mumbai
Date: May 27, 2026

INDEPENDENT AUDITOR'S REPORT

To the Members of **INDOSTAR CAPITAL FINANCE LIMITED**

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying Consolidated Financial Statements of Indostar Capital Finance Limited (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), 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 Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including material accounting policy information and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on Separate Financial Statements and on the other financial information of subsidiary, 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 Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2026, of consolidated profit (including other comprehensive income), consolidated changes in equity and its consolidated cash flows 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 (SAs), as specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by other auditor in terms of their reports referred to in the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Sr. No.	Key Audit Matters	How the Key Audit Matters was addressed in our audit
1	**Impairment of loans including Expected Credit Losses ("ECL"):** Total Loans as at March 31, 2026: ₹ 7,43,446.77 lakhs (net of ECL) Impairment Provision as at March 31, 2026: ₹ 41,563.38 lakhs (Refer Note 5 of the Consolidated Financial Statements)	**Our audit procedures in respect of this area included, but not limited to:** • Obtained and read Company's Board approved policies on ECL and evaluated the appropriateness of the Company's accounting policies for impairment of financial instruments and assessed compliance of the same with Indian Accounting Standard 109-Financial Instruments ('Ind AS 109').
	As per Ind AS 109 - Financial Instruments ("Ind AS 109") requires the Company to provide for impairment of its financial assets using ECL approach involving an estimation of probability of loss on such financial assets, considering reasonable and supportable information about past events, current conditions and forecasts of future economic conditions which could impact the credit quality of the Company's financial assets. The estimation of impairment loss allowance on loan assets involves significant judgement and estimates, which are subject to uncertainty, and involves applying appropriate measurement principles in case of loss events. ECL is calculated using the percentage of probability of default ("PD"), loss given default ("LGD") and exposure at default ("EAD") for each of the stages of loan portfolio. Significant management judgment and assumptions involved in measuring ECL is required with respect to: • Segmentation of loan book in buckets based on common risk characteristics; • Staging of loans and in particular determining the criteria, which includes qualitative factors for identifying a significant increase in credit risk (i.e. Stage 2) and credit-impaired (i.e. Stage 3); • Factoring in future macro-economic and industry specific estimates and forecasts; • past experience and forecast data on customer behaviour on repayments and; • varied statistical modelling techniques to determine probability of default, loss given default and exposure at default basis, the default history of loans, subsequent recoveries made and other relevant factors using probability weighted scenarios. The Expected Credit Loss ('ECL') is measured at 12- month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. The management has calculated the PD and LGD as follows: • For new products launched from time to time and where the Company does not have sufficient historical data to estimate PD, the Company has engaged external leading credit bureau and accordingly PD rates have been considered based on industry data sourced from the aforesaid credit bureau.	• Performed a walkthrough of the impairment loss allowance process, and assessed the design and tested operating effectiveness of the key controls over completeness and accuracy of the key inputs (including loan book as at March 31, 2026) and assumptions considered for calculation, recording and monitoring of the impairment loss recognized. These controls, amongst others, included controls over the staging of the loan portfolio along with passing of journal entries and preparing disclosures. • We, along with the assistance of the auditor's expert, tested the modelling assumptions and inputs which are based on industry experience (new products) as collated by external credit bureau in line with the Company's ECL policy. While for remaining loan portfolio, since modelling assumptions and parameters are based on historical data, assessed whether historical experience was representative of current circumstances and was relevant in view of the recent impairment losses incurred within the portfolios. • Verified the completeness of loans included in the ECL calculations as of March 31, 2026. • Selected samples and verified appropriateness of classification of loan assets in stage 1, 2 and 3 in accordance with the policy approved by the Board of Directors. • Selected samples of exposure and verified the appropriateness of determining EAD, PD and LGD. Further, also checked the appropriateness of information used in the estimation of PD and LGD for the different stages depending on the nature of the portfolio. • Evaluated the appropriateness of the Company's determination of significant increase in credit risk in accordance with the applicable Ind AS and the basis for classification of various exposures into various stages. For a sample of exposures, also tested the appropriateness of the Company's categorization across various stages; • Obtained the management's rational for writing off the loans during the current year and tested for appropriate management approvals in line with approved write off policy. • Assessed the appropriateness and adequacy of the related presentation and disclosures of Note 32 "Financial instruments – fair values" disclosed in the accompanying Consolidated Financial Statements in accordance with the applicable accounting standards and related Reserve Bank of India ('RBI') circulars.

Sr. No.	Key Audit Matters	How the Key Audit Matters was addressed in our audit
	• For the remaining portfolio, the Company continues to use their existing internally developed modelling techniques using historical observable data and inputs to estimate PD and LGD. Refer Note 2(f) of material accounting policies, Note 26 for the details of provision and Note 32(e) for credit risk disclosures Considering the significance of the above matter to the Financial Statements and since the matter required significant attention to test the calculation of ECL, we identified this as a key audit matter for current year audit.	
2	**Information Technology ("IT") systems and controls impacting financial controls** Information Technology ("IT") systems and controls impacting financial controls The Company key financial accounting and reporting processes are highly dependent on information systems including automated controls in systems, such that there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being misstated. Amongst its multiple IT systems, we scoped in systems that are key for overall financial reporting. Appropriate IT general controls and application controls are required to ensure that such IT systems are able to process the data, as required, completely, accurately and consistently for reliable financial reporting. We have identified 'IT systems and controls' as a key audit matter considering the high level of automation, significant number of systems being used by Management and the complexity of the IT architecture and its impact on overall financial reporting process and regulatory expectation on automation.	**Key IT audit procedures performed included the following, but not limited to:** • For testing the IT general controls, application controls and IT dependent manual controls, we involved IT specialists as part of the audit. The team also assisted in testing the accuracy of the information produced by the Company IT systems. • Obtained a comprehensive understanding of IT applications landscape implemented at the Company. It was followed by process understanding, mapping of applications to the same and understanding financial risks posed by people-process and technology. • Key IT audit procedures includes testing design and operating effectiveness of key controls operating over user access management (which includes user access provisioning, de-provisioning, access review, password configuration review, segregation of duties and privilege access), change management (which include change release in production environment are compliant to the defined procedures and segregation of environment is ensured), program development, computer operations (which includes testing of key controls pertaining to backup, Batch processing (including interface testing), incident management and data centre security), System interface controls. This included testing that requests for access to systems were appropriately logged, reviewed, and authorized. • In addition to the above, the design and operating effectiveness of certain automated controls, that were considered as key internal system controls over financial reporting were tested. Using various techniques such as inquiry, review of documentation / record / reports, observation, and re-performance. We also tested few controls using negative testing technique. • Tested compensating controls and performed alternate procedures, where necessary. In addition, understood where relevant changes made to the IT landscape during the audit period.

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Repot but does not include the Consolidated Financial Statements and our auditor's report thereon. The Annual Report is expected to be made available to us after that date.

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

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

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

RESPONSIBILITIES OF MANAGEMENT AND BOARD OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act and RBI Guidelines. The respective Management and Board of Directors of the company included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated 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 Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Management and Board of Directors of the company included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management and Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Management and Board of Directors of the company included in the Group are responsible for overseeing the financial reporting process of each company.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 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 Holding Company has adequate internal financial controls with reference to Consolidated Financial Statements 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 and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- 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 associates and jointly controlled entities 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 or business activities 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

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTER:

We did not audit the interim financial information of Niwas Housing Finance Private Limited (formerly known as IndoStar Home Finance Private Limited), (which ceased to be a subsidiary w.e.f. June 27, 2025), whose interim financial information reflects net profit after tax from the discontinued operation of ₹ 1,008.42 lakhs (before consolidation adjustments) and total comprehensive income of ₹ 994.84 lakhs (before consolidation adjustments) for the period from April 01, 2025 to June 26, 2025. These financial information are unaudited and have been furnished to us by the Management of the Holding Company and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, this financial information is not material to the Group.

We did not audit the financial statements of IndoStar Asset Advisory Private Limited a subsidiary, whose financial statement reflect total assets of ₹ 508.15 Lakhs (before Consolidation adjustments) as at March 31, 2026, total revenues of ₹ 22.82 Lakhs (before Consolidation adjustments), net profit (including other comprehensive income) of ₹ 15.68 Lakhs (before Consolidation adjustments) and net cash inflows amounting to ₹ 10.18 Lakhs for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditor whose reports have been furnished to us by the Management of the Holding Company and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditor.

Our opinion on the Consolidated Financial Statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor and unaudited financial information furnished to us by the Management of the Holding Company.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditor on separate financial statements and the other financial information of the subsidiary 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, except for the matters stated in paragraph 1(h)(vi) below on reporting under Rule 11(g).

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows 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 Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, none of the directors of the Group companies are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 1(b) above on reporting under Section 143(3)(b) and paragraph 1(h)(vi) below on reporting under Rule 11(g).

   (g) With respect to the adequacy of internal financial controls with reference to Consolidated Financial Statements of the Group, the operating effectiveness of such controls, refer to our separate report in "Annexure A".

   (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, 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 auditor on separate financial statements and the other financial information of the subsidiary referred to in the Other Matters section above:

      i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group Refer Note 36 to the Consolidated Financial Statements.

      ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The Group does not have any material foreseeable losses on derivative contracts - Refer Note 36 to the Consolidated Financial Statements

in respect of such items as it relates to the Group.

iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary Company during the year ended March 31, 2026.

iv. a) The respective Managements of the Holding Company and its subsidiary incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary, to the best of their knowledge and belief, as disclosed in the note 43.2 (i) to the Consolidated Financial Statements, 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 Holding Company or any of such subsidiary 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, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) The respective Managements of the Holding Company and its subsidiary which are company incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary respectively that, to the best of their knowledge and belief, as disclosed in the note 43.2 (i) to Consolidated Financial Statements, no funds have been received by the Holding Company or any of such subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary which are company incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

v. In our opinion and according to the information and explanations given to us, the Holding Company and its subsidiary has neither declared nor paid any dividend during the year.

vi. Based on our examination which included test checks, and based on the other auditor's reports of its subsidiary incorporated in India whose financial statements have been audited under the Act, except for the instance mentioned below, the Holding Company and its subsidiary incorporated in India have used accounting software for maintaining their respective books of account for the year ended March 31, 2026, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, and further, during the course of audit of the holding company and for above referred subsidiary we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior year has been preserved by the holding Company and above referred subsidiary as per the statutory requirements for record retention as explained in Note 43.2 (k) to the Consolidated Financial Statements.

Instances where audit trail feature was enabled at the database level during the year in respect of certain accounting software(s) to log any direct data changes as explained in Note 43.2 (k) to the Consolidated Financial Statements.	In respect of Holding Company
Instance of the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in respective years as explained in Note 43.2 (k) to the Consolidated Financial Statements.	In respect of Holding Company

2. In our opinion, according to information, explanations given to us and based on the consideration of the reports of the other auditor referred to in the Other Matters section above, the remuneration paid or provided by the Holding Company to its respective Directors is in accordance with the provisions of this section 197 of the Act. Further, we report that a subsidiary company incorporated in India have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary.

3. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("CARO") issued by the Central Government in terms of sub-section (11) of section 143 of the Act, to be included in the Auditor's report, according to the information and explanations given to us, based on the CARO reports issued by us and the auditors of a subsidiary included in the Consolidated Financial Statements, as provided to us by the Management of the Holding company, we report that there are no qualifications or adverse remarks by the auditors of a subsidiary in the CARO reports of the said company included in the Consolidated Financial Statements.

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration Number: 105047W/ W101187

Tushar Kurani
Partner
Membership Number: 118580
UDIN: 26118580WUGQQB9869

Sorrento, Italy
May 27, 2026

ANNEXURE "A"

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF INDOSTAR CAPITAL FINANCE LIMITED

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of **Indostar Capital Finance Limited** on the Consolidated Financial Statements for the year ended March 31, 2026]

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

OPINION

In conjunction with our audit of the Consolidated Financial Statements of the Indostar Capital Finance Limited (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which are companies incorporated in India, as of that date.

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 on internal financial controls with reference to financial statements referred to in the Other Matters section below, the Group, have, in all material respects, an adequate internal financial controls 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 financial controls with reference to financial statements 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

MANAGEMENT'S AND BOARD OF DIRECTOR'S RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The respective Management and the Board of Directors of the Group, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to Consolidated Financial Statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI. 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 Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated Financial Statements of the Group, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to 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 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 Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to Consolidated Financial Statements of the Group.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A company's internal financial control with reference to 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 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OTHER MATTERS

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 a subsidiary, which is company incorporated in India, is based on the corresponding reports of the auditor of such company incorporated in India. Our opinion is not modified in respect of this matter.

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration Number: 105047W/ W101187

Tushar Kurani
Partner
Membership Number: 118580
UDIN: 26118580WUGQQB9869

Sorrento, Italy
May 27, 2026

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

Particulars	Note	As at March 31, 2026	As at March 31, 2025
I. ASSETS			
Financial assets			
Cash and cash equivalents	3 (a)	3,615.74	9,604.87
Bank balances other than cash and cash equivalents	3 (b)	27,421.99	32,639.06
Derivative financial instruments	4	1,194.74	-
Loans	5	7,43,446.77	7,21,651.85
Investments	6	98,192.67	1,81,818.45
Other financial assets	7	5,862.97	12,102.59
		8,79,734.88	**9,57,816.82**
Non-financial assets			
Current tax assets (net)	8	1,255.84	1,138.23
Deferred tax assets (net)	9	31,766.52	31,674.65
Property, plant and equipment	10	4,974.34	5,955.24
Assets acquired in satisfaction of claim	11	700.00	1,300.00
Goodwill	12	30,018.69	30,018.69
Other intangible assets	12	487.22	539.00
Other non-financial assets	13	2,713.43	2,922.89
Non - current assets held for sale	14	-	2,94,224.04
		71,916.04	**3,67,772.74**
TOTAL ASSETS		**9,51,650.92**	**13,25,589.56**
II. LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Trade payables	15		
(i) total outstanding to micro enterprises and small enterprises		5.01	6.23
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		2.16	1.82
Debt securities	16	3,07,415.36	3,79,218.64
Borrowings (other than debt securities)	17	2,40,261.02	3,12,429.59
Other financial liabilities	18	22,055.97	40,299.48
		5,69,739.52	**7,31,955.76**
Non-financial liabilities			
Current tax liabilities (net)	8	1,058.83	-
Provisions	19	1,828.23	901.31
Other non-financial liabilities	20	762.20	745.03
Liabilities for assets held for sale	14	-	2,28,445.14
		3,649.26	**2,30,091.48**
TOTAL LIABILITIES		**5,73,388.78**	**9,62,047.24**
EQUITY			
Equity share capital	21	16,153.73	13,609.74
Other equity	22	3,62,108.41	3,49,932.58
TOTAL EQUITY		**3,78,262.14**	**3,63,542.32**
TOTAL LIABILITIES AND EQUITY		**9,51,650.92**	**13,25,589.56**

See accompanying notes forming part of the consolidated financial statements 1 to 44

In terms of our report attached
For M S K A & Associates LLP
(formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration Number: 105047W/W101187

Tushar Kurani
Partner
Membership No. 118580

Place: Sorrento, Italy
Date: May 27, 2026

For and on behalf of the Board of Directors of
IndoStar Capital Finance Limited

Naina Krishna Murthy
Non-Executive Independent Chairperson
DIN: 01216114

Randhir Singh
Managing Director & Executive Vice Chairman
DIN: 05353131

Jayesh Jain
Chief Financial Officer

Shikha Jain
Company Secretary

Place: Mumbai
Date: May 27, 2026

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

Particulars	Note	For the year ended March 31, 2026	For the year ended March 31, 2025
REVENUE FROM OPERATIONS	23		
Interest income		1,26,274.48	1,19,678.75
Fees and commission income		9,993.54	11,963.66
Net gain on fair value changes		3,043.97	3,244.16
Net gain on derecognition of financial instruments measured at amortised cost category		-	5,529.92
Total revenue from operations		**1,39,311.99**	**1,40,416.49**
Other income	24	69.16	549.39
Total income		**1,39,381.15**	**1,40,965.88**
EXPENSES			
Finance cost	25	62,116.06	74,083.99
Impairment on financial instruments	26	1,14,321.86	13,752.34
Employee benefit expenses	27	33,475.07	29,771.41
Depreciation and amortisation expenses	28	2,886.54	3,061.80
Other expenses	29	14,235.41	15,042.19
Total expenses		**2,27,034.94**	**1,35,711.73**
Profit/(loss) before exceptional items and tax		**(87,653.79)**	**5,254.15**
Exceptional Items		**1,17,595.00**	**-**
Profit/(loss) before tax from continuing operations		**29,941.21**	**5,254.15**
Tax expense:	30		
1. Current tax		16,905.38	5.69
2. Tax of earlier years		-	0.12
3. Deferred tax expenses		-	-
Total tax expenses		**16,905.38**	**5.81**
Profit/(loss) after tax from continuing operations		**13,035.83**	**5,248.34**
Discontinued operations	14		
Profit before tax (a)		1,358.78	9,086.15
Tax expenses (b)		350.36	2,282.42
Profit after tax from discontinued operation (a-b)		**1,008.42**	**6,803.73**
Profit after tax		**14,044.25**	**12,052.07**
Other comprehensive income			
Items that will not be reclassified to profit and loss			
- Remeasurements of the defined benefit plans		(70.51)	(126.35)
- Income tax relating to items that will not be reclassified to profit or loss		17.75	31.81
		(52.76)	**(94.54)**
Items that will be reclassified to profit and loss			
- Debt instruments through other comprehensive income		(312.65)	20.00
- Income tax relating to items that will be reclassified to profit or loss		78.69	(5.05)
		(233.96)	**14.95**
Other comprehensive income for the year, net of tax		**(286.72)**	**(79.59)**
Total comprehensive income for the year		**13,757.53**	**11,972.48**
Earnings per equity share	31		
(Equity Share of face value of ₹10 each)			
Continuing operations:			
Basic earnings per share (₹)		9.03	3.86
Diluted earnings per share (₹)		9.02	3.73
Discontinued operations:			
Basic earnings per share (₹)		0.70	5.00
Diluted earnings per share (₹)		0.70	4.84
Total Earning			
Basic earnings per share (₹)		9.73	8.86
Diluted earnings per share (₹)		9.72	8.57

See accompanying notes forming part of the consolidated financial statements 1 to 44

In terms of our report attached
For M S K A & Associates LLP
(formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration Number: 105047W/W101187

Tushar Kurani
Partner
Membership No. 118580

Place: Sorrento, Italy
Date: May 27, 2026

For and on behalf of the Board of Directors of
IndoStar Capital Finance Limited

Naina Krishna Murthy
Non-Executive Independent Chairperson
DIN: 01216114

Randhir Singh
Managing Director & Executive Vice Chairman
DIN: 05353131

Jayesh Jain
Chief Financial Officer

Shikha Jain
Company Secretary

Place: Mumbai
Date: May 27, 2026

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit/(loss) before tax from continuing operations	29,941.21	5,254.15
	Adjustments for :		
	Interest income on financial assets	(1,26,274.48)	(1,19,678.75)
	Finance costs	62,116.06	74,083.99
	Depreciation and amortisation expense	2,886.54	3,061.80
	(Profit) / Loss on sale of property plant and equipment	(8.35)	(4.40)
	Impairment on financial instruments	1,14,321.86	13,752.34
	Provision for employee benefits	1,005.76	351.55
	Employee share based payment expense	1,158.31	2,203.70
	Net gain on fair value changes	(1,20,638.97)	(3,244.16)
	Net gain on derecognition of financial instruments measured at amortised cost category	-	(5,529.92)
		(35,492.06)	**(29,749.70)**
	Interest income realised on financial assets	1,23,984.16	1,15,399.63
	Finance costs paid	(53,855.25)	(69,788.94)
	Cash generated from operating activities before working capital changes	**34,636.85**	**15,860.99**
	Adjustments:		
	(Increase)/Decrease in loans and advances	(98,276.45)	(1,75,031.30)
	(Increase)/Decrease in other financial assets	6,280.64	26,831.58
	(Increase)/Decrease in other non-financial assets	209.46	1,412.60
	Increase/(Decrease) in trade payable	(0.88)	(122.27)
	Increase/(Decrease) in other financial liabilities	(25,796.55)	18,519.15
	Increase/(Decrease) in other non-financial liabilities	17.17	20.19
	Cash generated from / (used in) operating activities	**(82,929.76)**	**(1,12,509.06)**
	Taxes (paid) / refund	(15,964.16)	6,395.87
	Net cash generated from / (used in) operating activities (A)	**(98,893.92)**	**(1,06,113.19)**
B	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Purchase of property, plant and equipment	(869.00)	(2,155.81)
	Sale of property, plant and equipment	74.35	6.79
	Purchase of intangible assets	(560.67)	(245.14)
	Proceeds/(Investment) in bank deposits of maturity greater than 3 months (net)	5,217.07	(3,463.28)
	(Acquisition)/redemption of investments measured at FVTPL (net)	30,961.51	(29,545.44)
	(Acquisition)/redemption of investments measured at FVOCI (net)	14,567.50	(14,471.43)
	(Acquisition)/redemption of investments measured at amortised cost (net)	5,889.24	19,369.22
	Proceeds from sale of subsidiary	1,70,595.00	-
	Net cash generated from/(used in) investing activities (B)	**2,25,875.00**	**(30,505.09)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from issue of shares (including securities premium and net off of share issue expenses)	21,240.68	25,282.42
	Proceeds from bank borrowings	1,07,704.78	2,83,399.66
	Repayments towards bank borrowings	(1,81,777.51)	(2,47,604.83)
	Proceeds from issuance of Non-Convertible Debentures	1,15,000.00	1,15,558.54
	Repayments towards Non-Convertible Debentures	(1,60,507.00)	(1,14,300.00)
	Proceeds from Commercial Papers	64,000.00	1,32,000.00
	Repayment of Commercial Papers	(97,500.00)	(86,300.00)

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Payment of lease liabilities	(1,131.16)	(1,060.52)
Net cash generated from/(used in) financing activities (C)	**(1,32,970.21)**	**1,06,975.27**
Net Increase / (decrease) in cash and cash equivalents (A) + (B) + (C)	**(5,989.13)**	**(29,643.01)**
Cash and Cash Equivalents at the beginning of the year	**9,604.87**	**39,247.88**
Cash and Cash Equivalents at the end of the year	**3,615.74**	**9,604.87**
Reconciliation of cash and cash equivalents with the balance sheet		
Cash on hand	406.44	533.99
Balances with banks		
- in current accounts	2,809.30	1,668.73
Deposits with original maturity of less than 3 months	400.00	7,402.15
Total	**3,615.74**	**9,604.87**

Net cash flow from discontinued operation (Refer note 14)

Particulars	For the year ended March 31, 2026	For the Year ended March 31, 2025
Net cash (used in)/generated from operating activities (A)	-	(65,037.64)
Net cash (used in)/generated from investing activities (B)	-	(3,822.82)
Net cash (used in)/generated from financing activities (C)	-	70,130.99
Net increase in cash and cash equivalents (A) + (B) + (C)	-	1,270.53
Cash and Cash Equivalents at the beginning of the year	-	22,142.54
Cash and Cash Equivalents at the end of the year	-	23,413.07
Cash and Cash Equivalents at the end of the year (continuing and discontinued operations)	**3,615.74**	**33,017.94**

See accompanying notes forming part of the consolidated financial statements 1 to 44

In terms of our report attached
For M S K A & Associates LLP
(formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration Number: 105047W/W101187

Tushar Kurani
Partner
Membership No. 118580

Place: Sorrento, Italy
Date: May 27, 2026

For and on behalf of the Board of Directors of
IndoStar Capital Finance Limited

Naina Krishna Murthy
Non-Executive Independent Chairperson
DIN: 01216114

Randhir Singh
Managing Director & Executive Vice Chairman
DIN: 05353131

Jayesh Jain
Chief Financial Officer

Shikha Jain
Company Secretary

Place: Mumbai
Date: May 27, 2026

(a) Equity share capital of face value of ₹ 10/- each

Particulars	Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity Share Capital during the current year	Balance at the end of the current reporting period
As at March 31, 2026	13,609.74	-	13,609.74	2,543.99	16,153.73
As at March 31, 2025	13,607.93	-	13,607.93	1.81	13,609.74

(b) Other equity

Particulars	Share application money pending allotment	Reserves and surplus							Debt instruments through other comprehensive income	Money received against share warrant	Total
		Securities Premium Account	Statutory Reserves U/s 45-1C	Statutory Reserve U/s Section 29C	Capital Reserve	Share options outstanding account	General reserves	Retained earnings			
(i) Balance at April 01, 2025	**10.95**	**2,91,967.65**	**32,134.89**	**4,530.38**	**0.43**	**4,485.53**	**3,826.31**	**(12,567.97)**	**11.01**	**25,533.40**	**3,49,932.58**
Profit after tax for the year	-	-	-	-	-	-	-	14,044.25	-	-	14,044.25
Debt instruments through other comprehensive income	-	-	-	-	-	-	-	-	(233.96)	-	(233.96)
Gain/loss on re-measurement of defined benefit plans	-	-	-	-	-	-	-	(52.76)	-	-	(52.76)
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**13,991.49**	**(233.96)**	**-**	**13,757.53**
Proceeds from issue of shares (net)	(1,107.31)	44,230.09	-	-	-	-	-	-	-	(45,666.75)	(2,543.97)
Transferred from Retained earnings	-	-	2,604.03	201.68	-	-	-	(2,805.71)	-	-	-
Share application money received	1,096.36	-	-	-	-	-	-	-	-	-	1,096.36
Share based payment expense	-	-	-	-	-	1,158.30	-	-	-	-	1,158.30
Share based payment expense - discontinued operations	-	-	-	-	-	64.71		-	-	-	64.71
Transfer from ESOP reserves	-	534.10	-	-	-	(958.97)	424.87	-	-	-	-
Money received against share warrant	-	-	-	-	-	-	-	-	-	20,133.35	20,133.35
Share issue expenses	-	-	-	-	-	-	-	-	-	-	-
Adjustments for discontinued operations	-	-	-	(4,732.06)	-	(615.68)	(269.58)	(15,873.13)	-	-	(21,490.45)
Balance at March 31, 2026	**-**	**3,36,731.84**	**34,738.92**	**-**	**0.43**	**4,133.89**	**3,981.60**	**(17,255.32)**	**(222.95)**	**-**	**3,62,108.41**

(b) Other equity (Contd.)

Particulars	Share application money pending allotment	Reserves and surplus							Debt instruments through other comprehensive income	Money received against share warrant	Total
		Securities Premium Account	Statutory Reserves U/s 45-1C	Statutory Reserve U/s Section 29C	Capital Reserve	Share options outstanding account	General reserves	Retained earnings			
(ii) Balance at April 01, 2024	**-**	**2,92,207.63**	**31,083.07**	**3,175.09**	**0.43**	**2,122.74**	**3,447.24**	**(22,118.39)**	**(3.94)**	**-**	**3,09,913.87**
Profit after tax for the year	-	-	-	-	-	-	-	12,052.07	-	-	12,052.07
Debt instruments through other comprehensive income	-	-	-	-	-	-	-	-	14.95	-	14.95
Gain/loss on re-measurement of defined benefit plans	-	-	-	-	-	-	-	(94.54)	-	-	(94.54)
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**11,957.53**	**14.95**	**-**	**11,972.48**
Proceeds from issue of shares (net)	-	30.43	-	-	-	-	-	-	-	-	30.43
Transferred from Retained earnings	-	-	1,051.82	1,355.29	-	-	-	(2,407.11)	-	-	-
Share application money received	10.95	-	-	-	-	-	-	-	-	-	10.95
Share based payment expense	-	-	-	-	-	2,203.70	-	-	-	-	2,203.70
Share based payment expense - discontinued operations	-	-	-	-	-	550.97	-	-	-	-	550.97
Transfer from ESOP reserves	-	12.81	-	-	-	(391.88)	379.07	-	-	-	-
Money received against share warrant	-	-	-	-	-	-	-	-	-	25,533.40	25,533.40
Share issue expenses	-	(283.22)	-	-	-	-	-	-	-	-	(283.22)
Adjustments for discontinued operations	-	-	-	-	-	-	-	-	-	-	-
Balance at March 31, 2025	**10.95**	**2,91,967.65**	**32,134.89**	**4,530.38**	**0.43**	**4,485.53**	**3,826.31**	**(12,567.97)**	**11.01**	**25,533.40**	**3,49,932.58**

See accompanying notes forming part of the consolidated financial statements 1 to 44

In terms of our report attached
For M S K A & Associates LLP
(formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration Number: 105047W/W101187

Tushar Kurani
Partner
Membership No. 118580

Place: Sorrento, Italy
Date: May 27, 2026

For and on behalf of the Board of Directors of
IndoStar Capital Finance Limited

Naina Krishna Murthy
Non-Executive Independent Chairperson
DIN: 01216114

Randhir Singh
Managing Director & Executive Vice Chairman
DIN: 05353131

Jayesh Jain
Chief Financial Officer

Shikha Jain
Company Secretary

Place: Mumbai
Date: May 27, 2026

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

1 CORPORATE INFORMATION

IndoStar Capital Finance Limited ('the Company' or 'ICFL') was incorporated on July 21, 2009 and is domiciled in India. The Company is registered with the Reserve Bank of India (RBI) as a Systemically Important Non-Deposit taking Non-Banking Financial Company (NBFC-ND-SI) vide Certificate No. N-13.02109. The Company has been classified as Middle Layer as per Master Direction- Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025 dated November 28, 2025, as amended. The Company is also registered as Corporate Agent with the Insurance Regulatory and Development Authority (IRDAI) wide Certificate of Registration dated February 21, 2024. The Company together with its subsidiaries (collectively, the Group), is primarily engaged in lending activities.

IndoStar Capital Finance Limited is engaged in business of lending to used and new Commercial Vehicles, Corporates, SME businesses and Micro lap. The Company has two subsidiaries during the year, IndoStar Asset Advisory Private Limited which is primarily engaged in business of investment advisory and asset management services and Niwas Housing Finance Limited (Formerly known as Niwas Housing Finance Private Limited) which is engaged in housing finance business.

2 BASIS OF PREPARATION, BASIS FOR CONSOLIDATION AND MATERIAL ACCOUNTING POLICIES

2.1.a Statement of compliance with Indian Accounting Standards ('Ind AS')

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and presented in the format prescribed in the Division III to Schedule III to the Act applicable for Non Banking Financial Companies ("NBFC"). The consolidated financial statements have been prepared under the historical cost convention, as modified by the application of fair value measurements required or allowed by relevant accounting standards. Accounting policies have been consistently applied to all periods presented, unless otherwise stated.

The financial statements are prepared on a going concern basis, as the management is satisfied that the Group shall be able to continue its business for the foreseeable future . In making this assessment, the management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources.

2.1.b Basis for Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2026. The Company consolidates a subsidiary when it controls it. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the sise and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Company, i.e., year ended on March 31, 2026.

The consolidated financial results includes financial statement / financial information of the following wholly owned subsidiaries:

(a) Niwas Housing Finance Limited (formerly Niwas Housing Finance Private Limited) (upto June 30, 2025, also refer note 14); and

(b) IndoStar Asset Advisory Private Limited

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction.

2.2 Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division III to Schedule III to the Act applicable for Non Banking Financial Companies ("NBFC"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Division III to Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- the normal course of business;
- the event of default;
- the event of insolvency of bankruptcy of the Group or its counterparties.

2.3 Material Accounting Policies

a) Financial Instruments

Financial assets and financial liabilities can be termed as financial instruments.

Financial instruments are recognised when the Company becomes a party to the contractual terms of the instruments.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

(i) Classification of Financial Instruments

The Group classifies its financial assets into the following measurement categories:

1. Financial assets to be measured at amortised cost
2. Financial assets to be measured at fair value through other comprehensive income
3. Financial assets to be measured at fair value through profit or loss account

The classification depends on the contractual terms of the financial assets' cash flows and the Group's business model for managing financial assets.

The Group classifies its financial liabilities at amortised cost unless it has designated liabilities at fair value through the profit and loss account or is required to measure liabilities at fair value through profit or loss (FVTPL) such as derivative liabilities. Financial liabilities, other than loan commitments and financial guarantees, are measured at FVTPL when they are derivative instruments or the fair value designation is applied.

(ii) Assessment of business model and cash flows for financial assets

Business model assessment

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Group's business model determines whether the cash flows will be generated by collecting contractual cash flows, selling financial assets or by both.

The Group's business model is assessed at portfolio level and not at instrument level, and is based on observable factors such as:

(i) How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;

(ii) The risks that affect the performance of the business model and, in particular, the way those risks are managed; and

(iii) The expected frequency, value and timing of sales are also important aspects of the Group's assessment. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account.

Solely payment of principal and interest (SPPI) test

Subsequent to the assessment to the relevant business model of the financial assets, the Group assesses the contractual terms of financial assets to identify whether the cash flow realised are towards solely payment of principal and interest.

'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. The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk.

(iii) Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value.

(iv) Classification of Financial Instruments as per business model and SPPI test

(a) Loans and Debt instruments at amortised cost

A 'loan or debt instrument' is measured at the amortised cost if both the following conditions are met:

i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

ii) The contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss.

(b) Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to sole payments of principal and interest on the principal amount outstanding and by selling financial assets.

(c) Financial assets at fair value through profit or loss (FVTPL)

Financial assets at fair value through profit or loss are those that are either held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Ind AS 109. Management only designates an instrument at FVTPL upon initial recognition when one of the following criteria are met (such designation is determined on an instrument-by-instrument basis):

The designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or recognising gains or losses on them on a different basis.

Financial assets at FVTPL are recorded in the balance sheet at fair value. Changes in fair value are recorded in statement of profit and loss.

(d) Debt securities and other borrowed funds

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the EIR. A compound financial instrument which contains both a liability and an equity component is separated at the issue date.

(e) Financial guarantees

Financial guarantees are initially recognised in the financial statements (within 'Provisions') at fair value, being the premium/deemed premium received. Subsequent to initial recognition, the Group's liability under each guarantee is measured at the higher of (i) the amount initially recognised less cumulative amortisation recognised in the Statement of Profit and Loss and (ii) the amount of loss allowance. The premium/deemed premium is recognised in the statement of Profit and Loss on a straight line basis over the life of the guarantee.

(f) Undrawn loan commitments

Undrawn loan commitments are commitments under which, over the duration of the commitment, the Group is required to provide a loan with pre-specified terms to the customer. Undrawn loan commitments are in the scope of the ECL requirements.

(v) Reclassification of financial assets and liabilities

The Group does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

which the Group acquires, disposes of, or terminates a business line.

(vi) Derecognition of financial assets in following circumstances

(a) Derecognition of financial assets due to substantial modification of terms and conditions

The Group derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially it becomes a new loan with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be credit-impaired at the origination date.

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Group records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

(b) Derecognition of financial assets other than due to substantial modification

Financial assets

A financial asset or a part of financial asset is derecognised when the rights to receive cash flows from the financial asset have expired. The Group also derecognises the financial asset if it has transferred the financial asset and the transfer qualifies for derecognition.

The Group has transferred the financial asset if, and only if, either:

- The Group has transferred its contractual rights to receive cash flows from the financial asset; or
- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows.

A transfer only qualifies for derecognition if either:

- The Group has transferred substantially all the risks and rewards of the asset; or
- The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Group has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Group's continuing involvement, in which case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Write off

The Group writes off financial assets when there is evidence of severe financial difficulty of the borrower and no reasonable expectation of recovery. In line with internal policy, write-offs are generally initiated at 365 days past due (DPD) for vehicle loans and SME exposures, and at 455 days past due for specified Loan against property (Micro LAP) loan categories, unless warranted earlier based on recovery assessment. Notwithstanding write-off, such accounts continue to be pursued under the Company's recovery and enforcement processes, including legal recourse where appropriate. Any subsequent recoveries are recognised in the Statement of Profit and Loss.

(vii) Derecognition of Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in statement of profit or loss.

b) Fair Value Measurement

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Group measures certain categories of financial instruments at fair value on each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i. In the principal market for the asset or liability, or

ii. In the absence of a principal market, in the most advantageous market for the asset or liability

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly;

Level 3: inputs for the asset or liability that are not based on observable market data.

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred, if any.

c) Property plant and equipment

Recognition and measurement

Property, plant and equipment (PPE) is recognised when it is probable that the future economic benefits associated with it will flow to the Company and the cost can be measured reliably.

Property, plant and equipment (PPE) are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the year till such assets are ready to be put to use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Gains or losses arising from derecognition of such assets are measured as the difference between the net disposal proceeds and the

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Subsequent expenditure

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate only if it is probable that the future economic benefits associated with the item will flow to the Group and that the cost of the item can be reliably measured. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repair and maintenance expenses are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation

Depreciation is provided on Straight Line Method ('SLM'), which reflects the management's estimate of the useful life of the respective assets. The estimated useful life used to provide depreciation are as follows:

Particulars	Estimated useful life by the Group	Useful life as prescribed by Schedule II of the Companies Act 2013
Computers	3 years	3 years
Office Equipment	5 years	5 years
Office Equipment - mobiles	2 years	5 years
Furniture and fixtures	5 years	10 years
Servers and networks	5 years	6 years

Property, plant and equipment items individually costing less than ₹ 5,000 are depreciated fully in the year of purchase.

Leasehold improvement is amortised on Straight Line Method over the lease term, subject to a maximum of 60 months.

Useful life of assets different from prescribed in Schedule II of the Act has been estimated by management and supported by technical assessment.

The right-of-use assets are depreciated from the date of commencement of the lease on a straight-line basis over the lease term.

Useful life of assets different from prescribed in Schedule II of the Act has been estimated by management and supported by technical assessment. Depreciation on assets acquired/ sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss till the date of sale.

The useful lives and the method of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

d) Intangible assets

Recognition and measurement

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Group. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition.

Amortisation

Intangible assets are amortised using the straight line method over a period of 3 years, which is the management's estimate of its useful life. The amortisation period and the amortisation method are reviewed at least as at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the statement of Profit and Loss.

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e) Business Combination and goodwill thereon

Business combinations other than under common control are accounted for using the acquisition method. The cost of an acquisition is measured at the value which is aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. The identifiable assets acquired and the liabilities assumed are recognised at their fair values, as on date of acquisition. Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date.

Measurement

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. In case the excess is on account of bargain purchase, the gain is recognised directly in equity as capital reserve. When the transaction is of nature other than bargain purchase, then the gain is recognised in OCI and accumulated in equity as capital reserve.

f) Impairment

(i) Financial Assets

(a) Expected Credit Loss (ECL) principles for Financial assets

The Group records allowance for expected credit losses for all loans, other debt financial assets not held at FVTPL, undrawn loan commitments (referred to as 'financial instruments').

For the computation of ECL on the financial instruments, the Group categories its financial instruments as mentioned below:

Stage 1: All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The Group classifies all advances upto 30 days overdue under this category.

Stage 2: Exposures are classified as Stage 2 when the amount is due for more than 30 days but less than 90 days. All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage.

Stage 3: All exposures are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. Exposures where the amount remains due for 90 days or more are considered as to be stage 3 assets.

The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Group undertakes the classification of exposures within the aforesaid stages at borrower level.

(b) Definition of default

A default on a financial asset is when the counterparty fails to make the contractual payments within 90 days of when they fall due. Accordingly, the financial assets shall be classified as Stage 3, if on the reporting date, it has been 90 days and above past due. Non-payment on another obligation of the same customer is also considered as a Stage 3. In addition, Company shall also classify those accounts as default which meets the criteria as per the RBI circulars as amended.

(c) Calculation of ECL:

ECL is a probability weighted credit losses (i.e. present value of all cash shortfalls) over the expected life of the financial instruments. Cash shortfalls are the difference between the cash flows that the entity is entitled to receive on account of contract and the cash flows that the entity expects to receive.

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The mechanics of the ECL calculations are outlined below and the key elements are as follows:

Exposure-At-Default (EAD) : The Exposure at Default is the amount the Group is entitled to receive as on reporting date including repayments due for principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities.

Probability of Default (PD) : The Probability of Default is an estimate of the likelihood of default of the exposure over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

Loss Given Default (LGD) : The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral.

The ECL allowance is applied on the financial instruments depending upon the classification of the financial instruments as per the credit risk involved. ECL allowance is computed on the below mentioned basis:

12-month ECL: 12-month ECL is the portion of Lifetime ECL that represents the ECL that results from default events on a financial instrument that are possible within the 12 months after the reporting date. 12-month ECL is applied on stage 1 assets.

Lifetime ECL: Lifetime ECL for credit losses expected to arise over the life of the asset in cases of credit impaired loans and in case of financial instruments where there has been significant increase in credit risk since origination. Lifetime ECL is the expected credit loss resulting from all possible default events over the expected life of a financial instrument. Lifetime ECL is applied on stage 2 and stage 3 assets.

The Group computes the ECL allowance on either individual basis or collective basis, depending on the nature of the underlying portfolio of financial instruments. The Group has grouped its loan portfolio into Corporate loans, SME loans, Vehicle finance -Commercial Vehicles, Construction Equipment, Farm Equipment, Passenger Vehicles (Cars) and Micro LAP.

ECL on Trade Receivables:

The Group applies the simplified approach for computation of ECL on trade receivables as allowed as per Ind AS 109. Thus, the Group is recognising lifetime ECL for trade receivables.

Significant increase in Credit Risk

The Group monitors all financial assets and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk, the Group will measure the loss allowance based on lifetime rather than 12-month ECL.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Group's historical experience and expert credit assessment.

Given that a significant increase in credit risk since initial recognition is a relative measure, a given change in absolute terms in the PD will be more significant for a financial instrument with a lower initial PD than compared to a financial instrument with a higher PD.

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As a back-stop when loan asset not being a loan becomes 30 days past due, the Group considers that a significant increase in credit risk has occurred and the asset is in stage 2 of the impairment model, i.e. the loss allowance is measured as the lifetime ECL in respect of all retail assets.

For the purpose of counting of days past due for the assessment of significant increase in credit risk, the special dispensations to any class of assets in accordance with COVID19 Regulatory Package notified by the Reserve Bank of India (RBI) has been applied by the Group.

Modification and derecognition of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. In addition, the introduction of new covenants or adjustment of existing covenants of an existing loan may constitute a modification even if these new or adjusted covenants do not yet affect the cash flows immediately but may affect the cash flows depending on whether the covenant is or is not met (e.g. a change to the increase in the interest rate that arises when covenants are breached).

The Company renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. A loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness) and amendments to covenants.

When a financial asset is modified the Company assesses whether this modification results in derecognition. In accordance with the Company's policy a modification results in derecognition when it gives rise to substantially different terms. To determine if the modified terms are substantially different from the original contractual terms the Company considers the following:

- Qualitative factors, such as contractual cash flows after modification are no longer SPPI,
- Change in currency or change of counterparty,
- The extent of change in interest rates, maturity, covenants.

If this does not clearly indicate a substantial modification, then:

(a) In the case where the financial asset is derecognised the loss allowance for ECL is remeasured at the date of derecognition to determine the net carrying amount of the asset at that date. The difference between this revised carrying amount and the fair value of the new financial asset with the new terms will lead to a gain or loss on derecognition. The new financial asset will have a loss allowance measured based on 12-month ECL except in the rare occasions where the new loan is considered to be originated-credit impaired. This applies only in the case where the fair value of the new loan is recognised at a significant discount to its revised par amount because there remains a high risk of default which has not been reduced by the modification. The Company monitors credit risk of modified financial assets by evaluating qualitative and quantitative information, such as if the borrower is in past due status under the new terms.

(b) When the contractual terms of a financial asset are modified and the modification does not result in derecognition, the Company determines if the financial asset's credit risk has increased significantly since initial recognition by comparing:

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- the remaining lifetime PD estimated based on data at initial recognition and the original contractual terms; with
- the remaining lifetime PD at the reporting date based on the modified terms.

For financial assets modified, where modification did not result in derecognition, the estimate of PD reflects the Company's ability to collect the modified cash flows taking into account the Company's previous experience of similar forbearance action, as well as various behavioural indicators, including the borrower's payment performance against the modified contractual terms. If the credit risk remains significantly higher than what was expected at initial recognition the loss allowance will continue to be measured at an amount equal to lifetime ECL. The loss allowance on forborne loans will generally only be measured based on 12 month ECL when there is evidence of the borrower's improved repayment behaviour following modification leading to a reversal of the previous significant increase in credit risk.

Where a modification does not lead to derecognition, the Company calculates the modification gain/loss comparing the gross carrying amount before and after the modification (excluding the ECL allowance). Then the Company measures ECL for the modified asset, where the expected cash flows arising from the modified financial asset are included in calculating the expected cash shortfalls from the original asset.

Presentation of ECL allowance in the Balance Sheet

Loss allowances for ECL are presented in the statement of financial position as follows:

- for financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- for debt instruments measured at FVTOCI: no loss allowance is recognised in Balance Sheet as the carrying amount is at fair value.

(ii) Financial Liabilities

(a) Loan commitments

Undrawn loan commitments are commitments under which, over the duration of the commitment, the Group is required to provide a loan with pre-specified terms to the customer. Undrawn loan commitments are in the scope of the ECL requirements.

(b) Financial guarantee contracts

The Group's liability under financial guarantee is measured at the higher of the amount initially recognised less cumulative amortisation recognised in the statement of profit and loss, and the ECL provision. For this purpose, the Group estimates ECLs by applying a credit conversion factor. The ECLs related to financial guarantee contracts are recognised within Provisions. Currently, the Group has not recognised any ECL in respect of financial guarantee based on estimate of expected cash flows.

(iii) Non-financial assets

(a) Intangible assets

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised when the carrying amount of an individual asset exceeds its recoverable amount. The recoverable amount is the higher of fair value of the asset less cost of its disposal and value in use.

(b) Goodwill

Goodwill is recorded at the cost less any accumulated impairment losses in the previous years. Goodwill on acquisition is tested for impairment

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where the same allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit (CGU) to which goodwill has been allocated is tested for impairment on annual basis or whenever required in case where the Group is of the opinion that goodwill may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. Such impairment loss already recognised for goodwill is not reversed in subsequent periods.

g) Recognition of income

Revenue generated form the business transactions (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration to be received or receivable by the Group. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Group recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer;

Step 2: Identify performance obligations in the contract;

Step 3: Determine the transaction price;

Step 4: Allocate the transaction price to the performance obligations in the contract;

Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation.

(a) Recognition of interest income

Interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR for the amortised cost asset is calculated by taking into account any discount or premium on acquisition, origination fees and transaction costs that are an integral part of the EIR.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the statement of profit and loss."

The Group calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Group recognised the interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial status of the financial asset improves and it no longer remains to be a credit-impaired, the Group revises the application of interest income on such financial asset to calculating interest income on a gross basis.

Interest income on all trading assets and financial assets mandatorily required to be measured at FVTPL is recognised using the contractual interest rate in net gain on fair value changes.

(b) Dividend income

Dividend income is recognised when the Group's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

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(c) Fees and commission income

Fees and commission income are recognised as income when the performance obligation as per the contract with customer is fulfilled and when the right to receive the payment against the services has been established.

(d) Origination fees

Origination fees, which the Group has received/recovered at time of granting of a loan, is considered as a component for computation of the effective rate of interest (EIR) for the purpose of computing interest income.

(e) Management Fees:

Management fees and other fees are recognised as income when the performance obligation as per the contract with customer is fulfilled and when the right to receive the payment against the services has been established.

(f) Assignment income

In accordance with Ind AS 109, in case of assignment transactions with complete transfer of risks and rewards without any retention of residual interest, gain arising on such assignment transactions is recorded upfront in the Statement of Profit and Loss and the corresponding asset is derecognised from the Balance Sheet immediately upon execution of such transactions. Further the transfer of financial assets qualifies for derecognition in its entirety, the whole of the interest spread at its present value (discounted over the life of the asset) is recognised on the date of derecognition itself as excess interest spread and correspondingly recognised as profit on derecognition of financial asset.

The residual expected life of the pool of asset is assessed annually.

(g) Securitisation transactions :

In accordance with Ind AS 109, in case of securitisation transactions, the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

(h) Net gain/(loss) on fair value changes

Any differences between the fair values of financial assets classified as fair value through the profit or loss, held by the Group on the balance sheet date is recognised as an unrealised gain or loss as a gain or expense respectively.

Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt instruments measured at FVOCI is recognised in net gain / loss on fair value changes.

(i) Sourcing and servicing fee

The revenue from the contract as a service provider (sourcing and collection agent) on behalf of customer, is recognised upfront for services rendered as sourcing agent and on straight line basis over the loan tenure for services in the nature of collection and performance agent. The financial guarantee provided under the service contract is recognised at fair value on sourcing and is amortised over the period of contract with subsequent measurement at higher of the unamortised value as per Ind AS 115 or expected credit losses as per Ind AS 109.

h) Finance Costs

The Group recognises interest expense on the borrowings as per EIR methodology which is calculated by considering any ancillary costs incurred and any premium payable on its maturity.

i) Retirement and other employee benefits

(i) Defined Contribution Plan

Provident Fund

All the employees of the Group are entitled to receive benefits under the Provident Fund, a defined contribution plan in which both the employee and the Group contribute monthly at a stipulated rate. The Group has no liability for future Provident Fund benefits other than its annual contribution and recognises such contributions as an expense, when an employee renders the related service.

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Employees State Insurance scheme

The Company contributes to Employees State Insurance scheme and recognises such contribution as an expense in the Statement of Profit and Loss in the period when services are rendered by the employees.

(ii) Defined Benefit schemes

(a) Gratuity

The Group provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated year. The Group accounts for liability of future gratuity benefits based on an external actuarial valuation on projected unit credit method carried out for assessing liability as at the reporting date.

Net interest recognised in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of re-measurement of net defined liability or asset through other comprehensive income. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other comprehensive income ('OCI') in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

(b) Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are provided for based on estimates. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method as at the reporting date. Actuarial gains/losses are immediately taken to Statement of profit and loss account and are not deferred.

(iii) Short term employee benefits:

Employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the related service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

j) Share based employee payments

Equity settled share based payments

The stock options granted to employees are measured at the fair value of the options at the grant date. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as expense in respect of such grant is transferred to the general reserve within equity.

k) Ind AS 116 Leases

The determination of whether an arrangement is a lease, or contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or whether the arrangement conveys a right to use the asset.

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Group as a lessee

Leases that do not transfer to the Group substantially all of the risks and benefits incidental to ownership of the leased items are treated as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, unless the increase is in line with expected general inflation, in which case lease payments are recognised based on contractual terms. Contingent rental payable is recognised as an expense in the period in which they it is incurred.

Critical accounting estimate and judgement

1. Determination of lease term

Ind AS 116 Leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying to the Group's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

2. Discount Rate

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

l) Foreign currency translation

Functional and presentational currency

The financial statements are presented in Indian Rupees which is also functional currency of the Group and the currency of the primary economic environment in which the Group operates.

Transactions and balances

At initial recognition, foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Subsquently, Monetary assets and liabilities denominated in foreign currency, which are outstanding as at the reporting date, are translated at the reporting date at the closing exchange rate and the resultant exchange differences are recognised in the statement of profit and loss. Non–monetary items that are measured at historical cost in a foreign currency are translated using the spot exchange rates as at the date of recognition.

m) Provisions

A provision is recognised when the Group has a present obligation as a result of past event; it is probable that outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

n) Taxes

(i) Current tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(iii) Indirect tax

Expenses and assets are recognised net of the Goods and Services Tax paid, except when the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the tax paid is recognised as part of the cost of acquisition of the asset or as part of the respective expense item, as applicable.

o) Earnings Per Share

The Group reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per equity shares from continuing ordinary operations. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

p) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the financial statements.

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q) Segment reporting

Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the Group to make decisions for performance assessment and resource allocation.

The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments.

r) Cash and cash equivalents

Cash and cash equivalent in the balance sheet and for the purpose of statement of cash flows comprise cash at bank and cheques in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. They are held for the purposes of meeting short-term cash commitments (rather than for investment or other purposes).

s) Non-current assets held for sale:

Non-current assets and disposable groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal Company) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal Company) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification except in some circumstances this period can be extended if it is beyond the control of management and there are sufficient evidence that the entity remains committed to its plan to sell the asset.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

t) Derivative financial instruments:

The Company enters into derivative financial instruments to manage exposures to interest rate risk and foreign currency risk. The Company does not hold derivative financial instruments for speculative purpose. Such derivative financial instruments are initially recognised at fair value on the date which a derivative contract is entered into and are subsequently re-measured at fair value at each balance sheet date. Any gains or losses arising from changes in the fair value of derivatives are taken directly to the statement of profit and loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to the statement of profit and loss (if any) when the hedge item cash flows affects the statement of profit and loss.

Cash flow hedge

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability and could affect Profit and loss. For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion (if any) of the gain or loss on the hedging instrument is recognised immediately as finance cost in the Statement of Profit and Loss.

When the hedged cash flow affects the Statement of Profit and Loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the Statement of Profit and Loss. When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss recognised in OCI is subsequently transferred to the Statement of Profit and Loss on ultimate recognition of the underlying hedged forecast transaction. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the Statement of Profit and Loss.

Fair value hedge

Fair value hedges hedge the exposure to changes in the fair value of a recognised asset or liability, or an identified portion of such an asset, liability, that is attributable to a particular risk and could affect profit or loss.

For designated and qualifying fair value hedges, the cumulative change in the fair value of a hedging derivative is recognised in the statement of profit and loss in Finance Costs. Meanwhile, the cumulative change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item in the balance sheet and is also recognised in the statement of profit and loss in Finance Cost.

The Company classifies a fair value hedge relationship when the hedged item (or group of items) is a distinctively identifiable asset or liability hedged by one or a few hedging instruments. The financial instruments hedged for interest rate risk in a fair value hedge relationship are fixed rate debt issued and other borrowed funds. If the hedging instrument expires or is sold, terminated or exercised, or where the hedge no longer meets the criteria for hedge accounting, the hedge relationship is discontinued prospectively. If the relationship does not meet hedge effectiveness criteria, the Company discontinues hedge accounting from the date on which the qualifying criteria are no longer met. For hedged items recorded at amortised cost, the accumulated fair value hedge adjustment to the carrying amount of the hedged item on termination of the hedge accounting relationship is amortised over the remaining term of the original hedge using the recalculated EIR method by recalculating the EIR at the date when the amortisation begins. If the hedged item is derecognised, the unamortised fair value adjustment is recognised immediately in the statement of profit and loss.

2.4 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires that the management of the Group makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include useful lives of property, plant and equipment & intangible assets, allowance for expected credit losses, fair value measurement, business projections used for the purpose of goodwill impairment etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

2.5 Securities premium account

a) Securities premium includes:

- The difference between the face value of the equity shares and the consideration received in respect of shares issued;
- The fair value of the stock options which are treated as expense, if any, in respect of shares allotted pursuant to Stock Options Scheme.

b) The issue expenses of securities which qualify as equity instruments are written off against securities premium account/ retained earning in accordance with Ind AS.

2.6 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

IND AS 1, Presentation of Financial Statements applicable w.e.f April 01, 2025 : The amendment relates to classification of liabilities as current or noncurrent and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.

IND AS 1, Presentation of Financial Statements applicable w.e.f April 01, 2026 : In case of breach of covenant, a liability will be classified as current even if the lender agreed, not to demand payment as a consequence of the breach after the reporting period but before approval of financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 01, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 01, 2025 – the amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilitiesand the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangementsas a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment andbased on its evaluation has determined that it does not have any impact in its financial statements.

Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively (refer note 30).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

NOTE 3 (A) CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2026	As at March 31, 2025
Cash on hand	406.44	533.99
Balances with banks		
- in current accounts	2,809.30	1,668.73
Deposits with original maturity of less than three months	400.00	7,402.15
	3,615.74	**9,604.87**

NOTE 3 (B) BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2026	As at March 31, 2025
Deposits with original maturity of more than three months	271.17	1,075.52
Earmarked deposits with banks		
- Current accounts (unclaimed dvividend & others)	1.07	-
- Fixed accounts	27,149.75	31,563.54
	27,421.99	**32,639.06**

NOTE 4 DERIVATIVE FINANCIAL INSTRUMENTS

	As at March 31, 2026		As at March 31, 2025	
	Notional amounts	Fair value - Assets	Notional amounts	Fair value - Assets
Part I				
Currency derivatives				
- Spot and forwards	25,350.00	1,194.74	-	-
Total (I)	**25,350.00**	**1,194.74**	**-**	**-**
Part II				
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:				
Cash flow hedging				
Currency derivatives	25,350.00	1,194.74	-	-
Total (II)	**25,350.00**	**1,194.74**	**-**	**-**

NOTE 5 LOANS

Particulars	As at March 31, 2026	As at March 31, 2025
At amortised cost		
Business Loans		
Corporate lending	10,742.00	15,637.42
Small and medium enterprises lending (SME)	18,215.17	23,208.08
Commercial vehicle lending	7,38,397.10	7,02,362.88
Micro LAP	17,655.88	5,188.31
Total - Gross	**7,85,010.15**	**7,46,396.69**
Less: Impairment allowance	(41,563.38)	(24,744.84)
Total - Net	**7,43,446.77**	**7,21,651.85**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Secured by tangible assets	7,75,225.31	7,37,161.77
(b) Unsecured	9,784.84	9,234.92
Total - Gross	**7,85,010.15**	**7,46,396.69**
Less: Impairment allowance	(41,563.38)	(24,744.84)
Total - Net	**7,43,446.77**	**7,21,651.85**
Loans in India		
(a) Public sector	-	-
(b) Others	7,85,010.15	7,46,396.69
Total - Gross	**7,85,010.15**	**7,46,396.69**
Less: Impairment allowance	(41,563.38)	(24,744.84)
Total - Net (a)	**7,43,446.77**	**7,21,651.85**
Loans outside India (b)	-	-
Total - Net (a)+(b)	**7,43,446.77**	**7,21,651.85**

Footnotes:

i) Security receipts are presented as part of "Note 6 - Investments"

ii) Stage classification of loans, investments and its impairment allowance is disclosed in Note 32(D) and Note 32(E)

iii) Secured indicates loans secured, wholly or partly, by way of hypothecation of vehicle and / or equitable mortgage of property and or equipment.

NOTE 6 INVESTMENTS

Investments as at March 31, 2026

Investment in	Amortised cost	At Fair Value		Total
		Through other comprehensive income	Through profit and loss	
Mutual funds	-	-	21,595.06	21,595.06
Security Receipts	1,60,778.47	-	-	1,60,778.47
Treasury Bills	-	-	-	-
Bonds	-	-	-	-
Government securities	-	17,734.31	-	17,734.31
Total - Gross	**1,60,778.47**	**17,734.31**	**21,595.06**	**2,00,107.84**
Investments in India	1,60,778.47	17,734.31	21,595.06	2,00,107.84
Investments outside India	-	-	-	-
Total - Gross	**1,60,778.47**	**17,734.31**	**21,595.06**	**2,00,107.84**
Less: Impairment loss allowance	(1,01,915.17)	-	-	(1,01,915.17)
Total - Net	**58,863.30**	**17,734.31**	**21,595.06**	**98,192.67**

1. Detailed analysis on year end stage classification of investments and impairment allowance is disclosed in Note 32 (D)

Investments as at March 31, 2025

Investment in	Amortised cost	At Fair Value		Total
		Through other comprehensive income	Through profit and loss	
Mutual funds	-	-	49,511.64	49,511.64
Security Receipts	1,38,715.21	-	-	1,38,715.21
Treasury Bills	-	9,653.55	-	9,653.55
Bonds	-	10,160.59	-	10,160.59
Government securities	-	10,232.72	-	10,232.72
Total - Gross	**1,38,715.21**	**30,046.86**	**49,511.64**	**2,18,273.71**
Investments in India	1,38,715.21	30,046.86	49,511.64	2,18,273.71
Investments outside India	-	-	-	-
Total - Gross	**1,38,715.21**	**30,046.86**	**49,511.64**	**2,18,273.71**
Less: Impairment loss allowance	(36,455.26)	-	-	(36,455.26)
Total - Net	**1,02,259.95**	**30,046.86**	**49,511.64**	**1,81,818.45**

1. Detailed analysis on year end stage classification of investments and impairment allowance is disclosed in Note 32 (D)

NOTE 7 OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2026	As at March 31, 2025
Security deposit	865.78	810.99
Assignment receivables	2,351.18	5,235.45
Deposits with Trustee for securitisation*	2,591.14	4,484.14
Other receivables	658.43	1,868.59
	6,466.53	**12,399.17**
Less: Impairment allowance	(603.56)	(296.58)
	5,862.97	**12,102.59**

* It represents fixed deposit held as collateral with trustee for pass through certificate transactions.

NOTE 8 CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31, 2026	As at March 31, 2025
Current tax assets (net)		
Advance Tax (net of provision)	1,255.84	1,138.23
	1,255.84	**1,138.23**
Current tax liabilities (net)		
Provision for tax (net of advance tax)	1,058.83	-
	1,058.83	**-**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

NOTE 9 DEFERRED TAX ASSETS (NET)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred Tax Assets		
Impairment on financial instruments and Carried forward tax losses	39,915.71	41,732.63
Employee benefit expenses	460.15	226.85
Debt instruments through OCI	78.68	(5.04)
Depreciation on PPE and intangible assets	1,033.47	974.57
IND AS 116 - Lease	144.76	118.00
Total (A)	**41,632.77**	**43,047.01**
Deferred tax liability		
Goodwill	(7,555.10)	(7,555.10)
Assignment income amortisation	(591.75)	(1,317.66)
Impact of EIR adjustment on financial asset	(1,131.14)	(1,121.20)
Impact of EIR adjustment on financial liabilities	(588.26)	(1,378.40)
Total (B)	**(9,866.25)**	**(11,372.36)**
Net deferred tax asset (A-B) (also refer Note 30)	**31,766.52**	**31,674.65**
Deferred tax assets		
IndoStar Capital Finance Limited	31,766.52	31,674.65
IndoStar Asset Advisory Private Limited	-	-
Total deferred tax assets	**31,766.52**	**31,674.65**

NOTE 10 PROPERTY, PLANT AND EQUIPMENT

Particulars	Land - Freehold*	Furniture and fixtures	Leasehold Improvement	Office equipment	Computers	Right-of-Use Assets	Total
Cost as at April 01, 2024	**15.05**	**806.88**	**4,798.62**	**907.93**	**4,754.12**	**5,878.22**	**17,160.82**
Additions	-	13.71	806.86	121.53	1,671.76	987.31	3,601.17
Disposals	-	(0.29)	(4.30)	(6.61)	(241.04)	(595.63)	(847.87)
Cost as at March 31, 2025 (A)	**15.05**	**820.30**	**5,601.18**	**1,022.85**	**6,184.84**	**6,269.90**	**19,914.12**
- Cost as at March 31, 2025 - Continuing Operations (A1)	15.05	758.47	5,038.00	858.98	5,473.11	5,016.04	17,159.65
- Cost as at March 31, 2025 - Discontinued Operations (A2)	-	61.83	563.18	163.87	711.73	1,253.86	2,754.47
Additions							
- Continuing Operations	-	7.29	358.79	186.34	316.58	530.05	1,399.05
- Discontinued Operations	-	19.88	24.07	16.74	69.25	119.46	249.40
Disposals							
- Continuing Operations	-	(7.36)	(187.48)	(1.86)	(477.35)	(251.32)	(925.37)
- Discontinued Operations	-	-	-	-	(27.59)	(14.10)	(41.69)
Adjustment for discontinued operations	-	(81.71)	(587.25)	(180.61)	(753.39)	(1,359.22)	(2,962.18)
Cost as at March 31, 2026 (B)	**15.05**	**758.40**	**5,209.31**	**1,043.46**	**5,312.34**	**5,294.77**	**17,633.33**
- Cost as at March 31, 2025 - Continuing Operations (B1)	15.05	758.40	5,209.31	1,043.46	5,312.34	5,294.77	17,633.33
- Cost as at March 31, 2025 - Discontinued Operations (B2)	-	-	-	-	-	-	-
Accumulated depreciation as at April 01, 2024	**-**	**610.98**	**3,952.71**	**635.22**	**3,584.18**	**1,577.06**	**10,360.15**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

Particulars	Land - Freehold*	Furniture and fixtures	Leasehold Improvement	Office equipment	Computers	Right-of-Use Assets	Total
Depreciation charged during the year	-	20.77	622.95	89.69	999.02	1,108.11	2,840.54
- Depreciation charged - Continuing operations	-	11.74	492.28	62.92	873.41	844.63	2,284.98
- Depreciation charged - Discontinued operations	-	9.03	130.67	26.77	125.61	263.48	555.56
Disposals	-	(0.29)	(4.30)	(6.57)	(238.69)	(429.09)	(678.94)
Accumulated depreciation as at March 31, 2025 (C)	**-**	**631.46**	**4,571.36**	**718.34**	**4,344.51**	**2,256.08**	**12,521.75**
- Accumulated depreciation as at March 31, 2025 - Continuing Operations (C1)	-	590.90	4,281.88	646.43	3,945.14	1,740.06	11,204.41
- Accumulated depreciation as at March 31, 2025 - Discontinued Operations (C2)	-	40.56	289.48	71.91	399.37	516.02	1,317.34
Depreciation charged during the year							
- Depreciation charged - Continuing operations	-	10.65	475.04	78.46	810.99	898.95	2,274.09
- Depreciation charged - Discontinued operations	-	3.31	38.97	8.43	44.24	77.59	172.54
Disposals							
- Continuing Operations	-	(7.36)	(122.44)	(1.86)	(476.39)	(211.46)	(819.51)
- Discontinued Operations	-	-	-	-	(27.59)	(14.10)	(41.69)
Adjustment for discontinued operations	-	(43.87)	(328.45)	(80.34)	(416.02)	(579.51)	(1,448.19)
Accumulated depreciation as at March 31, 2026 (D)	**-**	**594.19**	**4,634.48**	**723.03**	**4,279.74**	**2,427.55**	**12,658.99**
- Accumulated depreciation as at March 31, 2025 - Continuing Operations (D1)	-	594.19	4,634.48	723.03	4,279.74	2,427.55	12,658.99
- Accumulated depreciation as at March 31, 2025 - Discontinued Operations (D2)	-	-	-	-	-	-	-
Net carrying amount as at March 31, 2026 (B) - (D)	**15.05**	**164.21**	**574.83**	**320.43**	**1,032.60**	**2,867.22**	**4,974.34**
Net carrying amount as at March 31, 2026 - Continuing Operations (B1-D1)	15.05	164.21	574.83	320.43	1,032.60	2,867.22	4,974.34
Net carrying amount as at March 31, 2026 - Discontinued Operations (B2-D2)	-	-	-	-	-	-	-
Net carrying amount as at March 31, 2025 (A) - (C)	**15.05**	**188.84**	**1,029.82**	**304.51**	**1,840.33**	**4,013.82**	**7,392.37**
Net carrying amount as at March 31, 2025 - Continuing Operations (A1-C1)	15.05	167.57	756.12	212.55	1,527.97	3,275.98	5,955.24
Net carrying amount as at March 31, 2025 - Discontinued Operations (A2-C2)	-	21.27	273.70	91.96	312.36	737.84	1,437.13

* Mortgaged as security against Secured Non-convertible Debentures

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

NOTE 11 ASSETS ACQUIRED IN SATISFACTION OF CLAIM

Particulars	As at March 31, 2026	As at March 31, 2025
Assets acquired in satisfaction of claim	1,708.88	1,708.88
Provision on Assets acquired in satisfaction of claim	(1,008.88)	(408.88)
	700.00	**1,300.00**

NOTE 12

a) Goodwill

DESCRIPTION	Total
Cost as at April 01, 2024	30,018.69
Acquisition of business	-
Cost as at March 31, 2025 (A)	**30,018.69**
Acquisition of business	-
Cost as at March 31, 2026 (B)	**30,018.69**
Accumulated impairment as at April 01, 2024	-
Addition	-
Accumulated impairment as at March 31, 2025 (C)	-
Addition	-
Accumulated impairment as at March 31, 2026 (D)	-
Net carrying amount as at March 31, 2026 (B) - (D)	**30,018.69**
Net carrying amount as at March 31, 2025 (A) -(C)	**30,018.69**

The Company has assessed that there is no impairment of Goodwill as at and for the year ended March 2026. The recoverable amount has been determined based on a value in use calculation. The calculation uses cash flow projections of commercial vehicle business based on financial budgets covering a five-year period and a discount rate of 18%. The Company has determined that the recoverable amount calculations are most sensitive to changes in the assumptions of yield/spread during the budget period and the discounting rate. The management believes that any reasonably possible change in the key assumptions, on which recoverable amount is based would not cause carrying amount to exceed its recoverable amount.

b) Other intangible assets

DESCRIPTION	Computer Software	Total
Cost as at April 01, 2024	**4,643.21**	**4,643.21**
Additions	426.76	426.76
Disposals	-	-
Cost as at March 31, 2025 (A)	**5,069.97**	**5,069.97**
- Cost as at March 31, 2025 - Continuing Operations (A1)	4,050.02	4,050.02
- Cost as at March 31, 2025 - Discontinued Operations (A2)	1,019.95	1,019.95
Additions		
- Continuing Operations	560.67	560.67
- Discontinued Operations	93.93	93.93
Disposals		
- Continuing Operations	(0.21)	(0.21)
- Discontinued Operations	-	-
Adjustment for discontinued operations	(1,113.88)	(1,113.88)
Cost as at March 31, 2026 (B)	**4,610.48**	**4,610.48**
- Cost as at March 31, 2026 - Continuing Operations (B1)	4,610.48	4,610.48
- Cost as at March 31, 2026 - Discontinued Operations (B2)	-	-

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FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

DESCRIPTION	Computer Software	Total
Accumulated amortisation as at April 01, 2024	**3,353.22**	**3,353.22**
Amortisation recognised for the year		
- Continuing Operations	776.82	776.82
- Discontinued Operations	189.14	189.14
Disposals	-	-
Accumulated amortisation as at March 31, 2025 (C)	**4,319.18**	**4,319.18**
- Accumulated depreciation as at March 31, 2025 - Continuing Operations (C1)	3,511.02	3,511.02
- Accumulated depreciation as at March 31, 2025 - Discontinued Operations (C2)	808.16	808.16
Amortisation recognised for the year		
- Amortisation recognised for the year - Continuing Operations	612.45	612.45
- Amortisation recognised for the year - Discontinued Operations	42.74	42.74
Disposals		
- Continuing Operations	(0.21)	(0.21)
- Discontinued Operations	-	-
Adjustment for discontinued operations	(850.90)	(850.90)
Accumulated amortisation as at March 31, 2026 (D)	**4,123.26**	**4,123.26**
- Accumulated amortisation as at March 31, 2026 - Continuing Operations (D1)	4,123.26	4,123.26
- Accumulated amortisation as at March 31, 2026 - Discontinued Operations (D2)	-	-
Net carrying amount as at March 31, 2026 (B) - (D)	**487.22**	**487.22**
- Net carrying amount as at March 31, 2026 - Continuing Operations (B1-D1)	487.22	487.22
- Net carrying amount as at March 31, 2026 - Discontinued Operations (B2-D2)	-	-
Net carrying amount as at March 31, 2025 (A) - (C)	**750.79**	**750.79**
- Net carrying amount as at March 31, 2025 - Continuing Operations (A1-C1)	539.00	539.00
- Net carrying amount as at March 31, 2025 - Discontinued Operations (A2-C2)	211.79	211.79

NOTE 13 OTHER NON-FINANCIAL ASSETS

Particulars	As at March 31, 2026	As at March 31, 2025
Prepaid expenses	1,151.39	1,520.64
Advances recoverable in cash or in kind or for value to be received	1,562.04	1,402.25
	2,713.43	**2,922.89**

NOTE 14 NON - CURRENT ASSETS HELD FOR SALE

"The Board of Directors of the Company in its meeting held on September 19, 2024 had considered and approved, inter-alia, subject to shareholders, regulatory and other approvals, sale of the Company's shareholding in Niwas Housing Finance Limited ("NHFL") (Formerly Niwas Housing Finance Private Limited), a debt-listed material subsidiary of the Company, to WITKOPEEND B.V. (the "Purchaser") for an aggregate consideration of ₹ 1,70,595 lakhs in accordance with the terms of the share purchase agreement dated September 19, 2024 (SPA) among

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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(Currency : Indian Rupees in lakhs)

the Company, NHFL and the Purchaser. Subsequently, the Shareholders' approval was obtained on October 26, 2024. The Reserve Bank of India (RBI) accorded its approval on March 21, 2025.

During the year, National Housing Bank ("NHB") as a Lender to NHFL has given No Objection for the change in shareholding dated May 30, 2025 and the Company has received other requisite approvals. Further the Company and NHFL has issued Condition Precedent ("CP") Fulfilment Notice dated June 24, 2025 and the Purchaser has issued CP Fulfilment Notice dated June 26, 2025. The Company, the Purchaser and NHFL has complied with Condition Precedent to sale in terms of the SPA. Accordingly, the transaction becomes obligatory on all the parties on June 26, 2025. Consequently, the Company recorded a gain of ₹ 1,17,595 lakhs, as ""Exceptional Items"", in the Standalone financial statement on divestment of NHFL after adjusting Cost of Investment and expenses incurred on the sale transaction.

Subsquently, the Company received the consideration and share transfer process was completed on July 17, 2025.

(a) The Group has following non-current assets/disposal group recognised as held for sale

Assets/Disposal Group	Reportable Segment	
	As at March 31, 2026	As at March 31, 2025
Non-current Assets (Niwas Housing Finance Limited (Formerly known as Niwas Housing Finance Private Limited))	NA	Housing Finance

(b) The details of assets/ disposal group classified as held for sale and liabilities associated thereto are as under:

Assets/Disposal Group	Reportable Segment	
	As at March 31, 2026	As at March 31, 2025
Group(s) of assets classified as held for sale:		
Cash and cash equivalents	-	23,413.04
Bank balances other than cash and cash equivalents	-	9,678.68
Loans	-	2,48,696.82
Other financial assets	-	8,814.08
Property, plant and equipment	-	1,437.13
Other intangible assets	-	211.79
Other non-financial assets	-	1,972.50
	-	**2,94,224.04**
Liabilities associated with group(s) classified as held for sale		
Trade payables	-	365.63
Debt securities	-	7,138.20
Borrowings (other than debt securities)	-	2,15,340.88
Other financial liabilities	-	3,210.20
Current tax liabilities (net)	-	5.57
Provisions	-	195.79
Deferred tax liabilities (net)	-	1,964.93
Other non-financial liabilities	-	223.94
	-	**2,28,445.14**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

NOTE 15 TRADE PAYABLES

Particulars	As at March 31, 2026	As at March 31, 2025
Dues to Micro, small and medium enterprises	5.01	6.23
Dues to Others	2.16	1.82
	7.17	**8.05**

Also refer Note 38.

NOTE 16 DEBT SECURITIES

Particulars	As at March 31, 2026	As at March 31, 2025
At amortised cost		
Redeemable non convertible debentures (Refer note (a) below)	2,88,489.51	3,27,429.73
Commercial papers (net of unamortised discount) (Refer note (b) below)	18,925.85	51,788.91
	3,07,415.36	**3,79,218.64**
Debt securities in India	3,07,415.36	3,79,218.64
Debt securities outside India	-	-
Total	**3,07,415.36**	**3,79,218.64**
Secured	2,88,489.51	3,17,349.70
Unsecured	18,925.85	61,868.94
Total	**3,07,415.36**	**3,79,218.64**

(a) Non Convertible Debenture

Redeemable Non Convertible Debentures

Terms of repayment (based on contractual maturity)

Redeemable within	As at March 31, 2026	As at March 31, 2025
	Rate of interest >= 8.85% <= 10.70%	Rate of interest >= 9.85% <= 10.70%
	Amount	Amount
0-12 Months	1,60,310.06	1,65,375.51
12-24 Months	77,873.40	1,23,768.32
24-36 Months	49,796.14	37,779.45
36-48 Months	509.91	-
48-60 Months	-	506.45
Total	**2,88,489.51**	**3,27,429.73**

Nature of Security:

1. Security is created in favour of the Debenture Trustee, as follows:
   (i) First pari-passu charge (along with banks, financial institutions and other lenders which provide credit facilities to the Issuer) by way of hypothecation of standard asset portfolio of receivables (Net of NPA) of the Issuer and / or cash and cash equivalent and / or such other asset, as may be identified by the Company of ₹ 742,366 lakhs (March 2025: ₹ 668,139 lakhs); and
   (ii) First pari-passu charge on immovable property situated at village Maharajpura of Kadi taluka, Mehsana district, Gujarat.
2. Debentures may be bought back subject to applicable statutory and/or regulatory requirements, upon the terms and conditions as may be decided by the Company.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

(b) Commercial papers

Terms of repayment (based on contractual maturity)

Redeemable within	As at March 31, 2026	As at March 31, 2025
	Rate of interest >= 8.75% <= 9.00%	Rate of interest >= 9.00% <= 10.72%
	Amount	Amount
0-12 Months	18,925.85	51,788.91
Total	**18,925.85**	**51,788.91**

NOTE 17 BORROWINGS

At amortised cost

Particulars	As at March 31, 2026	As at March 31, 2025
Term loans		
Term loans from Banks (Refer note (a) below)*	1,35,003.99	1,12,293.42
Term loans from Financial Institutions (Refer note (a) below)*	24,354.45	54,265.25
Loans repayable on demand		
Working capital demand loans from banks **	23,449.54	27,849.73
Bank overdrafts	17,135.42	-
Other borrowings	40,317.62	1,18,021.19
Total	**2,40,261.02**	**3,12,429.59**
Borrowings in India	2,40,261.02	3,12,429.59
Borrowings outside India	-	-
Total	**2,40,261.02**	**3,12,429.59**
Secured borrowings	2,40,261.02	3,12,429.59
Unsecured borrowings	-	-
Total	**2,40,261.02**	**3,12,429.59**

(a) Term loan from banks/FI :

Terms of repayment (based on contractual maturity)

Redeemable within	As at March 31, 2026	As at March 31, 2025
	Rate of interest >=7.97% <= 10.60%	Rate of interest >=7.89% <= 11.00%
	Amount	Amount
0-12 Months	83,587.68	69,561.67
12-24 Months	39,545.38	54,085.12
24-36 Months	23,079.48	24,289.84
36-48 Months	8,016.77	12,842.78
48-60 Months	3,419.43	5,779.26
Above 60 Months	1,709.70	-
Total	**1,59,358.44**	**1,66,558.67**

* first pari-passu charge by way of hypothecation of standard asset portfolio of receivables (Net of provisions) of the Company and / or cash and cash equivalent and / or such other asset

** secured by First pari-passu charge by way of hypothecation on the standard asset portfolio

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

(b) Working capital demand loans:

Terms of repayment (based on contractual maturity)

Repayable within	As at March 31, 2026	As at March 31, 2025
	Rate of interest >= 8.75% <= 9.00%	Rate of interest >= 9.00% <= 10.72%
	Amount	Amount
0-12 Months	23,449.54	27,849.73
Total	**23,449.54**	**27,849.73**

(c) Other borrowings

Terms of repayment (based on contractual maturity)

Redeemable within	As at March 31, 2026	As at March 31, 2025
	Rate of interest >= 7.78% <= 10.75%	Rate of interest >= 7.78% <= 10.75%
	Amount	Amount
0-12 Months	26,936.67	58,836.64
12-24 Months	5,432.11	38,686.28
24-36 Months	1,306.67	10,015.19
36-48 Months	629.58	1,624.64
48-60 Months	627.63	1,601.21
Above 60 Months	5,384.96	7,257.23
Total	**40,317.62**	**1,18,021.19**

Footnote: Quarterly returns/statements filed by the Company with Banks or Financial Institutions are in agreement with the unaudited books of accounts as on the respective submission dates and certified by Independent Chartered Accountants / Management, as relevant and relied upon by the Auditors.

NOTE 18 OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Book overdraft	493.35	13,830.49
Employee benefits payable	2,555.67	2,123.51
Unamortised lease liabilities	3,432.35	3,725.65
Others	15,574.60	20,619.83
	22,055.97	**40,299.48**

NOTE 19 PROVISIONS

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits:		
- Gratuity	1,344.15	598.93
- Compensated absences	484.08	302.38
	1,828.23	**901.31**

NOTE 20 NON-FINANCIAL LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory dues payable	762.20	745.03
	762.20	**745.03**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

NOTE 21 EQUITY SHARE CAPITAL

(a) Details of authorised, issued and subscribed share capital

	As at March 31, 2026		As at March 31, 2025	
	Number	Amount	Number	Amount
Authorised capital				
Equity shares of ₹10/- each	18,75,00,000	18,750.00	18,75,00,000	18,750.00
Compulsorily Convertible Preference Share of Face Value of ₹10/- each	1,25,00,000	1,250.00	1,25,00,000	1,250.00
Issued, subscribed and fully paid up				
Equity shares of ₹10/- each fully paid	16,15,37,266	16,153.73	13,60,97,447	13,609.74
Total	**16,15,37,266**	**16,153.73**	**13,60,97,447**	**13,609.74**

(b) Reconciliation of number of equity shares and amount outstanding at the beginning and at the end of the year

	As at March 31, 2026		As at March 31, 2025	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	13,60,97,447	13,609.74	13,60,79,295	13,607.93
Add: Shares issued during the year	2,54,39,819	2,543.99	18,152	1.81
Shares outstanding at the end of the year	**16,15,37,266**	**16,153.73**	**13,60,97,447**	**13,609.74**

(c) Particulars of equity shares held by Holding Company

Name of shareholder	Relationship	As at March 31, 2026		As at March 31, 2025	
		No of equity shares held	Percentage	No of equity shares held	Percentage
BCP V Multiple Holdings Pte. Ltd.	Holding Company	9,04,31,961	55.98%	7,64,82,638	56.20%

As per records of the Company, including its register of shareholders/members, the above shareholding represents legal ownerships of shares.

(d) Particulars of shareholders holding more than 5% of the equity share capital

Name of shareholder	Relationship	As at March 31, 2026		As at March 31, 2025	
		No of equity shares held	Percentage	No of equity shares held	Percentage
BCP V Multiple Holdings Pte. Ltd.	Holding Company	9,04,31,961	55.98%	7,64,82,638	56.20%
Indostar Capital (Mauritius)	Promoter	2,32,62,583	14.40%	2,32,62,583	17.09%
Florintree Tecserv LLP	Member	1,08,69,565	6.73%	-	-

As per records of the Company, including its register of shareholders/members, the above shareholding represents legal ownerships of shares.

(e) Terms/rights attached to equity shares

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 proportionate vote on basis of his contribution to fully paid up share capital.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the proportionate amount of contribution made by the equity shareholder to the total equity share capital.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

(f) Objective of Capital Management

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company maintains its capital structure in line with economic conditions and the risk characteristics of its activities. The Company has adopted a dividend distribution policy and the Board reviews the capital position on a regular basis.

(g) Equity Shares held by promoters/holding company at the end of the year

Promoter Name	No. of Shares	% of Total Shares	% change during the year
As at March 31, 2026			
BCP V Multiple Holdings Pte. Ltd.	9,04,31,961	55.98%	(0.22%)
Indostar Capital (Mauritius)	2,32,62,583	14.40%	(2.69%)
As at March 31, 2025			
BCP V Multiple Holdings Pte. Ltd.	7,64,82,638	56.20%	-
Indostar Capital (Mauritius)	2,32,62,583	17.09%	-

NOTE 22 OTHER EQUITY

Particulars	As at March 31, 2026	As at March 31, 2025
Capital Reserve	0.43	0.43
Statutory reserves u/s 45-IC of The RBI Act, 1934	34,738.92	32,134.89
Statutory reserves u/s 29C of the National Housing Bank Act, 1987	-	4,530.38
Securities premium	3,36,731.84	2,91,967.65
Share options outstanding account	4,133.89	4,485.53
General reserve	3,981.60	3,826.31
Retained earnings	(17,255.32)	(12,567.97)
Debt instruments through other comprehensive income	(222.95)	11.01
Share application money pending allotment	-	10.95
Money received against share warrants	-	25,533.40
	3,62,108.41	**3,49,932.58**

22.1 Other equity movement

Particulars	As at March 31, 2026	As at March 31, 2025
Capital Reserve		
Opening Balance	0.43	0.43
Add : Transferred from surplus	-	-
Closing Balance	**0.43**	**0.43**
Statutory reserves u/s 45-IC of The RBI Act, 1934		
Opening Balance	32,134.89	31,083.07
Add : Transferred from surplus	2,604.03	1,051.82
Closing Balance	**34,738.92**	**32,134.89**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory reserves u/s 29C of the National Housing Bank Act, 1987		
Opening Balance	4,530.38	3,175.09
Add : Transferred from surplus	201.68	1,355.29
Less : Adjustments for discontinued operations	(4,732.06)	-
Closing Balance	**-**	**4,530.38**
Securities premium		
Opening Balance	2,91,967.65	2,92,207.63
Less : Share issue expenses	-	(283.22)
Add: Transfer from ESOP reserves	534.10	12.81
Add : Premium collected on allotment of shares	44,230.09	30.43
Closing Balance	**3,36,731.84**	**2,91,967.65**
Share options outstanding account		
Opening Balance	4,485.53	2,122.74
Movement during the year	264.04	2,362.79
Less : Adjustments for discontinued operations	(615.68)	-
Closing Balance	**4,133.89**	**4,485.53**
General reserve		
Opening Balance	3,826.31	3,447.24
Movement during the year	424.87	379.07
Less : Adjustments for discontinued operations	(269.58)	-
Closing Balance	**3,981.60**	**3,826.31**
Retained earnings		
Opening Balance	(12,567.97)	(22,118.39)
Add: Remeasurement of defined benefit plan/obligations	(52.76)	(94.54)
Add: Transferred from the statement of profit and loss	14,044.25	12,052.07
Less: Transfer to statutory reserve u/s 45-IC of The RBI Act, 1934	(2,604.03)	(1,051.82)
Less: Transfer to statutory reserves u/s 29C of the National Housing Bank Act, 1987	(201.68)	(1,355.29)
Less : Adjustments for discontinued operations	(15,873.13)	-
Closing Balance	**(17,255.32)**	**(12,567.97)**
Other Comprehensive Income		
Opening balance	11.01	(3.94)
Add: Debt instruments through other comprehensive income	(233.96)	14.95
Closing balance	**(222.95)**	**11.01**
Share application money pending allotment		
Opening balance	10.95	-
Add: Money received towards share application	1,096.36	10.95
Less: Shares issued against share application	(1,107.31)	-
Closing balance	**-**	**10.95**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Money received against share warrant		
Opening balance	25,533.40	-
Add: Money received against share warrant	20,133.35	25,533.40
Less: Shares issued against share warrant	(45,666.75)	-
Closing balance	**-**	**25,533.40**

22.2 Nature and purpose of reserves

Capital Reserve

Capital reserve comprises of the amount received on shares forfeited by the Company on non-payment of call money.

Statutory reserves u/s 45-IC of The RBI Act, 1934

Statutory reserves fund is required to be created by a Non-Banking Financial Company as per Section 45-IC of the Reserve Bank of India Act, 1934. The Company is not allowed to use the reserve fund except with authorisation of Reserve Bank of India.

Statutory reserves u/s 29C of the National Housing Bank Act, 1987

Statutory reserves fund is required to be created by Housing Finance Company as per Section 29C of the National Housing Bank of India Act, 1987. The Housing Finance Subsidiary is not allowed to use the reserve fund except with authorisation of National Housing Bank.

As per Section 29C of The National Housing Bank Act, 1987 (the "NHB Act"), the Housing Finance Subsidiary is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared. For this purpose any Special Reserve created by the Housing Finance Subsidiary under Section 36(1)(viii) of the Income tax Act, 1961, is considered to be an eligible transfer. Special reserve u/s 29C of the NHB Act includes amount transferred for Special Reserve in terms of Section 36(1)(viii) of the Income tax Act, 1961.

Securities premium

Securities premium is used to record the premium on issue of shares. It can be utilised in accordance with the provision of the Companies Act, 2013.

Share options outstanding account

The shares options outstanding account is used to recognise the grant date fair value of equity settled options issued to employees under stock option schemes of the Company.

Retained earnings

Retained earnings represents surplus of accumulated earnings of the Company and which are available for distribution to shareholders.

General reserve

General reserve represents transfer of fair value of options granted to employees from ESOP Reserve to General Reserve on lapse/forfeiture of vested options by employees.

Debt instruments through other comprehensive income

It includes gain/(loss) on fair valuation of investment in treasuy bills.

Share application money pending allotment

It represents money received on exercise of vested options by the employees pending allotment of shares.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

Money received against share warrant

The Board of Directors at its meeting held on February 27, 2024 approved issuance of 2,48,18,888 warrants of the Company to BCP V Multiple Holdings PTE Limited (the "Holding Company") and Florintree Tecserv LLP, each convertible into, or exchangeable for, 1 fully paid-up equity share of the Company of face value of ₹ 10 by way of a preferential issue on a private placement basis at a issue price of ₹ 184 per equity share, in accordance with Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"), the Companies Act, 2013 ("Act"), as amended and other applicable laws, and subject to the approval of regulatory/ statutory authorities and the shareholders of the Company (the "Preferential Issue").

The Preferential Issue has subsequently been approved by the Shareholders at the Extra-Ordinary General Meeting of the Members held on March 22, 2024.

During the year, the Board of Directors of the Company vide its Circular Resolution passed on May 26, 2024, approved the allotment of 1,08,69,565 warrants of the Company on a preferential basis by way of a private placement, to Florintree Tecserv LLP. The Company received consideration of ₹ 5,000 lakhs on the date of allotment.

The Board of Directors at its meeting held on October 18, 2024 approved change in subscription amount to be received from BCP V Multiple Holdings PTE Limited (the ""Holding Company"") at the time of the subscription of the warrants from 25% to 80%.

The Company received requisite approvals for issue of warrants to the Holding Company. Accordingly, the Board of Directors of the Company vide its Circular Resolution passed on November 26, 2024, approved the allotment of 1,39,49,323 warrants of the Company on a preferential basis by way of a private placement, to the Holding Company. The Company received consideration of ₹ 20,533.40 lakhs on the date of allotment.

During the year, the Company allotted 1,08,69,565 Equity shares of ₹ 10 each to Florintree Tecserv LLP, non-promoter entity and 1,39,49,323 Equity shares of ₹ 10 each to BCP V Multiple Holdings Pte Ltd, promoter of the Company, at a issue price of ₹ 184 per share, pursuant to the conversion of warrants in the ratio of 1:1. The Company received ₹ 15,000 lakhs from Florintree Tecserv LLP and ₹ 5,133.35 lakhs from BCP V Multiple Holdings Pte Ltd, respectively being balance consideration on conversion of warrants.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

NOTE 23 REVENUE FROM OPERATIONS

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from operations		
Interest income		
Interest income on financial assets measured at amortised cost:		
Interest on loans		
- Loan portfolio	1,20,870.64	1,15,275.95
Interest on investments		
- Debt instruments	803.04	120.24
Interest on deposits		
- Deposits with banks	2,563.71	2,187.39
- Deposits with Trustees	271.57	751.92
Interest Income on financial assets measured at FVOCI:		
- Investments in debt instruments	1,765.52	1,343.25
	1,26,274.48	**1,19,678.75**
Fees and commission income		
- Fees Income	7,228.15	6,102.02
- Insurance Income	2,765.39	5,861.64
	9,993.54	**11,963.66**
Net gain on fair value changes		
Net gain/(loss) on financial instruments at fair value through profit or loss		
On trading portfolio		
- Investments	3,044.93	3,242.76
Others		
Net gain/(loss) on sale of financial instruments at FVOCI	(0.96)	1.40
	3,043.97	**3,244.16**
Fair value changes:		
- Realised	2,952.85	3,083.76
- Unrealised	91.12	160.40
	3,043.97	**3,244.16**
Net gain on derecognition of financial instruments measured at amortised cost category		
- Investments	-	7.47
- Assignment Income	-	5,522.45
	-	**5,529.92**
Total	**1,39,311.99**	**1,40,416.49**

NOTE 24 OTHER INCOME

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Miscellaneous income	60.81	124.10
Interest on income tax refund	-	420.89
Profit on sale of property plant and equipment	8.35	4.40
	69.16	**549.39**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

NOTE 25 FINANCE COST

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense on financial liabilities measured at amortised cost:		
Interest expense on borrowings		
Loans from banks/FI	17,670.16	17,088.60
Other borrowings (including Inter Corporate Deposits)	7,869.95	13,549.64
Interest expense on debt securities		
Debentures	31,427.58	38,025.08
Commercial paper	4,571.24	4,837.48
Other interest expense		
Bank charges & other related costs	577.13	583.19
	62,116.06	**74,083.99**

NOTE 26 IMPAIRMENT ON FINANCIAL INSTRUMENTS AT AMORTISED COST

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Impairment on loans		
Provision for expected credit loss	82,278.45	(6,514.38)
Financial assets written off (net of recovery)	31,432.25	20,825.87
Impairment on others		
Provision on co-lending arrangements	(295.82)	(587.18)
Others	906.98	28.03
	1,14,321.86	**13,752.34**

NOTE 27 EMPLOYEE BENEFITS EXPENSES

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, other allowances and bonus	29,585.04	25,111.99
Gratuity expenses	758.23	162.52
Compensated absences	247.53	189.03
Contribution to provident and other funds	1,275.55	1,096.63
Staff welfare expenses	450.41	1,007.54
Share based payment expense	1,158.31	2,203.70
	33,475.07	**29,771.41**

NOTE 28 DEPRECIATION

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation of property, plant and equipment (PPE)	2,274.09	2,284.98
Amortisation of intangible assets	612.45	776.82
	2,886.54	**3,061.80**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

NOTE 29 OTHER EXPENSES

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Rent	1,279.78	1,015.74
Rates & taxes	299.27	644.30
Printing and stationery	248.60	291.90
Travelling & conveyance	1,876.46	1,656.09
Advertisement	25.66	18.91
Business Promotion	15.07	13.10
Commission & brokerage	4.52	9.73
Office expenses	1,927.26	2,499.83
Directors' fees & commission	24.85	48.06
Insurance	838.56	828.04
Communication expenses	913.51	901.47
Payment to auditors (note below)	211.07	178.53
CSR expenses (note below)	168.03	-
IT Support charges	2,658.90	2,824.41
Legal & professional charges	3,713.81	4,280.01
Membership & subscriptions	27.56	78.15
Other fees and commission	2.13	26.36
Provision for doubtful advances	0.37	0.29
	14,235.41	**15,314.92**
Less : Expense related to discontinued operation (refer note 14)	-	(272.73)
	14,235.41	**15,042.19**
Payment to auditor includes:		
a) Statutory Audit	176.00	161.60
b) Certifications	9.50	9.00
c) Others	25.57	7.93
Total	**211.07**	**178.53**

Footnote : Excludes fees amounting to ₹ 72.80 lakhs paid to auditor during the previous year in connection with initial public offer of debentures of the Company which forms part of effective interest rate method in accordance with IND AS 109 "Financial Instruments".

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Details for expenditure on Corporate Social Responsibility:		
a) Gross amount required to be spent during the year	167.00	-
b) Amount of expenditure incurred	67.27	-
c) Shortfall at the end of the year	99.73	-
d) Total of previous years shortfall	-	-
e) Reason for short fall	NA	NA
f) Nature of CSR activities	Smile Foundation - Health camps for transport community Jivika Foundation - Cervical Cancer vaccination	-
g) Details of related party transactions	-	-

Note :

The Board of Directors has approved CSR expenditure of ₹ 167 lakhs for 2025-26 out of which ₹ 100 lakhs was towards ongoing CSR project through Smile Foundation which would be consumed by FY 2026-27. In line with the said approval CSR expenditure of ₹ 99.73 lakhs remained unspent as on March 31, 2026 and the same shall be utilised towards the ongoing projects in accordance with provisions of Companies Act, 2013. Subsequent to balance sheet, the amount was transferred to a dedicated bank account as required under Companies Act, 2013 read with Rules made thereunder.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

NOTE 30 INCOME TAXES

Tax expense

(a) Amounts recognised in statement of profit and loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax expense		
1. Current tax	16,905.38	5.69
2. Tax of earlier years	-	0.12
	16,905.38	**5.81**
Deferred tax expense		
3. Deferred tax expenses	-	-
	-	-
Tax expense for the year	**16,905.38**	**5.81**

(b) Amounts recognised in other comprehensive income

Particulars	For the year ended March 31, 2026			For the year ended March 31, 2025		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
- Remeasurements of the defined benefit plans	(70.51)	17.75	(52.76)	(126.35)	31.81	(94.54)
- Debt instruments through other comprehensive income	(312.65)	78.69	(233.96)	20.00	(5.05)	14.95
Tax expense for the year	**(383.16)**	**96.44**	**(286.72)**	**(106.35)**	**26.76**	**(79.59)**

(c) Reconciliation of effective tax rate

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before tax	29,941.21	5,254.15
Statutory income tax rate	25.168%	25.168%
Expected income tax expense	7,535.60	1,322.36
Difference in tax rate due to:		
- Effect of non-deductible expenses	21.51	36.32
- Tax expense of earlier years	-	0.12
- Effect of income taxable at different rate	16,900.00	-
- DTA recognised on previously unrecognised brought forward losses	(7,551.73)	(1,359.86)
- Others	-	6.87
Total tax expense	**16,905.38**	**5.81**
	56.46%	**0.11%**
Current tax	16,905.38	5.69
Tax expense of earlier year	-	0.12
Deferred tax	-	-
	16,905.38	**5.81**

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(Currency : Indian Rupees in lakhs)

(d) Movement in deferred tax balances

Particulars	As at March 31, 2026						
	Net balance April 01, 2025	Less: DTA / (DTL) of Discontinued operations	Recognised in profit or loss (Discontinued operations)"	Recognised in profit or loss (Continued Operations)	Recognised in OCI (Discontinued operations)	Recognised in OCI (Continued Operations)	Net deferred tax asset/ (liability) (Continued Operations)
Deferred Tax Assets							
Impairment on financial instruments and Carried forward tax losses	41,732.63	-	79.11	(1,816.92)	-	-	39,915.71
Employee benefit expenses	226.85	-	3.66	220.12	4.57	13.18	460.15
Debt instruments through OCI	(5.04)	-	-	5.03	-	78.69	78.68
Depreciation on PPE and intangible assets	974.57	-	(54.19)	58.90	-	-	1,033.47
IND AS 116 - Lease	118.00	-	1.66	26.76	-	-	144.76
Deferred tax liability							
Goodwill	(7,555.10)	-	-	-	-	-	(7,555.10)
Assignment income amortisation	(1,317.66)	-	55.12	725.91	-	-	(591.75)
Impact of EIR adjustment on financial asset	(1,121.20)	-	(3.80)	(9.94)	-	-	(1,131.14)
Impact of EIR adjustment on financial liabilities	(1,378.40)	-	(14.17)	790.14	-	-	(588.26)
Deferred tax assets / (Liabilities)	31,674.65	-	67.39	-	4.57	91.87	31,766.52

(e) Movement in deferred tax balances

Particulars	As at March 31, 2025						
	Net balance April 01, 2024	Less: DTA / (DTL) of Discontinued operations	Recognised in profit or loss (Discontinued operations)"	Recognised in profit or loss (Continued Operations)	Recognised in OCI (Discontinued operations)	Recognised in OCI (Continued Operations)	Net deferred tax asset/ (liability) (Continued Operations)
Deferred Tax Assets							
Impairment on financial instruments and Carried forward tax losses	41,811.80	409.09	135.06	329.92	-	-	41,732.63
Employee benefit expenses	162.26	29.00	11.36	65.42	3.64	28.17	226.85
Debt instruments through OCI	(2.89)	-	-	2.90	-	(5.05)	(5.04)
Depreciation on PPE and intangible assets	946.50	37.22	22.66	65.29	-	-	974.57
IND AS 116 - Lease	107.60	16.48	7.04	26.88	-	-	118.00
Deferred tax liability							
Goodwill	(7,555.10)	-	-	-	-	-	(7,555.10)
Assignment income amortisation	(1,824.22)	(1,494.66)	(589.88)	(988.10)	-	-	(1,317.66)

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(Currency : Indian Rupees in lakhs)

Particulars	As at March 31, 2025						
	Net balance April 01, 2024	Less: DTA / (DTL) of Discontinued operations	Recognised in profit or loss (Discontinued operations)"	Recognised in profit or loss (Continued Operations)	Recognised in OCI (Discontinued operations)	Recognised in OCI (Continued Operations)	Net deferred tax asset/ (liability) (Continued Operations)
Impact of EIR adjustment on financial asset	(531.34)	(30.66)	(97.47)	(620.52)	-	-	(1,121.20)
Impact of EIR adjustment on financial liabilities	(2,823.40)	(326.79)	(97.03)	1,118.21	-	-	(1,378.40)
Deferred tax assets / (Liabilities)	**30,291.21**	**(1,360.32)**	**(608.26)**	**-**	**3.64**	**23.12**	**31,674.65**

The Management considers the deferred tax assets recognised on carried forward losses to be fully set-off against future available profits considering the expected net interest income (NIM) from the existing loan book over the tenure of the loan.

Deferred tax asset of Nil (Previous year: ₹ 876.83 lakhs) on Unused Carried forward losses is yet to be recognised.

Footnote: The Organisation for Economic Co-operation and Development (OECD) has published the model rules for global minimum tax (Pillar Two model rules). As per the provisions of Pillar Two legislation, the Company's ultimate parent entity (UPE) has consolidated revenues exceeding the threshold prescribed under the OECD framework. Based on the current assessment, the Company does not expect a material financial impact from the application of the Pillar Two rules.

In accordance with Amendments to Ind AS 12, the Company has applied temporary mandatory relief from accounting for deferred tax that arises from implementing Pillar Two legislation."

NOTE 31 EARNINGS PER SHARE (EPS)

Basic EPS calculated by dividing the net profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting profit impact of dilutive potential equity shares, if any) by the aggregate of weighted average number of equity shares outstanding during the year and the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Continuing Operations:		
Profit attributable to equity holders from continuing operations (A)	13,035.83	5,248.34
Weighted average number of equity shares for calculating Basic EPS (B)	14,42,90,328	13,60,82,508
Weighted average number of equity shares for calculating Diluted EPS (C)	14,45,33,073	14,06,88,562
Basic earnings per share (₹) (A/B)	9.03	3.86
Diluted earnings per share (₹) (A/C)	9.02	3.73
Discontinuing Operations		
Profit attributable to equity holders from discontinuing operations (D)	1,008.42	6,803.73
Weighted average number of equity shares for calculating Basic EPS (E)	14,42,90,328	13,60,82,508
Weighted average number of equity shares for calculating Diluted EPS (F)	14,45,33,073	14,06,88,562

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Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Basic earnings per share (₹) (D/E)	0.70	5.00
Diluted earnings per share (₹) (D/F)	0.70	4.84
Total Earnings		
Profit attributable to equity holders (G)	14,044.25	12,052.07
Weighted average number of equity shares for calculating Basic EPS (H)	14,42,90,328	13,60,82,508
Weighted average number of equity shares for calculating Diluted EPS (I)	14,45,33,073	14,06,88,562
Basic earnings per share (₹) (G/H)	9.73	8.86
Diluted earnings per share (₹) (G/I)	9.72	8.57

NOTE 32 FINANCIAL INSTRUMENTS – FAIR VALUES

A. Accounting classification and 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 in the principal (or most advantageous) market at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using a valuation technique.

The management has assessed that the carrying amounts of cash and cash equivalents, loans carried at amortised cost, other financial assets, trade payables, borrowings, bank/book overdrafts and other financial liabilities are a reasonable approximation to their fair value.

B. Risk Management Framework:

The Group's risk management framework is based on:

(a) Clear understanding and identification of various risks;

(b) Disciplined risk assessment by evaluating the probability and impact of each risk;

(c) Measurement and monitoring of risks by establishing key risk indicators with thresholds for all critical risks; and

(d) Adequate review mechanism to monitor and control risks.

The Group's risk management division works as a value centre by constantly engaging with the business providing reports based on key analysis and insights. The key risks faced by the Group are credit risk, liquidity risk, interest rate risk, operational risk, reputational and regulatory risk, which are broadly classified as credit risk, market risk and operational risk. The Group has a an established risk reporting and monitoring framework. The Group identifies and monitors risks periodically. This process enables the Group to reassess the all critical risks in a changing environment that need to be focused on.

C. Risk governance structure:

The Group's risk governance structure operates with a well-defined Board and Risk Management Committee ('RMC') with a clearly laid down charter and roles and responsibilities. The Board oversees the risk management process and monitors the risk profile of the Group directly as well as through a Board constituted Risk Management Committee. The Committee reviews the risk management policy, implementation of risk management framework, monitoring of critical risks, review and approval of exposures with conflict of interest and review of various other initiatives. The risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate limits and controls and to monitor risks and adherence to limits. The RMC reviews the risk management policies regularly to reflect the changes in market conditions and Group's activities.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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(Currency : Indian Rupees in lakhs)

The Audit Committee oversees how management monitors compliance with risk management policies and procedures and reviews the adequacy of risk management framework in relation to the risk faced by the Group.

The risk management committee has established a comprehensive risk management framework across the business and provides appropriate reports on risk exposures and analysis in its pursuit of creating awareness across the Group about risk management.

D. Fair value hierarchy

Ind AS 107, 'Financial Instrument - Disclosure' requires classification of the valuation method of financial instruments measured at fair value in the Balance Sheet, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to un-observable inputs (Level 3 measurements). The three levels of the fair-value-hierarchy under Ind AS 107 are described below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

The following table shows the carrying amounts and fair values of financial assets including their levels in the fair value hierarchy:

Particulars	As at March 31, 2026							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs*	Total
Investments covered under Ind AS 109								
(a) Investments in Mutual funds	21,595.06	-	-	21,595.06	21,595.06	-	-	21,595.06
(b) Investments in Security Receipts	-	-	58,863.30	58,863.30	-	-	58,863.30	58,863.30
(c) Treasury Bills	-	-	-	-	-	-	-	-
(d) Bonds and Government securities	-	17,734.31	-	17,734.31	17,734.31	-	-	17,734.31
Total	**21,595.06**	**17,734.31**	**58,863.30**	**98,192.67**	**39,329.37**	**-**	**58,863.30**	**98,192.67**

* based on NAV statements and other information received from assets reconstruction company and adjusted for Expected credit losses.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

Particulars	As at March 31, 2025							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs*	Total
Investments covered under Ind AS 109								
(a) Investments in Mutual funds	49,511.64	-	-	49,511.64	49,511.64	-	-	49,511.64
(b) Investments in Security Receipts	-	-	1,02,259.95	1,02,259.95	-	-	1,02,259.95	1,02,259.95
(c) Treasury Bills	-	9,653.55	-	9,653.55	9,653.55	-	-	9,653.55
(d) Bonds and Government securities	-	20,393.31	-	20,393.31	20,393.31	-	-	20,393.31
Total	**49,511.64**	**30,046.86**	**1,02,259.95**	**1,81,818.45**	**79,558.50**	**-**	**1,02,259.95**	**1,81,818.45**

* based on NAV statements and other information received from assets reconstruction company and adjusted for Expected credit losses.

An analysis of changes in the gross carrying amount and the corresponding impairment loss allowances in relation to investments measured at amortised cost is as follows:

Particulars	2025-26				2024-25			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	-	-	1,38,715.21	1,38,715.21	-	-	1,17,530.96	1,17,530.96
New assets originated or purchased	-	-	27,952.50	27,952.50	-	-	40,545.67	40,545.67
Assets derecognised or repaid (excluding write offs)	-	-	(5,889.24)	(5,889.24)	-	-	(19,361.42)	(19,361.42)
Gross carrying amount closing balance	**-**	**-**	**1,60,778.47**	**1,60,778.47**	**-**	**-**	**1,38,715.21**	**1,38,715.21**

Particulars	2025-26				2024-25			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Impairment loss allowance - opening balance	-	-	36,455.26	36,455.26	-	-	36,643.38	36,643.38
Incremental provision (net)	-	-	65,459.91	65,459.91	-	-	(188.12)	(188.12)
Impairment loss allowance - closing balance	**-**	**-**	**1,01,915.17**	**1,01,915.17**	**-**	**-**	**36,455.26**	**36,455.26**

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The following table shows the carrying amounts and fair values of financial assets including their levels in the fair value hierarchy:

Particulars	As at March 31, 2026							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs*	Total
Loans covered under Ind AS 109	-	-	7,43,446.77	7,43,446.77	-	-	7,43,446.77	7,43,446.77
Total	**-**	**-**	**7,43,446.77**	**7,43,446.77**	**-**	**-**	**7,43,446.77**	**7,43,446.77**

Particulars	As at March 31, 2025							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs*	Total
Loans covered under Ind AS 109	-	-	7,21,651.85	7,21,651.85	-	-	7,21,651.85	7,21,651.85
Total	**-**	**-**	**7,21,651.85**	**7,21,651.85**	**-**	**-**	**7,21,651.85**	**7,21,651.85**

* Discounted cash flow approach adopted for fair valuation of loans

E. Credit risk

Credit risk arises from the possibility of a borrower failing to meet contractual repayment obligations. Effective management of this risk is supported by a robust framework of policies and processes. The Company has established comprehensive and well-defined credit policies across all businesses, products, and segments. These policies cover the end-to-end credit approval process and include clear guidelines to mitigate associated risks. The appraisal framework involves thorough risk assessment of borrowers, including physical verifications and field visits, ensuring informed credit decisions.Post disbursement, the Company follows a structured monitoring mechanism to track portfolio-level trends and identify early warning signals. This enables timely policy refinements and corrective actions, thereby preventing deterioration in credit quality.

Grouping financial assets measured on a collective basis

The Company classifies its exposures into smaller, homogeneous portfolios based on shared credit risk characteristics. The segmentation is structured as follows:

- Customer category: Corporate and Retail
- Product category: Commercial Vehicles, Construction Equipment, Farm Equipment, Passenger Vehicles (Cars), Corporate Lending, SME and Micro LAP

Significant increase in credit risk

A significant increase in credit risk (SICR) is presumed when contractual payments on a financial asset are overdue by more than 30 days. For retail loans, accounts where revised terms do not result in substantial modification—such as extensions in repayment tenure or adjustments in EMI/interest—are classified as Stage 2. For corporate loans, the assessment of SICR is undertaken on a case-by-case basis, considering the specific risk profile of each exposure. Additionally, exposures reviewed by the Credit Committee and identified as breaching pre-defined critical risk thresholds are also classified under Stage 2. Accordingly, classification into Stage 2 is based on a combination of quantitative triggers (e.g., days past due) and qualitative indicators of credit deterioration.

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Write off

The Company writes off financial assets when there is evidence of severe financial difficulty of the borrower and no reasonable expectation of recovery. In line with internal policy, write-offs are generally initiated at 365 days past due (DPD) for vehicle loans and SME exposures, and at 455 days past due for specified Loan against property (Micro LAP) loan categories, unless warranted earlier based on recovery assessment. Notwithstanding write-off, such accounts continue to be pursued under the Company's recovery and enforcement processes, including legal recourse where appropriate. Any subsequent recoveries are recognised in the Statement of Profit and Loss.

Restructured financial assets

Loans where repayment terms are renegotiated with substantial modification due to a significant increase in the borrower's credit risk are classified as Stage 2. Such exposures remain in Stage 2 until they demonstrate consistent and timely servicing of renegotiated principal and interest obligations over a minimum observation period of typically 12 months post-renegotiation, with no other indicators of impairment. Upon satisfactory performance during the observation period, these accounts are reassessed for credit risk, and based on the outcome, may be upgraded to Stage 1 or retained in Stage 2.

Overview of the Expected Credit Loss principles

The Company recognises Expected Credit Loss (ECL) on all loans, debt financial assets not measured at fair value through profit and loss, and undrawn loan commitments (collectively referred to as financial instruments).

For the purpose of ECL computation, financial instruments are classified into the following stages:

Stage 1: Exposures where there has been no significant increase in credit risk since initial recognition, and which are not credit-impaired. This includes assets with up to 30 days past due.

Stage 2: Exposures where there has been a significant increase in credit risk since initial recognition, but which are not credit-impaired. Typically, this includes assets that are more than 30 days but up to 90 days past due.

Stage 3: Exposures classified as credit-impaired, where one or more events have occurred that adversely impact expected future cash flows. Assets that are 90 days or more past due are considered as Stage 3."

The Company has established a policy to assess, at each reporting date, whether a financial instrument has experienced a significant increase in credit risk since initial recognition, based on changes in the risk of default over its remaining life. Classification into stages is performed at the borrower level, considering the overall credit profile of the borrower.

Definition of default

A financial asset is considered to be in default when the borrower fails to meet contractual payment obligations for more than 90 days past due. Accordingly, such exposures are classified as Stage 3 as at the reporting date. Additionally, default on any other obligation of the same borrower is also treated as a trigger for classification as Stage 3.

In addition, Company shall also classify those accounts as default which meets the criteria as per the RBI circulars as amended

The calculation of ECL

ECL represents the probability-weighted estimate of credit losses, measured as the present value of all expected cash shortfalls over the life of the financial instrument. Cash shortfalls refer to the difference between contractual cash flows due to the Company and the cash flows expected to be received.

The key components of the ECL framework are as follows:

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Portfolio Segmentation:

For ECL purpose, the loan portfolio is broadly segmented as below :

1) Corporate lending
2) Small and medium enterprises lending ('SME')
3) Vehicle finance -Commercial Vehicles, Construction Equipment, Farm Equipment, Passenger Vehicles (Cars)
4) Micro LAP"

Exposure-At-Default (EAD) : The Exposure at Default is the amount the Company is entitled to receive as on reporting date including repayments due for principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities.

Probability of Default (PD) : The Probability of Default is an estimate of the likelihood of default of the exposure over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

Loss Given Default (LGD) : The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral.

The ECL allowance is applied on the financial instruments depending upon the classification of the financial instruments as per the credit risk involved. ECL allowance is computed on the below mentioned basis:

12-month ECL: 12-month ECL is the portion of Lifetime ECL that represents the ECL that results from default events on a financial instrument that are possible within the 12 months after the reporting date. 12-month ECL is applied on stage 1 assets.

Lifetime ECL: Lifetime ECL for credit losses expected to arise over the life of the asset in cases of credit impaired loans and in case of financial instruments where there has been significant increase in credit risk since origination. Lifetime ECL is the expected credit loss resulting from all possible default events over the expected life of a financial instrument. Lifetime ECL is applied on stage 2 and stage 3 assets. The Company computes the ECL allowance either on individual basis or on collective basis, depending on the nature of the underlying portfolio of financial instruments. The Company has grouped its loan portfolio into Corporate loans, SME loans, Vehicle finance -Commercial Vehicles, Construction Equipment, Farm Equipment, Passenger Vehicles (Cars), Housing Finance and Micro lap.

Forward looking information

The Company utilises statistical models to estimate the lifetime probability of default (PD) of exposures and assess how these may evolve over time. Model selection is based on the availability and reliability of product-specific default data. This analysis includes identifying and calibrating the relationship between changes in GNPA (as a proxy for default rates) and key macroeconomic variables. The primary forward-looking indicators considered include:

- Gross national income growth
- Commercial vehicle Sales

'For incorporating forward-looking information, the Company applies these macroeconomic (ME) variables across each portfolio segment and compares historical PD trends with forecasted PD movements. Based on the directional trends observed, these macro economic variables are applied.The Company periodically reviews the relevance of macroeconomic variables, and emerging variables with stronger correlation may be incorporated or replace existing indicators over time.

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An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loans and advances is as follows:

Particulars	2025-26				2024-25			
	Stage 1	Stage 2	Stage 3$	Total	Stage 1	Stage 2	Stage 3$	Total
Gross carrying amount opening balance	6,67,212.65	45,470.40	33,713.64	7,46,396.69	5,66,073.97	32,457.45	31,269.97	6,29,801.39
New assets originated or purchased	4,20,132.70	750.01	3,618.52	4,24,501.23	5,22,718.73	2,099.87	3,777.37	5,28,595.97
Assets derecognised or repaid (excluding write offs)	(2,82,454.21)	(29,621.52)	(14,427.29)	(3,26,503.02)	(3,13,159.27)	(24,480.74)	(15,597.78)	(3,53,237.79)
Transfers to stage 1	33,434.35	(30,002.66)	(3,431.69)	-	32,328.87	(27,375.89)	(4,952.98)	-
Transfers to stage 2	(1,22,147.42)	1,23,265.32	(1,117.90)	-	(1,23,256.01)	1,24,075.50	(819.49)	-
Transfers to stage 3	(10,938.83)	(48,358.62)	59,297.45	-	(16,235.25)	(36,311.60)	52,546.85	-
Amounts written off (net of recovery)	(255.56)	(5,325.24)	(25,851.45)	(31,432.25)	(982.03)	(5,609.02)	(14,234.82)	(20,825.87)
Presented under Investments as Security Receipts*	(4,986.15)	(8,634.45)	(14,331.90)	(27,952.50)	(276.36)	(19,385.17)	(18,275.48)	(37,937.01)
Gross carrying amount closing balance	**6,99,997.53**	**47,543.24**	**37,469.38**	**7,85,010.15**	**6,67,212.65**	**45,470.40**	**33,713.64**	**7,46,396.69**

* Presented under Investments in Security Receipts (Refer to Note 32(D)).

$ Reasonable steps are being taken by the Management for recovery of the principal and interest.

Reconciliation of ECL balance is given below:

Particulars	2025-26				2024-25			
	Stage 1	Stage 2	Stage 3$	Total	Stage 1	Stage 2	Stage 3$	Total
ECL allowance - opening balance	7,588.33	1,428.60	15,727.91	24,744.84	10,297.60	2,296.11	18,477.39	31,071.10
New assets originated or purchased	5,186.94	588.11	1,413.21	7,188.26	6,912.94	598.46	1,156.39	8,667.79
Assets derecognised or repaid (excluding write offs)	(3,946.52)	(1,454.59)	(15,072.79)	(20,473.90)	(5,088.18)	(1,336.97)	(17,377.03)	(23,802.18)
Transfers to stage 1	2,565.76	(719.66)	(1,846.10)	-	3,429.99	(1,050.68)	(2,379.31)	-
Transfers to stage 2	(1,476.66)	2,104.60	(627.94)	-	(3,622.64)	4,002.77	(380.13)	-
Transfers to stage 3	(579.66)	(1,714.50)	2,294.16	-	(1,395.26)	(1,578.46)	2,973.72	-
Impact on year end ECL on exposures transferred between stages during the year	2,951.18	7,880.67	32,632.05	43,463.90	(2,810.05)	1,372.77	21,265.20	19,827.92
Amounts written off (net of recovery)	(256.48)	(90.85)	(13,012.39)	(13,359.72)	(136.07)	(2,875.40)	(8,008.32)	(11,019.79)
ECL allowance - closing balance	**12,032.89**	**8,022.38**	**21,508.11**	**41,563.38**	**7,588.33**	**1,428.60**	**15,727.91**	**24,744.84**

F. Liquidity risk

Liquidity is the Group's capacity to fund increase in assets and meet both the expected and unexpected obligations without incurring unacceptable losses. Liquidity risk is the inability to meet such obligations as they become due without adversely affecting the Group's financial conditions. The Asset Liability Management Policy of the Group stipulates a broad framework for Liquidity risk management to ensure that the Group can meet its liquidity obligations. The Asset Liability Management Committee ('ALCO') monitors composition, characteristics and diversification of funding sources to ensure there is no over reliance on single source of funding. The Group tracks the cash flow mismatches for measuring and managing net

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funding requirement through Maturity Ladder approach and reviews short-term liquidity profiles based on business projections and other commitments for planning purposes through Liquidity analysis. The ALCO also reviews the individual mismatch in each time bucket and cumulative mismatch and ensures the bucket wise limits are not breached.

The Group maintains a portfolio of highly marketable and diverse assets that are assumed to be easily liquidated in the event of an unforeseen interruption in cash flow. The liquidity position of the Group is assessed under a variety of scenarios giving due consideration to stress factors relating to both the market in general and risk specifics to the Group. Basis the liquidity position assessed under various stress scenarios; the Group reviews the following to effectively handle any liquidity crisis:

- Adequacy of contingency funding plan in terms of depth of various funding sources, time to activate, cost of borrowing, etc
- Availability of unencumbered eligible assets

Maturity profile of undiscounted cash flows for financial liabilities as on balance sheet date have been provided below:

As at March 31, 2026

Particulars	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
Financial Liabilities					
Trade payables	7.17	-	-	-	7.17
Debt securities	48,582.26	1,30,653.65	1,28,179.45	-	3,07,415.36
Borrowings (other than debt securities)	54,155.76	96,953.55	82,057.05	7,094.66	2,40,261.02
Other financial liabilities	18,847.12	679.42	2,366.10	163.33	22,055.97
Total	**1,21,592.31**	**2,28,286.62**	**2,12,602.60**	**7,257.99**	**5,69,739.52**

Footnotes:

- The above inflows and outflows is based on scheduled maturity of the financial instruments.
- Also refer Note 42

As on March 31, 2025

Particulars	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
Financial Liabilities					
Trade payables	8.05	-	-	-	8.05
Debt securities	95,547.28	1,21,617.14	1,62,054.22	-	3,79,218.64
Borrowings (other than debt securities)	46,981.86	1,09,266.18	1,48,924.32	7,257.23	3,12,429.59
Other financial liabilities	36,762.25	592.34	2,763.78	181.11	40,299.48
Total	**1,79,299.44**	**2,31,475.66**	**3,13,742.32**	**7,438.34**	**7,31,955.76**

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The following table shows the carrying amounts and fair values of financial liabilities including their levels in the fair value hierarchy:

As on March 31, 2026

Particulars	Carrying amount	Fair value			Total
		Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs*	
At amortised cost					
Debt securities	3,07,415.36	-	-	3,07,415.36	3,07,415.36
Borrowings (other than debt securities)	2,40,261.02	-	-	2,40,261.02	2,40,261.02
Total	**5,47,676.38**	**-**	**-**	**5,47,676.38**	**5,47,676.38**

* Discounted cash flow approach adopted for fair valuation of borrowings

As on March 31, 2025

Particulars	Carrying amount	Fair value			Total
		Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs*	
At amortised cost					
Debt securities	3,79,218.64	-	-	3,79,218.64	3,79,218.64
Borrowings (other than debt securities)	3,12,429.59	-	-	3,12,429.59	3,12,429.59
Total	**6,91,648.23**	**-**	**-**	**6,91,648.23**	**6,91,648.23**

* Discounted cash flow approach adopted for fair valuation of borrowings

G. Market risk

Market Risk is the possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as interest rates, exchange rates and other asset prices. The Group's exposure to market risk is a function of asset liability management and interest rate sensitivity assessment. The Group is exposed to interest rate risk and liquidity risk, if the same is not managed properly. The Group continuously monitors these risks and manages them through appropriate risk limits. The Asset Liability Management Committee ('ALCO') reviews market related trends and risks and adopts various strategies related to assets and liabilities, in line with the Group's risk management framework.

H. Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events. The operational risks of the Group are managed through comprehensive internal control systems and procedures. Failure of managing operational risk might lead to legal / regulatory implications due to non-compliance and lead to financial loss due to control failures. While it is not practical to eliminate all the operational risk, the Group has put in place adequate control framework by way of segregation of duties, well defined process, staff training, maker and checker process, authorisation and clear reporting structure. The effectiveness of control framework is assessed by internal audit on a periodic basis.

To manage fraud risk effectively, the Group has Independent Risk Containment Unit ('RCU') which is responsible for implementing fraud risk management framework and ensure compliance. The RCU

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undertakes various activities such as pre-sanction loan applicant verification, pre-sanction and post disbursement documents verification, vendor verification, etc to prevent and manage frauds.

I. Foreign Currency Risk:

In the normal course of its business, the Company does not deal in foreign exchanges. Foreign currency risk for the Company arise majorly on account of foreign currency borrowings, if any. The Company manages the foreign currency risk by entering into cross currency swaps and forward contracts as per the ALM policy covering currency risk management framework. As on March 31, 2026, the Company holds currency forward contracts to mitigate the risk of exchange rate fluctuations.

NOTE 33 DISCLOSURE PURSUANT TO IND AS 108 "OPERATING SEGMENT

Business segments

The Company is engaged primarily in the business of financing in India and accordingly, there are no separate operating segments as per Ind AS 108 dealing with Operating Segments.

NOTE 34 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 (IND AS 24) ARE GIVEN BELOW:

a) Relationships

I. Ultimate Controlling Party

Brookfield Asset Management Inc.

II. Holding Company

BCP V Multiple Holdings Pte. Ltd.

III. Names of other related parties with whom the Group had transactions during the year:

Key Managerial Personnel (KMP)

Randhir Singh - Executive Vice Chairman & Managing Director (w.e.f May 11, 2025), and
- Executive Vice Chairman & Whole Time Director (w.e.f July 22, 2024 upto May 10, 2025)

Karthikeyan Srinivasan - Chief Executive Officer & Whole Time Director (till May 11, 2025)

Bobby Parikh - Non-Executive Director (w.e.f. March 05, 2025) and Non-Executive Independent Director (upto March 04, 2025)

Sujatha Mohan - Non Executive Independent Director (w.e.f April 21, 2025)

Hemant Kaul - Non-Executive Independent Director

Naina Krishna Murthy - Non-Executive Independent Director

b) Transactions with Holding Company

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Money Received against Share Warrants (refer note 22.2)	5,133.35	20,533.40

c) Transactions with Key Management Personnel (KMP):

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Short-term employee benefits	373.41	563.36
Sitting fees to Non-Executive Independent Directors	24.85	48.06
Reimbursement of expenses	0.54	0.82

The above compensation excludes contributions to post-employment defined benefit plan and share based payment expense.

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(Currency : Indian Rupees in lakhs)

d) Transactions other than those with key management personnel : Nil

e) The related party balances outstanding at year end : Nil

NOTE 35 SET OUT BELOW IS THE DISAGGREGATION OF THE REVENUE FROM CONTRACTS WITH CUSTOMERS

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Type of Services or service		
- Fees Income	7,228.15	6,102.02
Total revenue from contracts with customers	**7,228.15**	**6,102.02**
Geographical markets		
India	7,228.15	6,102.02
Outside India	-	-
Total revenue from contracts with customers	**7,228.15**	**6,102.02**
Timing of revenue recognition		
Services transferred at a point in time	7,228.15	6,102.02
Services transferred over time	-	-
Total revenue from contracts with customers	**7,228.15**	**6,102.02**

NOTE 36 CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	As at March 31, 2026	As at March 31, 2025
Contingent liabilities		
Corporate guarantee given by Company	4,800.00	-
Litigation cases filed against the Company	-	43.00
Capital commitments:		
Estimated amount of contracts remaining to be executed on capital account	-	86.95
Loans sanctioned not yet disbursed	9,808.02	9,809.52

NOTE 37 DISCLOSURES AS REQUIRED BY IND AS 116 'LEASES'

(A) Lease liability movement

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	3,725.65	4,686.80
Less: Liabilities associated with group(s) classified as held for sale	-	(763.26)
	3,725.65	**3,923.54**
Add : Additions during the year	530.05	679.14
Add : Interest on lease liability	355.51	374.52
Less : Deletions	(47.69)	(191.02)
Less : Lease rental payments	(1,131.17)	(1,060.53)
	3,432.35	**3,725.65**

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(B) Future lease cashflow for all leased assets

Particulars	As at March 31, 2026	As at March 31, 2025
Not later than one year	1,203.36	1,120.02
Later than one year but not later than five years	2,753.54	3,317.11
Later than five years	152.99	202.07
	4,109.89	**4,639.20**

(C) Maturity analysis of lease liability

Particulars	As at March 31, 2026	As at March 31, 2025
Lease liability		
Less than 12 months	902.92	780.76
More than 12 months	2,529.43	2,944.89
	3,432.35	**3,725.65**

NOTE 38 DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AS PER MSMED ACT, 2006

The following disclosure is made as per the requirement under The Micro Small and Medium Enterprise Development Act, 2006 (the 'MSMED Act') on the basis of confirmations sought from suppliers on registration with the specified authorities under MSMED :

Particulars	As at March 31, 2026	As at March 31, 2025
a. Principal amount remaining unpaid	5.01	6.23
b. Interest due thereon remaining unpaid	-	-
c. Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
d. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act,2006)	-	-
e. Interest accrued and remaining unpaid	-	-
f. Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

The aforementioned is based on the responses received by the Group to its inquiries with suppliers with regard to applicability under the said Act. This has been relied upon by the auditors.

No interest has been paid/is payable by the Group during the year to the suppliers registered under this Act.

Ageing analysis of Trade Payable

As at March 31, 2026

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	5.01	-	-	-	5.01
(ii) Others	2.16	-	-	-	2.16
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

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(Currency : Indian Rupees in lakhs)

As at March 31, 2025

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	6.23	-	-	-	6.23
(ii) Others	1.82	-	-	-	1.82
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

NOTE 39 GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS:

The Group has an funded defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible for a gratuity on separation at 15 days basic salary (last drawn salary) for each completed year of service.

Based on Ind AS 19 'Employee Benefits' notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016, the following disclosures have been made as required by the standard:

A. Amount recognised in the balance sheet

Particulars	As at March 31, 2026	As at March 31, 2025
Present value of the obligation as at the end of the year	1,349.49	603.94
Fair value of plan assets as at the end of the year	5.34	5.01
Net asset / (liability) to be recognised in the balance sheet	**1,344.15**	**598.93**

B. Change in projected benefit obligation

Particulars	As at March 31, 2026	As at March 31, 2025
Projected benefit of obligation at the beginning of the year	603.94	462.75
Less: Obligation associated with group(s) classified as held for sale	-	(72.85)
	603.94	**389.90**
Current service cost	244.35	138.81
Past service cost	480.40	-
Interest cost	35.96	24.47
Benefits paid	(65.37)	(60.72)
Actuarial (gain) / loss on obligation	50.21	111.48
Projected benefit obligation at the end of the year	**1,349.49**	**603.94**

C. Change in plan assets

Particulars	As at March 31, 2026	As at March 31, 2025
Fair value of plan assets at the beginning of the year	5.01	4.68
Return on plan assets	2.48	0.76
Actuarial gain/(loss)	(2.15)	(0.43)
Benefits paid	-	-
Fair value of plan assets at the end of the year	**5.34**	**5.01**

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D. Amount recognised in the statement of profit and loss for continuing operation

Particulars	As at March 31, 2026	As at March 31, 2025
Current service cost	244.35	138.81
Past service cost and loss/(gain) on curtailments and settlement	480.40	-
Net interest cost	33.48	23.71
Expenses recognised in the statement of profit and loss	**758.23**	**162.52**

E. Amount recognised in other comprehensive income

Particulars	As at March 31, 2026	As at March 31, 2025
Actuarial (gains) / loss		
- change in financial assumption	(2.26)	77.38
- change in demographic assumption	-	-
- experience variation	52.47	34.10
Return on plan assets, excluding amount recognised in net interest expense	2.15	0.43
	52.36	**111.91**
Add: Amounts recognised for Obligation associated with group(s) classified as held for sale	18.15	14.44
	70.51	**126.35**

F. Assumptions used

Particulars	As at March 31, 2026	As at March 31, 2025
Discount rate	6.60%	6.55%
Salary growth rate	9.50%	9.50%
Withdrawal rates	50% at younger ages reducing to 10% at older ages	50% at younger ages reducing to 10% at older ages

G. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	As at March 31, 2026		As at March 31, 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	1,311.23	1,356.35	593.14	615.14
Salary growth rate (0.5% movement)	1,353.53	1,313.60	614.27	593.84
Withdrawal rate (10% movement)	1,290.42	1,380.64	577.10	634.12

H. Other information :

1. Plans assets comprises 100% of Insurance funds.
2. The expected contribution for the next year is ₹ 323.12 lakhs.
3. The average outstanding term of the obligations as at valuation date is 3.28 years.
4. The above disclosure is based on report and assumptions provided by the actuary and has been relied upon by the Auditors.

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NOTE 40 ADDITIONAL INFORMATION AS REQUIRED BY PARAGRAPH 2 OF THE GENERAL INSTRUCTIONS FOR PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS TO SCHEDULE III TO THE COMPANIES ACT, 2013

Net assets i.e. total assets minus total liabilities

Particulars	As at March 31, 2026		As at March 31, 2025	
	As % of Consolidated Net assets	₹ lakhs	As % of Consolidated Net assets	₹ lakhs
Parent				
IndoStar Capital Finance Limited	99.87%	3,77,757.29	94.25%	3,42,622.25
Subsidiaries				
Niwas Housing Finance Limited (Formerly known as Niwas Housing Finance Private Limited)	-	-	18.00%	65,430.90
IndoStar Asset Advisory Private Limited	0.13%	505.85	0.13%	490.17
Less: Inter-Company eliminations	0.00%	(1.00)	(12.38%)	(45,001.00)
Total	**100.00%**	**3,78,262.14**	**100.00%**	**3,63,542.32**

Share of Profit or Loss

Particulars	As at March 31, 2026		As at March 31, 2025	
	As % of Consolidated Net assets	₹ lakhs	As % of Consolidated Net assets	₹ lakhs
Parent				
IndoStar Capital Finance Limited	92.71%	13,020.15	43.64%	5,259.09
Subsidiaries				
Niwas Housing Finance Limited (Formerly known as Niwas Housing Finance Private Limited)	7.18%	1,008.42	56.23%	6,776.46
IndoStar Asset Advisory Private Limited	0.11%	15.68	0.14%	16.52
Less: Inter-Company eliminations	-	-	-	-
Total	**100.00%**	**14,044.25**	**100.00%**	**12,052.07**

Share of Other comprehensive income

Particulars	For the year ended 31 March 2026		For the year ended 31 March 2025	
	As % of Consolidated Other comprehensive income	₹ lakhs	As % of Consolidated Other comprehensive income	₹ lakhs
Parent				
IndoStar Capital Finance Limited	95.26%	(273.14)	86.43%	(68.79)
Subsidiaries				
Niwas Housing Finance Limited (Formerly known as Niwas Housing Finance Private Limited)	4.74%	(13.58)	13.57%	(10.80)
IndoStar Asset Advisory Private Limited	-	-	-	-
Less: Inter-Company eliminations	-	-	-	-
Total	**100.00%**	**(286.72)**	**100.00%**	**(79.59)**

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Share of Total comprehensive income

Particulars	For the year ended 31 March 2026		For the year ended 31 March 2025	
	As % of Consolidated Total comprehensive income	₹ lakhs	As % of Consolidated Total comprehensive income	₹ lakhs
Parent				
IndoStar Capital Finance Limited	92.65%	12,747.01	43.35%	5,190.30
Subsidiaries				
Niwas Housing Finance Limited (Formerly known as Niwas Housing Finance Private Limited)	7.24%	994.84	56.51%	6,765.66
IndoStar Asset Advisory Private Limited	0.11%	15.68	0.14%	16.52
Less: Inter-Company eliminations	-	-	-	-
Total	**100.00%**	**13,757.53**	**100.00%**	**11,972.48**

NOTE 41 EMPLOYEE STOCK OPTION PLANS

The Company provides share-based employee benefits to the employees of the Company, the Directors, whether a whole time Director or otherwise but excluding Non-Executive Independent Directors, including the Directors of the Company, such other entities or individuals as may be permitted by Applicable Laws and any of the aforesaid employees who are on deputation at the request of the Company and during the year ended March 31, 2026, employee stock option plans (ESOPs) were in existence. The relevant details of the schemes and the grant are as below.

A. Description of share-based payment arrangements

As at March 31, 2026, the Company has the following share-based payment arrangements:

Share option plans (equity settled)

According to the Schemes, the employees selected by the Nomination and Remuneration Committee (NRC) from time to time will be entitled to options, subject to satisfaction of the prescribed vesting conditions. The contractual life (comprising the vesting period and the exercise period) of options granted is 5 to 6.5 years.

I. Details of the ESOP

Particulars	ESOP Plan 2012	ESOP Plan 2016	ESOP Plan 2016 - II	ESOP Plan 2017	ESOP Plan 2018
Date of Shareholder's Approval	July 30, 2012	May 09, 2016	October 17, 2016	April 28, 2017	December 15, 2017
Total Number of Options approved	15,00,000	27,00,000	30,00,000	20,00,000	60,00,000

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Vesting Requirements	Vesting Criteria will specified for each Option Holder by the Nomination and Remuneration Committee at the time of grant of Options. For valid vesting of Options, the concerned Option Holder is required to be an Eligible Employee on the respective Vesting Date and not be subject to any disciplinary proceedings pending against him/her. Unless the NRC provides otherwise, the Vesting of Options granted hereunder shall be stalled / blocked during any unauthorised and unpaid leave of absence for such period as may prescribed by NRC or for any Cause as deemed fit by the NRC. For performance based options granted under the ESOP Plans, options shall vest based on achievement of defined annual performance parameters as determined by the NRC. The performance parameters will be based on a combination of relative Total Shareholder Return (TSR) and operating performance metrics of the Company as decided by the NRC. Each of the above performance parameters will be distinct for the purposes of the calculation of quantity of shares to be vested based on performance. These instruments will generally vest between a minimum of one to maximum of six and half years from the grant date.
The Pricing Formula	Options can be Exercised at any of the following Exercise Price, as may be determined by the NRC at its sole discretion at the time of grant of Options: (i) Fair Market Value rounded to the nearest rupee; or(ii) Market Price rounded to the nearest rupee; or(iii) such price as may be determined by the NRC. However, the Exercise Price shall not be less than the Fair Market Value of the Shares.
Maximum term of Options granted (years)	Options granted under the ESOP Plans would vest not less than 1 (one) year from the date of grant of Options. Options shall be capable of being exercised within a period of 4 years from the Date of Vesting. Performance based optins will generally vest between a minimum of one to maximum of six and half years from the grant date.
Method of Settlement	Equity
Source of shares	Primary
Variation in terms of ESOP	None
Method used for accounting of options	Fair Value Method

II. Option Movement during the year ended March 2026

Particulars	ESOP Plan 2012	ESOP Plan 2016	ESOP Plan 2016 - II	ESOP Plan 2017	ESOP Plan 2018
No. of options outstanding at the beginning of the year	25,000	10,76,500	10,000	16,80,250	51,76,152
Options granted during the year	-	-	5,65,967	4,40,000	-
Options forfeited / lapsed during the year	-	3,18,300	1,90,770	5,26,550	8,89,841
Options exercised during the year	-	1,53,000	-	1,85,000	2,82,931
Total number of shares arising as a result of exercise of options	-	1,53,000	-	1,85,000	2,82,931
Money realised by exercise of options (₹ lakhs)	-	219.44	-	405.23	482.64
Number of options outstanding at the end of the year	25,000	6,05,200	3,85,197	14,08,700	40,03,380

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Particulars	ESOP Plan 2012	ESOP Plan 2016	ESOP Plan 2016 - II	ESOP Plan 2017	ESOP Plan 2018
Number of options exercisable at the end of the year	25,000	5,19,200	-	3,31,200	12,97,714
The weighted average market price of shares exercised during the year ended March 31, 2026 (₹)	-	143.42	-	219.05	170.58

III. Option Movement during the year ended March 31, 2025

Particulars	ESOP Plan 2012	ESOP Plan 2016	ESOP Plan 2016 - II	ESOP Plan 2017	ESOP Plan 2018
No. of options outstanding at the beginning of the year	31,750	13,39,500	10,000	11,80,250	36,77,136
Options granted during the year	-	-	-	5,00,000	19,47,424
Options forfeited / lapsed during the year	6,750	2,58,500	-	-	4,34,756
Options exercised during the year	-	4,500	-	-	13,652
Total number of shares arising as a result of exercise of options	-	4,500	-	-	13,652
Money realised by exercise of options (₹ lakhs)	-	6.26	-	-	25.99
Number of options outstanding at the end of the year	25,000	10,76,500	10,000	16,80,250	51,76,152
Number of options exercisable at the end of the year	15,000	4,90,850	10,000	4,11,500	7,71,168
The weighted average market price of shares exercised during the year ended March 31, 2025 (₹ Per share)	-	263.20	-	-	269.64

IV. Weighted Average remaining contractual life

Particulars	ESOP Plan 2012	ESOP Plan 2016	ESOP Plan 2016 - II	ESOP Plan 2017	ESOP Plan 2018
Range of Exercise Price (₹ per share)	218.00	139.00 - 262.55	309.10	219.05 - 437.00	131.45 - 437.00
No. of Options Outstanding as on March 31, 2026	25,000	6,05,200	3,85,197	14,08,700	40,03,380
Contractual Life (in years)	-	0.43	1.58	1.91	0.50

V. Method and Assumptions used to estimate the fair value of options granted:

The fair value of the awards are estimated using the Black-Scholes Model for time and non-market performance-based options and Monte Carlo simulation model is used for Total Shareholder Return (TSR) based options.

The Assumptions used in the model are as follows:

Variables	ESOP Plan 2012	ESOP Plan 2016	ESOP Plan 2016 - II	ESOP Plan 2017	ESOP Plan 2018
Risk free interest rate	-	-	5.98%	6.02%	-
Weighted average expected life (in years)	-	-	3.75	3.75	-
Expected volatility	-	-	46.27%	45.33%	-
Dividend yield	-	-	-	-	-
Exercise Price	-	-	309.10	252.04	-
Weighted average exercise price (₹ per share)	-	-	309.10	252.04	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

VI. Effect of share-based payment transactions on the entity's Profit or Loss for the period:

Particulars	March 31, 2026	March 31, 2025
Employee share based expense	1,158.31	2,203.70
Total ESOP reserve outstanding*	4,133.89	4,485.53

* Includes Niwas Housing Finance Limited (Formerly known as Niwas Housing Finance Private Limited) ESOP reserve of ₹ 550.97 lakhs (Previous year)

NOTE 42 MATURITY PATTERN OF ASSETS AND LIABILITIES

An analysis of its assets and liabilities according to their timing of recoverability and settlement has been presented below in a tabulated format.

Particulars	As at March 31, 2026			As at March 31, 2025		
	Within 12 months	More than 12 months	Total	Within 12 months	More than 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	3,615.74	-	**3,615.74**	9,604.87	-	**9,604.87**
Bank balances other than cash and cash equivalents	272.24	27,149.75	**27,421.99**	1,075.52	31,563.54	**32,639.06**
Derivative financial instruments	1,194.74	-	**1,194.74**	-	-	**-**
Loans	2,75,697.43	4,67,749.34	**7,43,446.77**	2,53,628.94	4,68,022.91	**7,21,651.85**
Investments	39,329.37	58,863.30	**98,192.67**	79,558.50	1,02,259.95	**1,81,818.45**
Other financial assets	658.43	5,204.54	**5,862.97**	1,868.59	10,234.00	**12,102.59**
Non-financial assets						
Current tax assets (net)	-	1,255.84	**1,255.84**	-	1,138.23	**1,138.23**
Deferred tax assets (net)	-	31,766.52	**31,766.52**	-	31,674.65	**31,674.65**
Property, plant and equipment	-	4,974.34	**4,974.34**	-	5,955.24	**5,955.24**
Assets acquired in satisfaction of claim	-	700.00	**700.00**	-	1,300.00	**1,300.00**
Goodwill	-	30,018.69	**30,018.69**	-	30,018.69	**30,018.69**
Other intangible assets	-	487.22	**487.22**	-	539.00	**539.00**
Other non-financial assets	2,509.53	203.90	**2,713.43**	2,614.42	308.47	**2,922.89**
Non - current assets held for sale	-	-	**-**	2,94,224.04	-	**2,94,224.04**
TOTAL ASSETS	**3,23,277.48**	**6,28,373.44**	**9,51,650.92**	**6,42,574.88**	**6,83,014.68**	**13,25,589.56**

Particulars	As at March 31, 2026			As at March 31, 2025		
	Within 12 months	More than 12 months	Total	Within 12 months	More than 12 months	Total
LIABILITIES						
Financial liabilities						
Trade payables	7.17	-	**7.17**	8.05	-	**8.05**
Debt securities	1,79,235.91	1,28,179.45	**3,07,415.36**	2,17,164.42	1,62,054.22	**3,79,218.64**
Borrowings (other than debt securities)*	1,51,109.31	89,151.71	**2,40,261.02**	1,56,248.04	1,56,181.55	**3,12,429.59**
Other financial liabilities	19,526.54	2,529.43	**22,055.97**	37,354.59	2,944.89	**40,299.48**
Non-financial liabilities						
Current tax liabilities (net)	-	1,058.83	**1,058.83**	-	-	**-**
Provisions	496.75	1,331.48	**1,828.23**	276.41	624.90	**901.31**
Other non-financial liabilities	762.20	-	**762.20**	745.03	-	**745.03**
Liabilities for assets held for sale	-	-	**-**	2,28,445.14	-	**2,28,445.14**
TOTAL LIABILITIES	**3,51,137.88**	**2,22,250.90**	**5,73,388.78**	**6,40,241.68**	**3,21,805.56**	**9,62,047.24**

* also refer note 32(F)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

NOTE 43 OTHER NOTES

Note 43.1

In relation to the loans portfolio, the Management has on a best effort basis and knowledge, has not identified transactions with Nil financiers (previous year Nil) aggregating ₹ Nil (previous year Nil) used for refinancing loans of the customers.

Note 43.2

The disclosure on the following matters required under Schedule III as amended not being relevant or applicable in case of the Group, same are not covered:

a) The Group has not traded or invested in crypto currency or virtual currency during the financial year.

b) No proceedings have been initiated or are pending against the Group for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (45 of 1988) and rules made thereunder.

c) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

d) The Group has not entered into any scheme of arrangement.

e) Charges or satisfaction to be registered with Registrar of Companies (ROC) have been registered within the stipulated statutory timelines.

f) There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

g) In respect of the disclosure required vide notification dated March 24, 2021 issued by Ministry of Corporate Affairs, the Group has taken steps to identify transactions with the struck-off companies and considering the nature of business which is primarily lending to individuals and other small players, there are no such transactions which may be required to be reported.

h) The provision related to number of layers as prescribed under section 2(87) of the Companies Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable to Company.

i) Other than the loans and advances given in normal course of business, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Group has also not received any fund from any parties (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

j) Title deed of immovable property has been held in the name of the Company.

k) The Company has used certain accounting software(s) for maintaining its books of account (including two accounting software managed and maintained by a third party software service provider) which has a feature of recording audit trail (edit log) facility, except that audit trail feature was enabled at the database level during the year in respect of certain accounting software(s) to log any direct data changes.

Further, where enabled, the audit trail feature has been operated for all relevant transactions recorded in the accounting software. During the year, the Company did not come across any instance of audit trail feature being tampered with in respect of such accounting software. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in respective years.

The Company has established and maintained an adequate internal control framework and based on its assessment, believes that this was effective throughout the year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(Currency : Indian Rupees in lakhs)

44 NOTE

Figures for the previous year have been regrouped and / or reclassified wherever considered necessary to conform to current year presentation.

In terms of our report attached
For M S K A & Associates LLP
(formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration Number: 105047W/W101187

Tushar Kurani
Partner
Membership No. 118580

Place: Sorrento, Italy
Date: May 27, 2026

For and on behalf of the Board of Directors of
IndoStar Capital Finance Limited

Naina Krishna Murthy
Non-Executive Independent Chairperson
DIN: 01216114

Randhir Singh
Managing Director & Executive Vice Chairman
DIN: 05353131

Jayesh Jain
Chief Financial Officer

Shikha Jain
Company Secretary

Place: Mumbai
Date: May 27, 2026

FORM AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

PART A SUBSIDIARIES

(Currency : Indian Rupees Lakhs)

Sl. No.	Particulars	1	2
1	Name of the subsidiary	IndoStar Asset Advisory Private Limited	Niwas Housing Finance Limited (formerly known as Niwas Housing Finance Private Limited)
2	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	April 01, 2025 to March 31, 2026	April 01, 2025 to June 26, 2025
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA	NA
4	Share capital		
	- Authorised capital	10.00	1,00,000.00
	- Paid-up capital	1.00	45,000.00
5	Reserves & surplus	504.85	21,490.45
6	Total Assets	508.15	3,08,600.61
7	Total Liabilities	508.15	3,08,600.61
8	Investments	-	-
9	Turnover	-	11,385.49
10	Profit / (loss) before taxation	21.06	1,358.78
11	Provision for taxation	5.38	350.36
12	Profit / (loss) after taxation	15.68	1,008.42
13	Proposed Dividend	Nil	Nil
14	Extent of shareholding (in percentage)	100%	-

Notes:

Names of subsidiaries which are yet to commence operations: Not applicable

Names of subsidiaries which have been liquidiated or sold during the year: Niwas Housing Finance Limited (formerly known as Niwas Housing Finance Private Limited) (refer footnote below)

Footnote :

The Board of Directors of the Company in its meeting held on September 19, 2024 had considered and approved, inter-alia, subject to shareholders, regulatory and other approvals, sale of the Company's shareholding in Niwas Housing Finance Limited ("NHFL") (Formerly Niwas Housing Finance Private Limited), a debt-listed material subsidiary of the Company, to WITKOPEEND B.V. (the "Purchaser") for an aggregate consideration of ₹ 1,70,595 lakhs in accordance with the terms of the share purchase agreement dated September 19, 2024 (SPA) among the Company, NHFL and the Purchaser. Subsequently, the Shareholders' approval was obtained on October 26, 2024. The Reserve Bank of India (RBI) accorded its approval on March 21, 2025.

During the year, National Housing Bank ("NHB") as a Lender to NHFL has given No Objection for the change in shareholding dated May 30, 2025 and the Company has received other requisite approvals. Further the Company and NHFL has issued Condition Precedent ("CP") Fulfilment Notice dated June 24, 2025 and the Purchaser has issued CP Fulfilment Notice dated June 26, 2025. The Company, the Purchaser and NHFL has complied with Condition Precedent to sale in terms of the SPA. Accordingly, the transaction becomes obligatory on all the parties on June 26, 2025. Consequently, the Company recorded a gain of ₹ 1,17,595 lakhs in the Standalone financial statement on divestment of NHFL after adjusting Cost of Investment and expenses incurred on the sale transaction. The Company received the consideration and share transfer process was completed on July 17, 2025. Accordingly, the financial information of NHFL is disclosed upto June 26, 2025.

PART B ASSOCIATES AND JOINT VENTURES -

Not applicable

For and on behalf of the Board of Directors of
IndoStar Capital Finance Limited

Naina Krishna Murthy
Non-Executive Independent Chairperson
DIN: 01216114

Randhir Singh
Managing Director & Executive Vice Chairman
DIN: 05353131

Jayesh Jain
Chief Financial Officer

Shikha Jain
Company Secretary

Place: Mumbai
Date: May 27, 2026

INDOSTAR

INDOSTAR CAPITAL FINANCE LIMITED

Registered Office: Silver Utopia, 3rd Floor,
Unit No 301-A, Opposite P & G Plaza, Cardinal Gracious Road,
Chakala, Andheri (E), Mumbai – 400099
Corporate Identity Number: L65100MH2009PLC268160 | Tel: +91 22 43157000
Website: www.indostarcapital.com; **Email:** investor.relations@indostarcapital.com

NOTICE OF 17TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the **17TH ANNUAL GENERAL MEETING** of the Members of **INDOSTAR CAPITAL FINANCE LIMITED** ("the Company") will be held on **FRIDAY, SEPTEMBER 25, 2026 at 11:00 A.M. (IST)** through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") in accordance with the relevant circulars issued by the Ministry of Corporate Affairs (MCA) and the Securities Exchange Board of India (SEBI), to transact the following businesses:

ORDINARY BUSINESS:

1. **Adoption of Standalone Financial Statements**

   To receive, consider and adopt the audited standalone financial statements for the Financial Year ended March 31, 2026 and the Reports of the Board of Directors and the Reports of the Statutory Auditors thereon.

2. **Adoption of Consolidated Financial Statements**

   To receive, consider and adopt the audited consolidated financial statements for the Financial Year ended March 31, 2026 and the Reports of the Statutory Auditors thereon.

3. **Appoint a Director in place of Mr. Aditya Hemant Joshi (DIN: 08684627), who retires by rotation and being eligible has offered himself for re-appointment.**

   To appoint a Director in place of Mr. Aditya Hemant Joshi (DIN: 08684627), who retires by rotation and being eligible has offered himself for re-appointment.

4. **Appoint and fix remuneration of Statutory Auditors of the Company**

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

   "RESOLVED THAT pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time ("the Act") read with the Companies (Audit and Auditors) Rules, 2014 and other applicable rules, if any, under the Act, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force) ("SEBI Listing Regulations"), and in accordance with the Reserve Bank of India (Non-Banking Financial Companies - Statutory Audit) Directions, 2026 ("RBI Master Directions") and other rules, regulations, guidelines, circulars, directions and notifications issued by the RBI, from time to time for the appointment of Statutory Auditors of the Company and as recommended by the Audit Committee and the Board of Directors, S.R. Batliboi & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 301003E/E300005), who have confirmed their eligibility as per Section 141 of the Act and RBI Master Directions, be and are hereby appointed as Statutory Auditors of the Company, to hold office for a term of 3 (Three) consecutive years from the conclusion of the 17th (Seventeenth) Annual General Meeting till the conclusion of the 20th (Twentieth) Annual General Meeting of the Company, at such remuneration as may be decided by the Board of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee constituted / may be constituted by the Board of Directors of the Company or any other person(s), for the time being exercising the powers conferred on the Board by this resolution and as may be authorised by the Board in this regard);

   RESOLVED FURTHER THAT the Board be and is hereby authorised to decide and finalise the terms and conditions of appointment, including the remuneration and to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient, proper or desirable to give full effect to the aforesaid resolution including but not limited to delegate any powers to any officials of the Company conferred upon the Board by this resolution and to settle any questions / doubts / queries / difficulties that may arise in this regard, at any stage without being required to seek any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution".

SPECIAL BUSINESS:

5. **Issue of Non-Convertible Debentures under Private Placement**

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

   "RESOLVED THAT pursuant to (i) the provisions of Sections 23, 42, 71, 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 read with the applicable Rules framed thereunder including the Companies (Prospectus and Allotment of Securities) rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force); (ii) the applicable provisions of the Memorandum of Association and the Articles of Association of the Company; (iii) the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended from time to time; (iv) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time; (v) the Master Direction – Reserve Bank of India (Commercial Paper and Non-Convertible Debentures of original or initial maturity upto one year) Directions, 2024, as amended from time to time; and (vi) all other applicable laws, acts, rules, regulations, guidelines, circulars, directions, notifications, and subject to such other consent(s) / permission(s) / sanction(s), as may be required, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee constituted / may be constituted by the Board of the Company or any other person(s), for the time being exercising the powers conferred on the Board by this resolution and as may be authorised by the Board in this regard) to create / invite / offer / issue / allot up to such number of Non-Convertible Debentures ("NCDs") including but not limited to subordinated / perpetual debentures, under private placement, with or without security, in one or more modes or combinations thereof and in one or more series or tranches, to such eligible person(s), on such terms and conditions as the Board may determine and think fit, such that the aggregate principal amount of NCDs to be issued during a period of 1 (one) year commencing from the date of passing of this Special Resolution does not exceed ₹ 6,000 crores (Rupees Six Thousand Crores Only) within the overall borrowing limits of the Company;

   RESOLVED FURTHER THAT the Board be and is hereby authorised to undertake all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, expedient, proper or desirable to give full effect to the aforesaid resolution and to settle all questions / doubts / queries / difficulties that may arise in this regard, at any stage without being required to seek any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

By the Order of the Board of Directors
For **IndoStar Capital Finance Limited**

Shikha Jain
Company Secretary & Compliance Officer
Membership No.: ACS 59686

Place: Mumbai
Date : July 29, 2026

Registered Office:
Silver Utopia, 3rd Floor,
Unit No 301-A, Opposite P & G Plaza,
Cardinal Gracious Road, Chakala,
Andheri (E), Mumbai – 400099
CIN: L65100MH2009PLC268160
Tel: +91 22 43157000
E-mail: investor.relations@indostarcapital.com
Website: www.indostarcapital.com

NOTES FOR MEMBER'S ATTENTION:

Virtual Meeting

1. The Ministry of Corporate Affairs ("MCA") vide its General Circular no. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 05, 2020, read with the subsequent circulars issued in this regard, and the latest being General Circular No. 03/2025 dated September 22, 2025 (collectively referred as "MCA Circulars") has allowed the Companies to conduct the Annual General Meeting ("AGM") through Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM") until further notice. Accordingly, in compliance with the provisions of the Companies Act, 2013 ("the Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the MCA Circulars, the 17th Annual General Meeting of the Company shall be conducted through VC / OAVM.

2. The Company has engaged Central Depository Services (India) Limited ("CDSL") to provide the facilities in respect of:

   a) voting through remote e-Voting;

   b) participation in the AGM through VC / OAVM facility; and

   c) e-Voting during the AGM.

3. In accordance with the Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification / Guidance on applicability of Secretarial Standards - 1 and 2 dated April 15, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.

4. Since the AGM is being held through VC / OAVM, pursuant to the MCA Circulars:

   a. Members can attend the AGM through login credentials provided to them for this purpose. Physical attendance of the Members at the AGM venue is not required. Accordingly, attendance slip and route map are not annexed to this Notice.

   b. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

   c. Appointment of proxy to attend and cast vote on behalf of the Member under Section 105 of the Act will not be available for the AGM and hence the Proxy Form is not annexed to this Notice.

   d. In pursuance to Section 112 and Section 113 of the Act, Corporate / Institutional Members are entitled to appoint authorised representatives to attend the AGM through VC / OAVM and participate there at and cast their votes through remote e-Voting or e-Voting during AGM. Corporate / Institutional Members are requested to send the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorised signatory who are authorised to vote and demat account details, to the Company at investor.relations@indostarcapital.com.

5. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, Regulation 44 of the SEBI Listing Regulations and applicable circulars on e-Voting facility provided by Listed Entities, the SS-2, and the MCA Circulars, Members have the option to vote electronically either before the AGM ("remote e-Voting") or during the AGM on the resolutions set out in the AGM Notice.

6. The Company's Registrar and Transfer Agent for its share registry work (Physical and Electronic) is MUFG Intime India Private Limited ("MUFG") having their office at C 101, Embassy 247, L.B.S Marg, Vikhroli (West), Mumbai - 400083.

Explanatory Statement

7. Additional information relating to Ordinary Business i.e., Item No. 04 and Explanatory Statement pursuant to Section 102 of the Act read with the SS-2 and the SEBI Listing Regulations, relating to Special Business as set out in the Notice convening the AGM ("AGM Notice") are annexed hereto.

8. Information as required under Regulation 36(3) of the SEBI Listing Regulations and the SS-2 issued by ICSI with respect to Mr. Aditya Hemant Joshi (DIN: 08684627), seeking re-appointment as Non-Executive Director is annexed hereto and forms part of the AGM Notice.

Electronic Dispatch of AGM Notice and Annual Report

9. In compliance with the circulars issued by MCA and SEBI, the AGM Notice along with the Annual Report for the Financial Year 2025-26 ("Annual Report") is being sent through electronic mode to those Members whose email addresses are registered with the Company / Depository Participants / Registrar and Transfer Agent – MUFG.

10. As per SEBI Listing Regulations, physical copy of Annual Report is required to sent only those Members who have requested the same and accordingly, Members who wish to obtain physical copy of Annual Report may write to the Company at investor.relations@indostarcapitalcom.

11. Members are requested to note that the AGM Notice and Annual Report for the Financial Year 2025-26 is also available on the website of the Company at https://www.indostarcapital.com/investors-corner#investor-services, website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency providing the remote e-Voting facility) at www.evotingindia.com.

Procedure for joining the AGM through VC / OAVM

12. Members will be able to attend the AGM through VC / OAVM at www.evotingindia.com or https://eservices.nsdl.com by using their e-Voting login credentials.

13. Members can join the AGM through VC / OAVM facility 30 minutes before the scheduled time of commencement of the AGM and shall be kept open throughout the proceedings of the AGM, by following the procedure provided in the AGM Notice.

14. Members may note that the facility of participation at the AGM through VC / OAVM allows participation of at least 1,000 Members on a first-come-first-served basis. This will not include large shareholders (shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors etc., they can attend the AGM without any restriction on account of first-come first-served principle.

Speaker Registration – Procedure to raise questions or seek clarification with respect to Annual Report

15. Members who would like to express their views / ask questions during the AGM, may register themselves as a speaker by sending a specific request for the same from their registered email address mentioning their name, DP ID and Client ID / folio number, PAN and mobile number at investor.relations@indostarcapital.com. The Speaker Registration will be open from Monday, September 21, 2026 to Wednesday, September 23, 2026.

16. Only those Members who have registered themselves as a 'Speaker' will be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

17. The Members who do not wish to speak during the AGM but have any queries relating to the resolutions set out in the AGM Notice may send their queries from their registered email address mentioning their name, DP ID and Client ID / folio number, PAN and mobile number at investor.relations@indostarcapital.com by Wednesday, September 23, 2026. These queries will be suitably addressed by the Company through email communication.

Procedure for inspection of documents

18. The following documents / registers will be available for online inspection by the Members of the Company up to the date of the AGM during business hours of the working days and during the AGM:

    a. Register of Directors and Key Managerial Personnel and their Shareholding, and Register of Contracts or arrangement in which Directors are interested, if any, maintained under the Act;

    b. A certificate by M/s. Mehta & Mehta, Company Secretaries, (Firm Registration Number: P1996MH007500) Secretarial Auditors of the Company, certifying that the Employee Stock Options Plan(s) of the Company have been implemented in accordance with the Regulation 13 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the respective resolution(s) passed in the general meeting(s) of the Company in this regard; and

    c. The documents referred in the AGM Notice and the Explanatory Statement annexed to the AGM Notice.

Members seeking to inspect such documents can send an email to investor.relations@indostarcapital.com.

Procedure for remote e-Voting and e-Voting during the AGM:

19. The facility of e-Voting shall be available during the AGM for Members attending the AGM through VC / OAVM and who have not already casted their vote by remote e-Voting. However, Members who have casted their vote through remote e-Voting may attend the AGM but shall not be entitle to vote during the AGM.

20. The remote e-Voting facility will be available during the following period:

Record / Cut-off date (AGM e-Voting)	Friday, September 18, 2026

Remote e-Voting period

Period during which Members, as on the cut-off date, may cast their votes on electronic voting system from any location:

Commencement of remote e-Voting	Monday, September 21, 2026, 9:00 A.M. (IST)
End of remote e-Voting	Thursday, September 24, 2026, 5:00 P.M. (IST)

21. The voting rights of Members shall be in proportion to their share in the paid-up share capital of the Company as on the cut-off date i.e., Friday, September 18, 2026. A person who is not a Member as on the cut-off date should treat the AGM Notice for information purpose only.

22. The Board of Directors of the Company at its meeting held on July 29, 2026 have appointed Ms. Ashwini Inamdar (FCS No. 9409), failing her, Ms. Alifya Sapatwala (ACS No. 24091), Partners of M/s. Mehta & Mehta, Company Secretaries, as Scrutiniser to scrutinise the entire process of remote e-Voting and e-Voting during the AGM in a fair and transparent manner.

23. As per SEBI circular dated December 09, 2020, all the individual shareholders holding shares of the Company in demat mode, can cast their vote, by way of single login credential, through their demat accounts / websites of depositories / depository participants (DPs), without having to register again with the e-Voting service provider (ESP). Members are advised to update their mobile number and email ID in their demat accounts in order to access e-Voting facility.

A. Procedure and instructions for Individual Members holding shares in dematerialised form:

Type of Members	Login Method
Individual Members holding shares in dematerialised mode with CDSL	**A. Users already registered for Easi / Easiest facility:** 1. Users who have opted for CDSL Easi / Easiest facility, can login at https://web.cdslindia.com/myeasitoken/home/login through their existing User ID and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website at www.cdslindia.com and click on login icon and select My Easi New (Token) Tab. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. **B. Users who have not opted for Easi / Easiest facility:** 1. Option to register is available at CDSL website www.cdslindia.com and click on login & My Easi New (Token) Tab and then click on registration option. 2. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile and Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress click on options available against the Company name: IndoStar Capital Finance Limited or select e-Voting service provider name – CDSL to cast your vote.
Individual Members holding share(s) in dematerialised mode with NSDL	**A. Users registered for NSDL IDeAS facility:** 1. Visit the e-Services website of NSDL at https://eservices.nsdl.com. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. Enter your User ID and Password. 2. After successful authentication, User will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and User will be able to see e-Voting page. Click on Company name: IndoStar Capital Finance Limited or e-Voting service provider name - CDSL and user will be re-directed to CDSL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting. **B. Users not registered for NSDL IDeAS facility:** 1. Option to register is available at https://eservices.nsdl.com Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 2. Visit the e-Voting website of NSDL at https://www.evoting.nsdl.com/ Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. User will have to enter your User ID (i.e. sixteen-digit demat account number hold with NSDL), Password/OTP and a verification code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein user can see e-Voting page. Click on Company name: IndoStar Capital Finance Limited or e-Voting service provider name - CDSL and user will be re-directed to CDSL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting. 3. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, eight-digit client Id, PAN No., verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, User will be redirected to NSDL Depository site wherein user can see e-Voting page. Click on Company name: IndoStar Capital Finance Limited or e-Voting service provider name - CDSL and user will be re-directed to CDSL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.
Individual Members (holding share(s) in dematerialised mode) login through their Depository Participants	1. User can also login using the login credentials of your demat account through your Depository Participant registered with NSDL / CDSL for e-Voting facility. 2. After Successful login, user will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. 3. Click on option available against Company's name: IndoStar Capital Finance Limited or e-Voting service provider – CDSL and user will be redirected to e-Voting website of CDSL for casting vote during the remote e-Voting period.

Important note:

Members who are unable to retrieve User ID / Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Members holding shares in dematerialised mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login Type	Helpdesk Details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with NDSL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at : 022 - 4886 7000 and 022 - 2499 7000

B. Procedure and instructions for non-individual Members holding shares in dematerialised form and Members holding shares in physical form:

i. The shareholders should log on to the e-Voting website www.evotingindia.com.

ii. Click on "Shareholders" module.

iii. Now enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Member holding shares in Physical Form should enter Folio Number registered with the Company.

iv. Next enter the Image Verification as displayed and Click on Login.

v. If Member are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-Voting of any other company, then your existing password is to be used.

vi. If first-time user follow the steps given below:

For Members holding shares in dematerialised form and physical form.	
PAN	• Enter 10-digit alpha-numeric PAN issued by Income Tax Department. • Members who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number sent by Company / RTA or contact Company / RTA.
Dividend Bank details or Date of Birth (DOB)	• Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. • If both the details are not recorded with the depository or company, please enter the member ID / folio number in the Dividend Bank details field.

vii. After entering these details appropriately, click on "SUBMIT" tab.

viii. Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

ix. For Members holding shares in physical form, the details can be used only for e-Voting on the resolutions contained in this AGM Notice.

x. Click on the EVSN for the IndoStar Capital Finance Limited on which you choose to vote.

xi. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the resolution and option NO implies that you dissent to the Resolution.

xii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

xiii. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

xiv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

xv. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

xvi. If a demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.

xvii. There is also an optional provision to upload Board Resolution / Power of Attorney if any uploaded, which will be made available to scrutiniser for verification.

xviii. Additional Facility for Non – Individual Members and Custodians – For Remote Voting only.

- Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically and can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutiniser to verify the same.
- Alternatively Non Individual Members are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorised signatory who are authorised to vote, to the Scrutiniser and to the Company at investor.relations@indostarcapital.com, if have voted from individual tab & not uploaded same in the CDSL e-Voting system for the scrutiniser to verify the same.

xix. Process for Members whose email addresses are not registered with the Company / Depositories:

- Members holding shares in physical form - Please provide necessary details like Folio No., Name of Member, scanned copy of the share certificate (front and back) and PAN (self-attested scanned copy of PAN card) by email to investor.relations@indostarcapital.com;
- Members holding shares in dematerialised form (other than individuals) - Please update your email address and mobile no. with your respective depository participant.
- Individual Members holding shares in dematerialised form - Please update your email address and mobile no. with your respective depository participant which is mandatory while e-Voting and joining the AGM.

xx. Instructions for Members attending the AGM through VC / OAVM and e-Voting on the resolutions proposed in the AGM Notice, during the AGM are as under:

a. The procedure for attending the AGM through VC / OAVM and e-Voting during the AGM is same as the instructions mentioned above for remote e-Voting.

b. Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote during the AGM.

c. Only those Members, who are present in the AGM through VC / OAVM facility and have not casted their vote on the resolutions proposed in the AGM Notice through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

d. After successful login as per the instructions mentioned above for remote e-Voting, the link for VC / OAVM to attend AGM will be available where the EVSN of Company will be displayed.

e. Members are encouraged to join the AGM through Laptops / IPads for better experience.

f. Members will be required to allow Camera (in case of speakers) and use Internet with a good speed to avoid any disturbance during the meeting.

g. Members connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio / video loss due to fluctuation in their respective network. Members are therefore requested to use internet facility with a good speed to avoid any disturbance during the AGM.

E-Voting results

23. The Scrutiniser shall, not later than two days from the conclusion of the AGM, submit a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairperson or any other person authorised by the Chairperson in this behalf, who shall countersign the same.

24. The Chairperson or any other person authorised by the Chairperson in this behalf shall forthwith on receipt of the consolidated Scrutiniser's Report, declare the results of the voting within two working days of the conclusion of the AGM. The results declared along with the Scrutiniser's Report shall be placed on the Company's website at www.indostarcapital.com and on the website of CDSL e-Voting at www.evotingindia.com immediately and shall be communicated to the BSE Limited and the National Stock Exchange of India Limited, where the Equity Shares of the Company are listed.

25. The resolutions as set out in the AGM Notice shall be deemed to be passed on the date of the AGM i.e., Friday, September 25, 2026, subject to receipt of the requisite number of votes in favour of the resolution(s).

General Instructions / Advisory

26. Members may need assistance before or during the AGM for any issues / queries / grievances relating to remote e-Voting / e-Voting during the AGM / attending the AGM through VC / OAVM:

    a) **CDSL:** Members may refer to the Frequently Asked Questions ("FAQs") and e-Voting user manual available at www.evotingindia.com, under "Help" section or may contact Mr. Rakesh Dalvi, Sr. Manager, CDSL, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on toll free no. 1800 21 09 911.

    b) **Company:** Ms. Shikha Jain, Company Secretary and Compliance Officer at Silver Utopia, 3rd Floor, Unit No 301-A, Opposite P & G Plaza, Cardinal Gracious Road, Chakala, Andheri (E), Mumbai – 400099 or send an email at investor.relations@indostarcapital.com or call at 022-43157000.

27. Members holding shares in physical mode and desirous of nominating any person as his / her nominee may send the duly filed nomination form in SH-13 or desirous of cancelling the earlier nomination and recording fresh nomination may send the duly filled form SH-14 to MUFG. Members can obtain the blank form SH-13 and SH-14 from MUFG. Members holding shares in electronic / dematerialised mode can contact their respective Depository Participants to either nominate any person as a nominee or cancel the earlier nomination and record fresh nomination.

28. **Members are requested to:**

    a. register/ notify any change in their registered address/ Permanent Account Number/ bank mandates to MUFG, in case of shares held in physical form;

    b. register/ notify any change in their registered address / Permanent Account Number / bank mandates to the respective Depository Participants, in case of shares held in electronic/ dematerialised form; and

    c. quote their folio number(s) / Client ID and DP ID/ Beneficiary ID in all their correspondence.

29. SEBI vide Circular Nos. SEBI/HO/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023 and SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 04, 2023, has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of dispute arising in the Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal and the same can also be accessed through the Company's website https://www.indostarcapital.com.

Information relating to unpaid or unclaimed dividends (Investor Education and Protection Fund)

30. As per Sections 124 and 125 of the Act and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, dividends which remains unpaid or unclaimed by the shareholder for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF). Further, the said provisions mandate companies to transfer the shares of shareholders whose dividends remain unpaid or unclaimed for a period of seven consecutive years, to the demat account of IEPF Authority.

31. The detailed dividend history and shareholder wise details of the unpaid or unclaimed amounts lying with the Company and transferred to IEPF account as on March 31, 2026 are available on the website of the Company at https://www.indostarcapital.com/.

32. Members are requested to access the above link to check if any unpaid or unclaimed dividends are lying with the Company against their holdings. Members are then requested to contact the Company / Company's RTA for encashing their unclaimed dividends, if any.

33. Members whose dividends and/or shares are already transferred to the IEPF Authority can claim their dividends and/or shares from the IEPF Authority by following the Refund Procedure as detailed on the IEPF website at https://www.iepf.gov.in/IEPF/refund.html.

ADDITIONAL INFORMATION IN RESPECT OF ITEM OF ORDINARY BUSINESS

ITEM NO. 4

APPOINT AND FIX REMUNERATION OF STATUTORY AUDITORS OF THE COMPANY

The Reserve Bank of India (Non-Banking Financial Companies - Statutory Audit) Directions, 2026 ("RBI Master Directions"), which inter-alia stipulates that eligible entities will have to appoint the Statutory Auditors for a continuous period of 3 (Three) years, subject to the firm satisfying the eligibility norms each year. Also, an audit firm that has completed full or part of one term of the audit tenure shall not be eligible for re-appointment in the same entity for a period of 6 (Six) years thereafter.

Accordingly, the Member of the Company at their 14th Annual General Meeting held on September 19, 2023, based on recommendation of the Audit Committee and approval of the Board of Directors, had approved the appointment of M/s. M S K A & Associates LLP, Chartered Accountants (Firm Registration Number: 105047N/W101187) ("MSKA") as the Statutory auditor of the Company to hold office for a term of 3 (Three) consecutive years from the conclusion of 14th Annual General Meeting till the conclusion of the 17th Annual General Meeting of the Company. MSKA tenure would be expiring at the ensuing AGM.

In accordance with the Companies Act, 2013 ("the Act") and RBI Master Directions, the Board of Directors at their meeting held on July 29, 2026, on the recommendation of the Audit Committee have recommended for the approval of members, the appointment of S.R. Batliboi & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 301003E/E300005) ("S.R. Batliboi & Co. LLP"), as Statutory Auditors of the Company to hold office from conclusion of 17th Annual General Meeting till the conclusion of 20th Annual General Meeting of the Company.

The Board and Audit Committee considered various parameters specified in the RBI Master Directions and Section 141 of the Act, including audit approach, experience and knowledge in the financial service sector, market standing of the firm and assessment of its independence and found S.R. Batliboi & Co. LLP, to be suitable to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

S.R. Batliboi & Co. LLP fulfils the eligibility criteria, including criteria relating to independence and conflict, as specified by RBI and have consented to the said appointment and confirmed that their appointment, if made, will be within the limits specified under Section 141 of the Act and will be in compliance with the eligibility criteria/requirements specified by Section 139 and 141 of the Act along with the RBI Master Directions.

Further, S.R. Batliboi & Co. LLP has also provided a certificate confirming their eligibility as per RBI Master Directions and the Act with respect to their appointment as Statutory Auditors.

Pursuant to the provisions of Regulation 36(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the following details are provided for the information of the Members:

Proposed statutory audit fee payable to auditors	The proposed statutory audit fee to be paid to S.R. Batliboi & Co. LLP, would be ₹ 1,50,00,000 (Rupees One Hundred Fifty Lakhs Only) (plus 3% tech fee) for Financial Year 2026-27 (exclusive of certification fees, good and service tax and reimbursement of out of pocket expenses incurred in connection with the Audit)
Terms of appointment	The Board and Audit Committee recommended the appointment of S.R. Batliboi & Co. LLP, for a term of three years from conclusion of this 17th Annual General Meeting till the conclusion of 20th Annual General Meeting of the Company.
Material changes in fee payable to new auditor from that paid to the outgoing auditor along with rationale for change	The reduction in the proposed audit fee is primarily attributable to the reduced scope of audit of the consolidated financial statements/results. Up to 2025-26, the consolidated financial statements/results included the financial results of Niwas Housing Finance Limited (NHFL), which ceased to be a material subsidiary of the Company with effect from July 17, 2025, and IndoStar Asset Advisory Private Limited ("IAAPL"). From 2026-27 onwards, the consolidated financial statements/results will include only IAAPL, which is not a material subsidiary, resulting in a lower audit effort.
Basis of recommendation for including the details in relation to and credentials of the statutory auditor	**Brief Profile** S.R. Batliboi & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 301003E/E300005) ("the Firm"), part of the S.R. Batliboi & Affiliates network established in 1914 and backed by Ernst & Young Global Limited (EY), brings over a century of professional experience and expertise in auditing large listed entities. The Firm has significant experience in the financial services sector, including NBFCs, HFCs and Banks. The proposed engagement team comprises experienced partners and specialists across audit, IT, tax and data analytics functions and is supported by EY's global technical resources and advisory capabilities. **Basis of Recommendation** The Audit Committee and the Board of Directors of the Company, at their respective meetings held on July 29, 2026, evaluated the Firm's experience, industry standing, technical knowledge, audit expertise in the Company's operating segments and its ability to service a diverse and complex business environment. Considering these factors, along with the proposed transition plan for a smooth handover of audit responsibilities, the Audit Committee and the Board recommended the appointment of S.R. Batliboi & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 301003E/E300005) as the Statutory Auditors of the Company for a term of 3 (Three) consecutive years, from the conclusion of the 17th AGM until the conclusion of the 20th AGM, subject to the approval of the Members at the ensuing AGM.

In view of the above, the approval of Members of the Company is being sought pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Act and RBI Master Directions for the aforesaid appointment of S.R. Batliboi & Co. LLP, as the Statutory Auditors of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item No. 4 of the AGM Notice.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 4 of the AGM Notice for approval of the Members.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND THE SECRETARIAL STANDARDS ON GENERAL MEETINGS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA

ITEM NO. 05

ISSUE OF NON-CONVERTIBLE DEBENTURES UNDER PRIVATE PLACEMENT

Members at the 16th Annual General Meeting of the Company held on September 25, 2025, had accorded their approval to create / invite / offer / issue / allot up to such number of Non-Convertible Debentures ("NCDs"), under private placement, in one or more

series or tranches, on such terms and conditions as may be determined by the Board, such that the aggregate principal amount of such NCDs issued during a period of 1 (One) year commencing from the date of passing of special resolution at the aforesaid 16th Annual General Meeting, does not exceed ₹ 6,000 crores (Rupees Six Thousand Crores Only).

Members are requested to note that the aforesaid approval accorded by the Members of the Company for the issue of NCDs under private placement is valid for a period of one year from the date of approval by the Members of the Company i.e. upto September 24, 2026.

Members are requested to note that in order to enable the Company to raise funds by way of issuance of NCDs under private placement, the Board at its meeting held on July 29, 2026, subject to the approval of the Members of the Company, accorded its approval to create / invite / offer / issue / allot upto such number of NCDs, under private placement, in one or more series or tranches, such that the aggregate principal amount of such NCDs to be issued during a period of 1 (one) year commencing from the date of passing of the Special Resolution set out at Item No. 5 of the AGM Notice, does not exceed ₹ 6,000 crores (Rupees Six Thousand Crores Only). Further, the Board of Directors have authorised the Borrowing Committee to undertake all acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient, proper or desirable, in respect of issuance of NCDs under private placement including but not limited to determine the terms and conditions of the NCDs to be issued, number of NCDs to be issued, issue price, face value, issue size, coupon, tenor, objects of the issue, etc.

Members are requested to note that in terms of Section 42 of the Companies Act read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company shall not make an offer or invitation to subscribe to securities (including NCDs) through private placement unless the proposal has been previously approved by the members of the Company, by way of special resolution. Further, in case of offer or invitation to subscribe NCDs it shall be sufficient if the Company passes a special resolution only once in a year for all the offers or invitations to subscribe NCDs during the year.

Accordingly, approval of the Members of the Company is sought in terms of Section 42 of the Companies Act read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, to create / invite / offer / issue / allot up to such number of NCDs, under private placement, in one or more series or tranches, such that the aggregate principal amount of such NCDs to be issued during a period of 1 (one) year from the date of passing of the Special Resolution set out at Item No. 5 of the AGM Notice, does not exceed ₹ 6,000 crore (Rupees Six Thousand Crores Only) within the overall borrowing limits of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 5 of the AGM Notice, except to the extent of the NCDs that may be subscribed by any Directors or Key Managerial Personnel of the Company or their relatives or any entity in which any of the Directors or Key Managerial Personnel of the Company or their relatives may be concerned or interested in any capacity.

The Board of Directors recommends the resolution set out at Item No. 5 of the AGM Notice to the Members for their consideration and approval, by way of Special Resolution.

By the Order of the Board of Directors
For **IndoStar Capital Finance Limited**

Shikha Jain
Company Secretary and Compliance Officer
Membership No.: ACS 59686

Place: Mumbai
Date : July 29, 2026

DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AT THE 17TH ANNUAL GENERAL MEETING

(Pursuant to Secretarial Standard on General Meetings and Regulation 36 of the SEBI Listing Regulations)

Name of the Director	**Mr. Aditya Hemant Joshi**
Director Identification Number (DIN)	08684627
Age	45 years
Nature of appointment/re-appointment	Re-appointment – Director liable to retire by rotation
Date of first Appointment on the Board of the Company	July 10, 2020
Brief profile, Qualifications Experience and Nature of his expertise in functional areas	Mr. Aditya Hemant Joshi is a Managing Partner and the Head of Private Equity for the Asia-Pacific region across India, China, Australia and the Middle East. In this role, he is responsible for deal sourcing and execution, as well as portfolio monitoring. Prior to joining Brookfield in 2019, Mr. Aditya Hemant Joshi was a principal at a global private equity firm where he was involved in deals in the healthcare, technology services and financial services sectors. Previously, he worked at another global private equity firm covering technology and business services, and at a global investment bank focusing on fundraising and M&A across various industries. Mr. Aditya Hemant Joshi holds a Master of Business Administration degree from The Wharton School of the University of Pennsylvania, and a Bachelor's degree from the University of Pune. He is a Chartered Accountant, a member of The Institute of Chartered Accountants of India and a member of FICCI's National Committee on Private Equity for India.
Terms and Conditions of appointment / re-appointment	Liable to retire by rotation.
Remuneration sought to be paid	NIL
Remuneration last drawn (2025-26)	NIL
Shareholding in the Company as on March 31, 2026	NIL
Relationship with other Directors / Managers / Key Managerial Personnel	Not related to any Director or Key Managerial Personnel of the Company.
No. of Board Meetings attended during the Financial Year 2025-26 (No. of Meetings held during tenure of directorship)	Attended 6 (Six) meetings out of 8 (Eight) meetings of the Board of Directors held during the Financial Year 2025-26.
Directorships in other Companies (excluding foreign companies)	None
Membership / Chairmanship of Committees of the other Companies (excluding foreign companies)	None
Listed entities from which resigned in past three years	None

INFORMATION AT A GLANCE

♦ **Annual General Meeting:** 17th Annual General Meeting	♦ **Cut-off Date for e-Voting:** Friday, September 18, 2026
♦ **Day, Date and Time of AGM:** Friday, September 25, 2026 at 11:00 A.M. (IST)	♦ **Remote e-Voting Agency:** Central Depository Services (India) Limited
♦ **Participation through VC/OAVM:** Members can join the AGM through VC / OAVM facility 30 minutes before the scheduled time of commencement of the AGM i.e 11:00 A.M. (IST) at www.evotingindia.com or https://eservices.nsdl.com	♦ **Name of Registrar & Share Transfer Agent:** MUFG Intime India Private Limited
♦ **Mode of AGM:** Video Conferencing / Other Audio-Visual Means	♦ **Remote e-Voting Period:** Monday, September 21, 2026, 9:00 A.M. (IST) to Thursday, September 24, 2026, 5:00 P.M. (IST)
♦ **Deemed Venue:** Registered Office of the Company situated at Silver Utopia, 3rd Floor, Unit No. 301-A, Opposite P & G Plaza, Cardinal Gracious Road, Chakala, Andheri (E), Mumbai – 400099	♦ **Scrutiniser:** Ms. Ashwini Inamdar (FCS No. 9409), failing her, Ms. Alifya Sapatwala (ACS No. 24091), Partners of M/s. Mehta & Mehta, Company Secretaries (Firm Registration Number: P1996MH007500)
♦ **Speaker Shareholder Registration before AGM:** Email - investor.relations@indostarcapital.com at mentioning the name, DP ID and Client ID / folio no., PAN, mobile number. The Speaker Registration will be open from Monday, September 21, 2026 to Wednesday, September 23, 2026.	♦ **Contact Details:** Email: investor.relations@indostarcapital.com; Tel: +91 22 43157000
♦ **Contact information for VC or e-Voting related issues:** Email: helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911	♦ **Annual Report available on website -** Visit https://www.indostarcapital.com/annual-reports

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REGISTERED & CORPORATE OFFICE:

Silver Utopia, Third Floor, Unit No. 301-A,
Opposite P & G Plaza, Cardinal Gracious Road,
Chakala, Andheri (E), Mumbai – 400099.
Tel No.: +91 22 4315 7000
E-mail: investor.relations@indostarcapital.com

www.indostarcapital.com