NFS/2026-27/84

To,
Listing Department,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001

To,
Listing Operations
National Stock Exchange of India Limited
Exchange Plaza
Bandra Kurla Complex, Bandra (E)
Mumbai-400051

Subject: Intimation under Regulation 50(2) and 53 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

In compliance with Regulation 50(2) and 53 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Navi Finserv Limited ("**the Company**") hereby informs that the Fourteenth Annual General Meeting ("**AGM**") of the Company is scheduled to be held on Thursday, August 13, 2026, at 05:00 PM the registered office of the Company, situated at the 2nd Floor, Vaishnavi Tech Square, Iballur Village, Begur Hobli, Bengaluru, Karnataka - 560102.

The Company hereby encloses a copy of the following:

a) Annual Report of the Company for the Financial Year 2025-26.
b) Notice of the Fourteenth Annual General Meeting ("**AGM**") of the Company

Kindly take the same on record.

Thank you.

For Navi Finserv Limited

CHANCHAL KUMAR Digitally signed by CHANCHAL KUMAR Date: 2026.08.13 15:52:21 +05'30'

Chanchal Kumar
Company Secretary and Compliance Officer

Date: August 13, 2026

navi FINSERV

Building a Responsible, Sustainable, and Scalable Business

Annual Report 2025-26

Building a Responsible, Sustainable, and Scalable Business

At Navi Finserv, the journey of building a responsible, sustainable, and scalable business continues to evolve with greater depth, resilience, and purpose. What began as a commitment to responsible digital lending has steadily transformed into a stronger, more mature operating philosophy—one that balances growth with governance, innovation with prudence, and scale with long-term value creation.

In FY 2026, the Company focused on strengthening the foundations that enable sustainable expansion: sharper risk frameworks, technology-led efficiencies, diversified partnerships, and enhanced customer experiences. As the lending landscape becomes more dynamic, Navi Finserv continues to scale with discipline while remaining anchored in transparency, compliance, and customer trust.

This Annual Report captures the next phase of that journey: a phase defined not only by growth in reach and capabilities, but by the continued pursuit of building a business designed to endure, adapt, and create lasting impact at scale.

Table of Contents

Corporate Overview

Statutory Reports

Financial Statements

This report incorporates AI-generated visual elements developed in alignment with the report's overall design language.

Key Highlights

The Snapshot: FY 2026 at a Glance

Financial Highlights

INR 13,138 Cr
Assets Under Management[1]

INR 292 Cr
Profit After Tax

3.0x
Debt-Equity Ratio

2.2%
RoA[3]

INR 3,832 Cr
Net Worth

1.25%
GNPA

INR 1,404 Cr
Net Total Income[2]

[1]Aggregate of principal outstanding held in Navi Finserv's books.

[2]Computed as total income minus finance costs.

[3]Return on Average Assets.

Operational Highlights

INR 23,287 Cr
Total Platform Disbursements[4]

70+
Strong Banking Partnerships[6]

761
Average CIBIL of Personal Loan Customers[5]

A/Stable
CRISIL and India Ratings

INR 1.4 Lakh
Average Ticket Size of Personal Loans for FY26

70+ Cities
Presence of In-House Physical Collections

[4]Aggregate value of loans disbursed via the Navi platform, including on-book disbursals and disbursals facilitated for co-lending partners.

[5]Average of CIBIL scores of customers at the time of disbursal for all active personal loans as of March 2026, weighted by disbursed amount.

[6]Total number of lending partners with outstanding borrowings as of March 2026.

Company Overview

Driven by Purpose, Built for Scale

About Navi Finserv

Navi Finserv ("the Company") is a technology-driven, digital-first Non-Banking Financial Company ("NBFC") dedicated to providing seamless, accessible, and customer-centric lending solutions. Navi Finserv continues to solidify its presence in India's evolving digital lending landscape through advanced technology, data-led insights, and disciplined execution.

Focused on serving India's digitally active and aspirational population, Navi Finserv continues to strengthen its lending capabilities through AI underwriting models, agile systems, and seamless digital experiences. By combining speed with prudent risk assessment and operational discipline, the Company has established a strong foundation for consistent and sustainable growth.

Navi Finserv offers personal and home loan solutions tailored to diverse financial needs and customer life stages. From planned aspirations such as travel, education, weddings, and home improvement to immediate needs, including medical or business-related expenses, the Company aims to provide timely and flexible financial support through customised ticket sizes and repayment structures.

With technology, governance, and customer experience at the core of its operations, Navi Finserv continues to expand responsibly while building long-term value across the financial ecosystem.

Mission

- Empowering People
- Customer First
- Responsibility Always
- Technology + Talent
- Innovate Constantly

Vision

Empowering a billion Indians with accessible, simple, and affordable credit—enabled by technology, delivered responsibly, and built to scale.

The Growth Blueprint

Navi Finserv's Pillars of Strength

Digital Advantage

The Company offers a seamless, end-to-end digital journey for personal loans, enabling customers across India to apply and receive disbursals in under 10 minutes.

Prudent Underwriting

The Company's data-driven underwriting framework utilises multiple digital data sources, machine learning models, and robust governance practices to extend credit responsibly while maintaining a strong portfolio.

Proven Leadership

Guided by an experienced leadership team, the Company upholds the highest standards of governance. Their expertise in financial services and technology continues to drive sustainable growth.

Funding Diversity

The Company raises debt through a broad mix of term loans, debentures, commercial papers, and securitisation, ensuring financial flexibility and effective management of funding costs.

Efficient Collections

A technology-enabled collections framework—combining digital reminders, AI chat and voice bots, and on-ground operations—has ensured consistently high efficiency levels, reinforcing asset quality.

Pan-India Reach

Through its digital-first model, the Company serves customers pan-India making affordable credit widely accessible.

Disclaimer: Loan disbursal in under ten minutes is applicable to eligible customers only and subject to successful completion of application, verification, and credit checks. Actual time may vary depending on customer profile, documentation, internet speed, device performance, and regulatory requirements.

Journey and Milestones

Progress in Motion

2012
Incorporation of CRIDS (now Navi Finserv)

2019
Acquisition of CRIDS (now Navi Finserv) by Mr. Sachin Bansal

2020
- Acquisition of Navi Finserv and its subsidiary CIFCPL, by Navi Limited
- Launched a digital personal loan product
- Rated “A/Stable” by Fitch and “A-/Stable” by CRISIL

2021
- Launched digital housing loan product
- The Company’s yearly personal loan disbursals exceeded INR 2,000 Cr
- AUM surpassed INR 1,500 Cr by December 31, 2021

2022
- Transitioned to a public limited company
- Completed first public issue of debt worth INR 496 Cr
- Total AUM crossed INR 5,000 Cr in August 2022
- A-/Stable to A/Stable
- Initiated co-lending partnerships with financial services firms

2023
- Rated A1 for short-term fund raising in FY 2023 by CARE Ratings
- First direct assignment transaction with a public sector bank
- Navi Limited infused INR 150 Cr through compulsorily convertible debentures
- Completed second public issue of debt worth INR 481 Cr
- Achieved AAA credit rating for a securitisation transaction with a large multinational bank

2024
- Completed third public issue of debt worth INR 525 Cr
- Raised INR 920 Cr through private placement of non-convertible debentures
- Raised INR 522 Cr through securitisation from two large multinational banks
- Crossed INR 8,000 Cr AUM (Personal loan and Home Loan combined)

2025
- Largest ever PTC transaction of Navi Finserv, rated AAA with IndusInd Bank of INR 295 Cr (new investor)
- Raised first ever sub-debt for Navi Finserv – INR 50 Cr from IDFC First Bank

2026
- Crossed INR 13,000 Cr in AUM (Personal Loan and Secured Loan combined)
- Crossed INR 11,000 Cr in on-book borrowings outstanding
- Completed first secured pool buyout
- Completed CPS transaction of INR 500 Cr

Note: The term AUM refers to aggregate of principal outstanding held in Navi Finserv’s books.

Management Message

Message from the Chairman

Dear Shareholders,

In a rapidly evolving economy, formal credit is a powerful engine of aspiration and upward mobility. It bridges a family's current reality with its future aspirations, whether that means expanding a small business, funding a child's higher education, or navigating an unexpected health emergency.

Yet, millions of deserving Indians remain outside the reach of traditional sources of credit. The legacy financial system relies on physical branches, manual underwriting, and oftentimes, dated metrics. That model simply cannot effectively scale to serve a billion people. While India has transformed access to digital transactions, access to formal credit remains uneven and underserved across large segments of the population.

Bridging this gap requires a fundamental rethinking of how credit is assessed, delivered, and experienced. It requires treating lending as an engineering and data science challenge, while never losing sight of the human realities behind every financial decision. Technology enables faster and more accurate decision-making, while deep customer understanding ensures those decisions remain fair, intuitive, and responsive. At Navi Finserv, our ambition is not only to expand access to credit, but also to make borrowing and credit management simpler, more transparent, and less intimidating for customers. While we have achieved meaningful milestones, they represent only a fraction of what our technology can ultimately enable.

The FY 2026 Turning Point: Rebuilding with Purpose

For Navi Finserv, FY 2026 was a defining chapter in our journey. Following the resumption of our business operations in December 2024, we adopted a deliberate, highly calculated strategy. We chose to reopen cautiously. We spent the early months of the year entirely focused on refining our underwriting algorithms, upgrading our risk architecture, and recalibrating our machine learning models.

The mandate was simple: to demonstrate that rapid digital scale and prudent risk management can coexist within the same institution. The outcomes of FY 2026 reflect our success in delivering on that mandate.

We recorded robust business expansion, driven by a surge in our core digital lending books. Our AUM grew to reach INR 13,138 Cr. However, what matters most is how this growth was achieved. We did not compromise asset quality or balance sheet strength, nor did we rely on large operational overheads to drive growth. Our expansion was enabled by deep data telemetry, AI-driven underwriting, and intelligent operations, alongside a relentless focus on reducing friction across the customer journey. From faster approvals and clearer communication to more responsive servicing, we continue to integrate technology in ways that enhance not only efficiency, but also customer trust.

An Uncompromising Approach to Risk and Resilience

Growth at the expense of governance is a debt that eventually comes due. The strength of an institution is not measured during tranquil times; it is revealed by its resilience under pressure.

Our operating metrics this year reflect disciplined growth supported by robust risk management. Asset quality remained healthy, with Gross NPA at 1.25% and Net NPA at 0.16%. This performance was supported by a conservative provisioning approach, resulting in a Provision Coverage Ratio (PCR) of 87.48%, while net credit losses remained within expected ranges for the portfolio. Our capital adequacy ratio remained strong at 23.76%, comfortably above regulatory requirements and providing capacity to support future growth.

To further strengthen the resilience of our balance sheet, we continued to diversify our product portfolio. A key milestone this year was the expansion of our secured lending footprint, notably through the scaled roll-out of our Loan Against Property (LAP) offering. This is another important step in building a more balanced, all-weather portfolio capable of compounding safely across economic cycles.

Built for the Next Decade

At Navi Finserv, we do not view risk management, regulatory compliance, governance, and customer experience as competing priorities. Rather, they are the foundational pillars that support sustainable growth. We believe customers should not have to choose between speed and safety, or between digital convenience and human understanding. The strongest institutions are built when technology and empathy work together to create meaningful customer outcomes.

We are building a financial institution designed to endure for decades. Technology platforms will continue to evolve and product offering will expand, but our true strength lies in an institutional culture permanently anchored in engineering rigour, responsible governance, strong risk discipline, and operational excellence.

We enter the next financial year with confidence and optimism. India's digital public infrastructure has created unprecedented opportunities to expand access to financial services, while our risk capabilities and technology platforms continue to strengthen. We remain committed to serving a billion Indians and building a transparent, resilient, and trusted financial institution for the long term.

Regards,
Mr. Sachin Bansal
Chairman
Navi Finserv

Management Message

Message from the MD and CEO

Dear Shareholders,

FY 2026 has been a year of building with conviction. This year, we stepped forward with clarity: scaling responsibly, deepening our product suite, and sharpening our focus on sustainable growth.

Sustainable Growth as a North Star

The most meaningful shift this year has been in how we define growth. We are not pursuing scale for its own sake; we are focused on quality growth that translates into sustainable returns. Our Return on Assets (RoA) continued its upward trajectory, improving from 2.11% in FY 2025 to 2.18% in FY 2026, reflecting the combined benefits of a healthier portfolio mix, better funding costs, and greater operational efficiency. Profitability remains a core priority, and the continued improvement in RoA reflects our progress in building a business designed to generate durable, long-term returns.

AUM Growth and Improving Credit Quality

FY 2026 witnessed strong momentum in our lending business. Our AUM grew to INR 13,138 Cr in FY 2026, reflecting consistent and disciplined portfolio growth. Equally encouraging is that this growth was accompanied by an improvement in credit quality — a direct outcome of more disciplined underwriting, enhanced portfolio monitoring, and the continued evolution of our proprietary risk models. Gross Non-Performing Assets (GNPA) stood at 1.25%, while collection efficiency trends remained positive throughout the year.

Co-Lending Partnerships: Widening the Reach

A key strategic lever for FY 2026 has been our co-lending programme. During the year, we added one new co-lending partner, taking our total active partnerships to five. These relationships play an important role in our growth strategy, enabling us to expand our reach, serve a broader customer base in a capital-efficient manner, and further diversify our funding mix.

Portfolio Diversification

One of the cornerstones of our growth strategy over the past year has been the accelerated expansion of our secured lending portfolio. Our Loan Against Property (LAP) and Home Loan books continued to gain healthy momentum, with combined secured AUM reaching INR 1,531 Cr during the year. As a result, secured lending accounted for 11.6% of our total portfolio, up from 10.4% in FY 2025.

Secured lending offers a more favourable risk profile, stronger tenure economics, and a natural hedge to the volatility inherent in personal portfolios. As we continue to invest in our underwriting capabilities for collateralised products, we expect this segment to become an increasingly important contributor to the stability and resilience of Navi Finserv's balance sheet.

Technology and Customer Experience: Compounding the Advantage

The investments we made in technology over the past two years are now compounding into real gains for our customers. Our fully in-house loan management system, GenAI-powered collections, and automated customer support stack continue to drive down both cost-to-serve and friction for the borrower. Average customer query resolution time, which stood at over four hours just a couple of years ago, is now well under 20 minutes. Customer support satisfaction has remained strong during the year. These are more than operational metrics; they reflect the trust we continue to build with every interaction and the kind of experience that turns a first-time borrower into a long-term Navi Finserv customer.

The Road Ahead

FY 2027 will be about building on the strong foundations laid over the past year. We will continue to grow our unsecured lending portfolio in a disciplined and profitable manner, while further diversifying our portfolio, deepening our co-lending partnerships, and investing in the technology and talent that differentiate Navi Finserv. Above all, we will remain guided by the belief that responsible lending, delivered with speed and simplicity, is both the right approach for customers and the most sustainable way to build a long-term business.

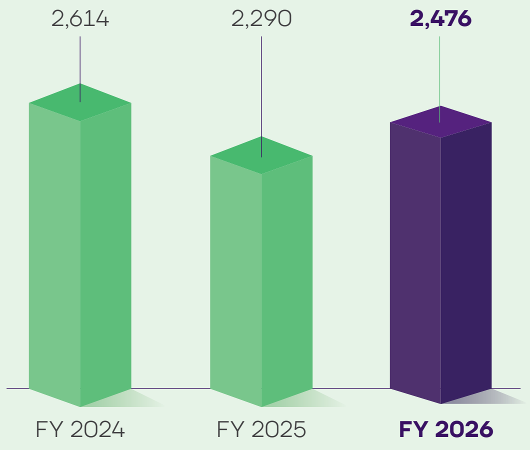
To our customers, who place their trust in us every day; to our lenders and investors, who back us with capital and conviction; and to every member of the Navi Finserv team who shows up and delivers: thank you. We look ahead with confidence and a clear sense of purpose.

Regards,
Mr. Abhishek Dwivedi
MD and CEO
Navi Finserv

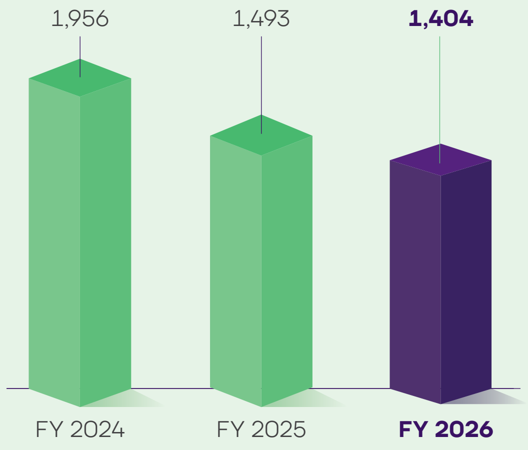
Key Performance Indicators

Scaling Through the Years

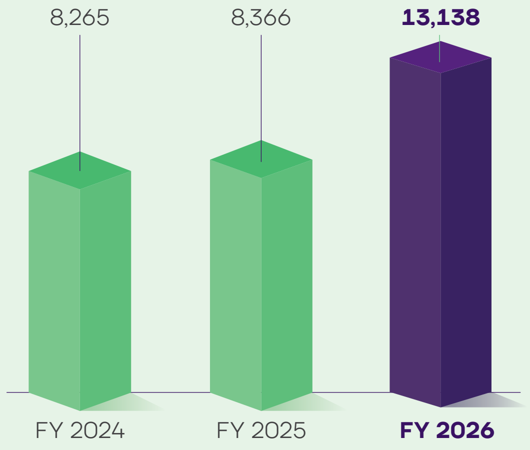
Total Income (INR in Cr)



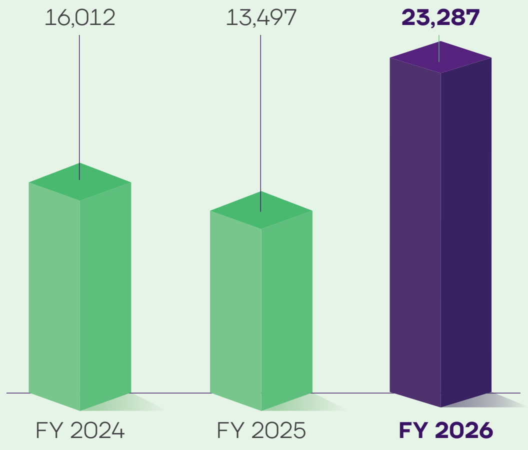
Net Total Income (INR in Cr)



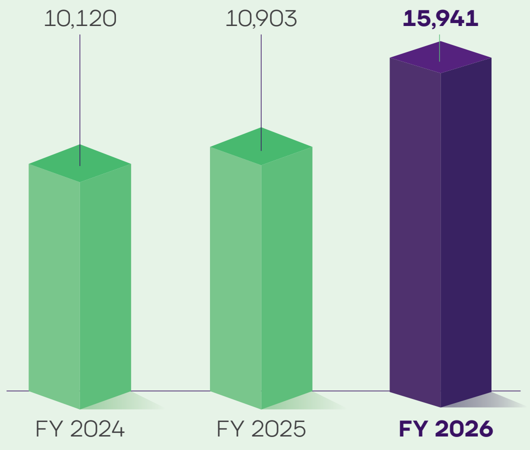
AUM (INR in Cr)



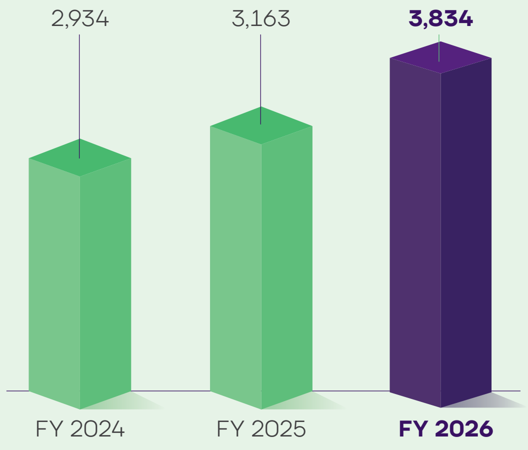
Platform Disbursements[7] (INR in Cr)



Total Assets (INR in Cr)

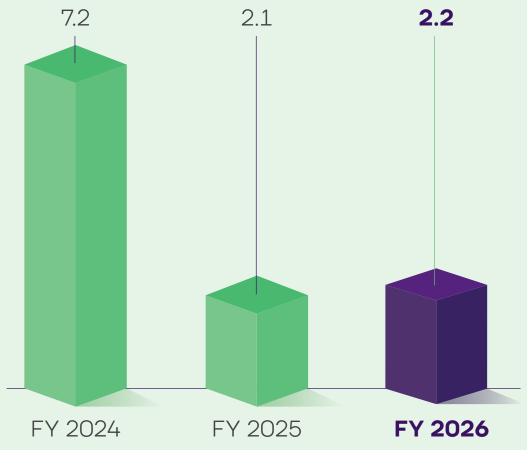


Total Equity (INR in Cr)

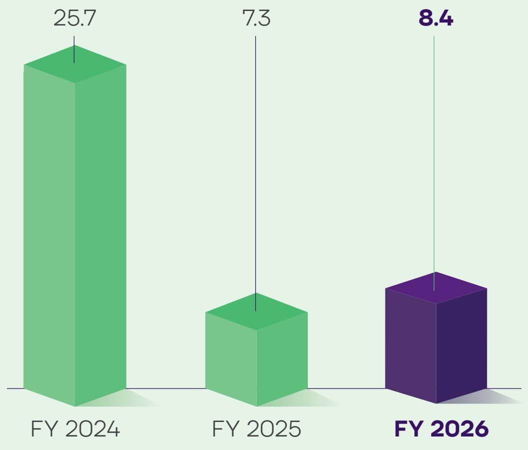


[7]Aggregate value of loans disbursed via the Navi platform, including on-book disbursals and disbursals facilitated for co-lending partners.

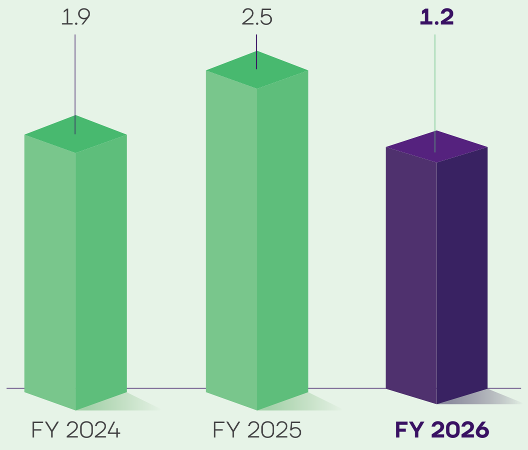
Return on Assets[8] (in %)



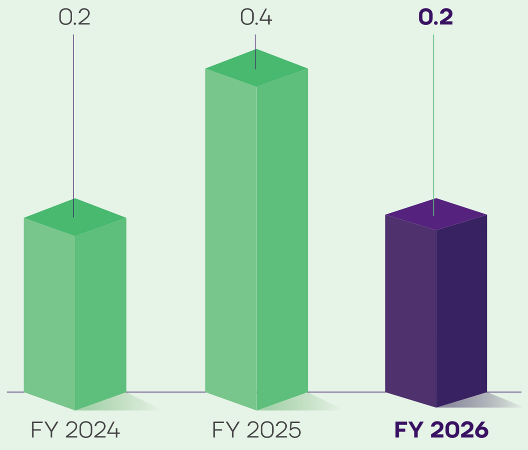
Return on Equity[9] (in %)



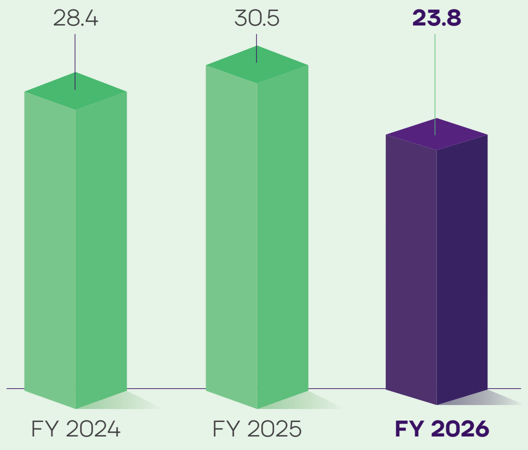
GNPA (in %)



NNPA (in %)



CRAR (in %)



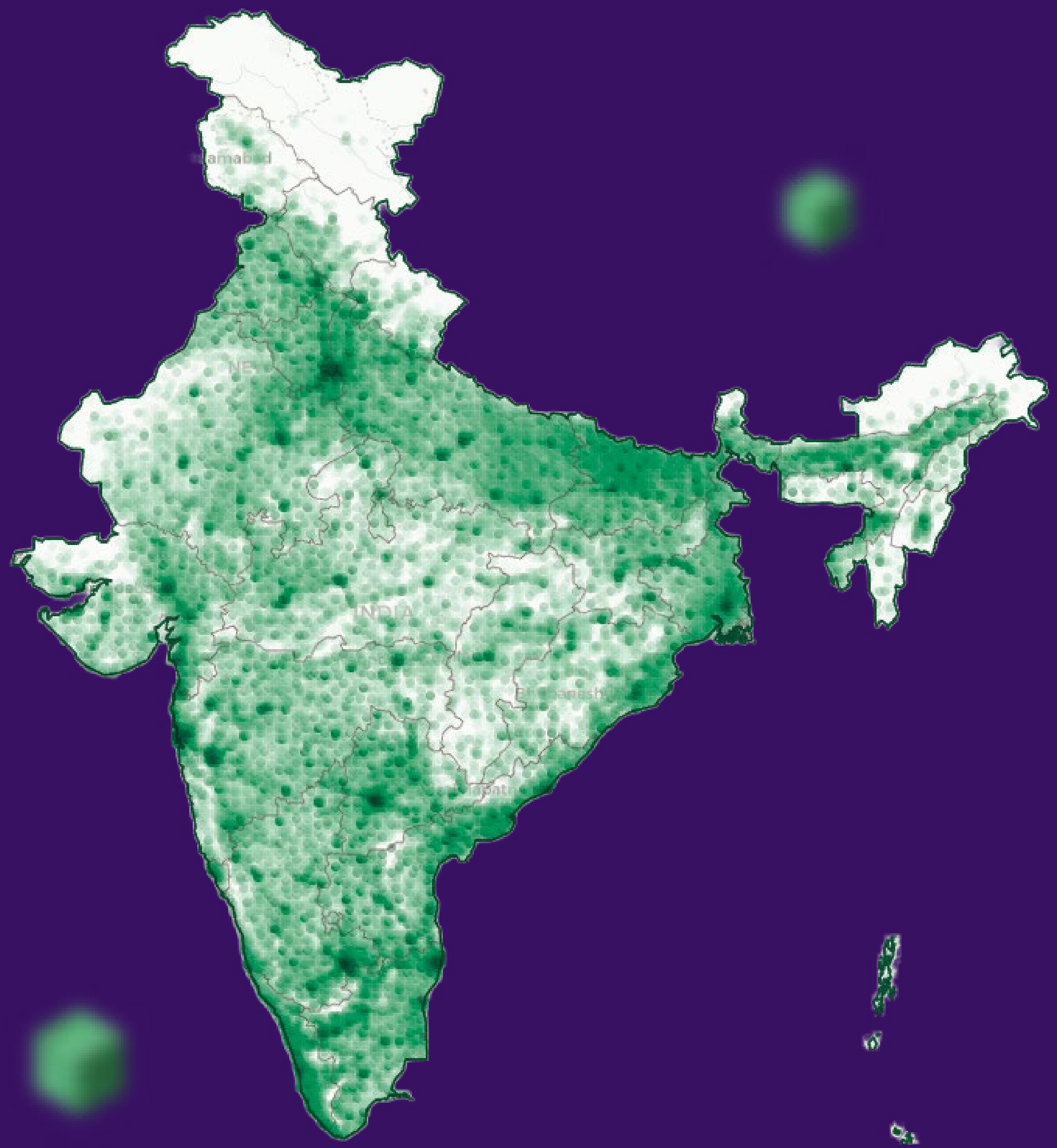
[8 9]Includes one-off gains from the sale of CIFCPL in FY24.

Geographic Presence and Expansion

Navi Finserv's Pan-India Reach

Scale is reflected not only in business performance but also in the breadth of customer reach. Through its technology-led lending model, Navi Finserv continues to expand its presence across India, delivering convenient and accessible credit solutions to customers across regions. This growing footprint reinforces the Company's commitment to building a responsible, sustainable, and scalable lending franchise.

Geographic distribution of active personal loans as of March 2026, highlighting Navi Finserv's pan-India customer presence



Partnerships

Scaling Together

Co-lending Partners

ADITYA BIRLA CAPITAL

NORTHERN ARC

CREDIT SAISON INDIA

Piramal Finance

TATA CAPITAL Count on us

Debenture Trustee and Registrar and Transfer Agent (R&TA)

CATALYST Believe in Yourself... Trust Us!	NSDL Database Management Limited	MUFG
Debenture Trustee	Registrar and Transfer Agent	Registrar and Transfer Agent

Credit Information Companies

CIBIL Part of TransUnion

CRIF

EQUIFAX

experian.

Rating Agencies

India Ratings & Research A Fitch Group Company

CRISIL An S&P Global Company

CareEdge RATINGS

Business Overview

Financing India's Aspirations

Business Verticals

Navi Finserv's digital-first lending ecosystem delivers fast, flexible, and accessible credit solutions across customer needs.

Personal Loan

Navi Finserv's personal loan product is designed to provide customers with quick, reliable, and hassle-free access to credit, enabling them to address a wide range of financial needs with confidence.

Delivered through a fully digital and paperless journey, the product offers instant approvals and loan disbursals of up to INR 20 Lakh. Competitive interest rates of up to 29.96% per annum and flexible repayment tenors of up to 84 months allow customers to choose solutions aligned with their financial requirements and repayment capacity.

A zero foreclosure charge policy further empowers customers to close their loans early without additional charges, a clear reflection of the Company's commitment to transparency and fairness.

By combining technology-led efficiency with a seamless customer experience, Navi Finserv continues to enhance accessibility, convenience, and financial inclusion while supporting the evolving credit needs of India's digitally connected population.

INR 22,822 Cr
FY 2026 Platform Disbursals[10]

INR 1.4 Lakh
Average Ticket Size for FY26

761
Average CIBIL Score of Active Customers

INR 11,606 Cr
AUM[11]

Secured Loans

Navi Finserv offers home loan solutions designed to make homeownership more accessible and convenient for customers across diverse housing needs. Whether for purchasing ready-to-move-in properties, financing under-construction homes, or supporting self-construction projects, the Company provides tailored lending solutions to help customers achieve their homeownership aspirations.

Through a streamlined digital application process, customers benefit from faster approvals, efficient disbursals, and loan amounts of up to INR 10 Cr. Repayment tenures of up to 30 years provide flexibility and affordability, supporting long-term financial planning. Further enhancing customer convenience, the Company continues to offer zero processing fees and no foreclosure charges.

By combining technology-enabled experiences with transparent and customer-centric practices, Navi Finserv continues to expand access to housing finance while strengthening its position as a trusted partner in customers' homeownership journeys.

Navi Finserv's Loan Against Property (LAP) solutions enable customers to unlock the value of their residential or commercial properties to meet diverse financial needs, including business expansion, working capital, and personal requirements. Offered through a streamlined, digitally enabled process, the product provides faster approvals and efficient disbursals, with loan amounts of up to INR 5 Cr, and repayment tenures of up to 20 years. With no foreclosure charges, Navi Finserv's LAP solutions combine customer convenience, prudent underwriting, and responsible lending practices to provide a reliable source of secured financing that supports customers' long-term financial aspirations.

INR 465 Cr
Total Secured Platform Disbursals in FY 2026

INR 1,531 Cr
AUM[12]

INR 86 Lakh
Average Ticket Size for FY 2026

[10] Aggregate value of loans disbursed via the Navi platform, including on-book disbursals and disbursals facilitated for co-lending partners.

[11] [12] Aggregate of principal outstanding held in Navi Finserv's books.

Business Model

Navi Finserv's Growth Flywheel

Navi Finserv's business model is built around a technology-enabled lending ecosystem that continuously strengthens customer access, portfolio quality, funding partnerships, and operational efficiency. Each capability reinforces the next, creating a virtuous cycle that supports long-term value creation,driving responsible, sustainable, and scalable growth.

Value Created

Customers

Accessible, convenient, and transparent credit solutions

Partners and Lenders

Trusted relationships backed by governance and discipline

Business

Scalable growth, resilience, and long-term value creation

From the First Step to Every Next Step

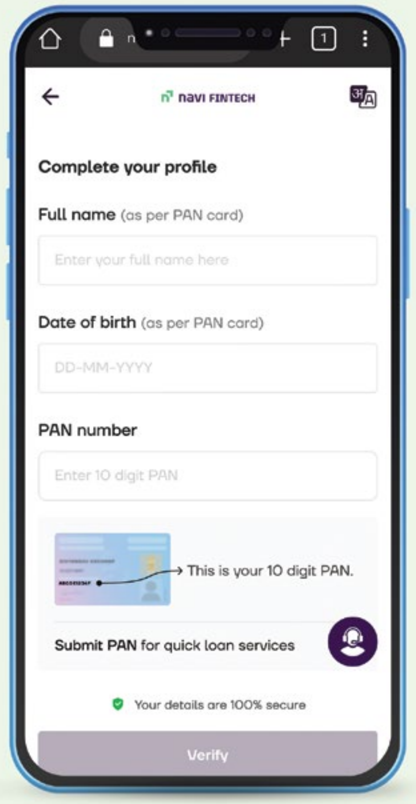
Navi Finserv blends purpose and technology to empower millions of Indians on their financial journeys. From enabling first-time credit to building long-term trust, Navi Finserv supports its customers at every step.

38 Lakh
Customers Serviced

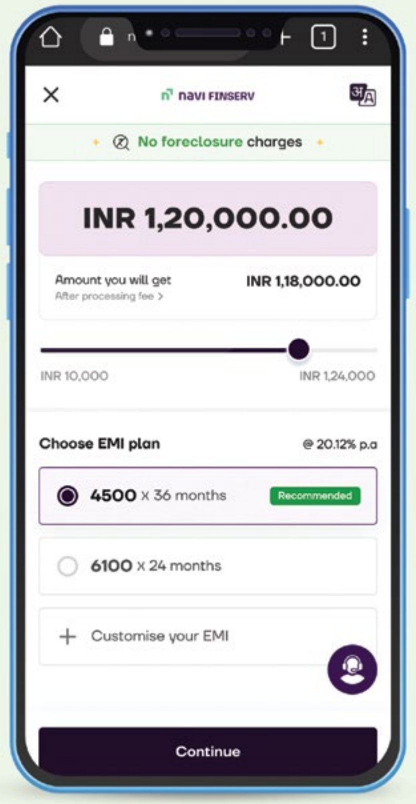
78 Lakh
Loans Disbursed

The Navi Finserv Journey

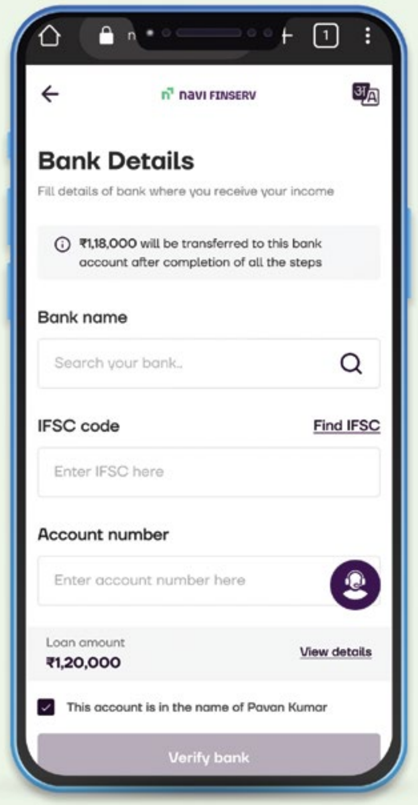
Complete Your Basic Profile



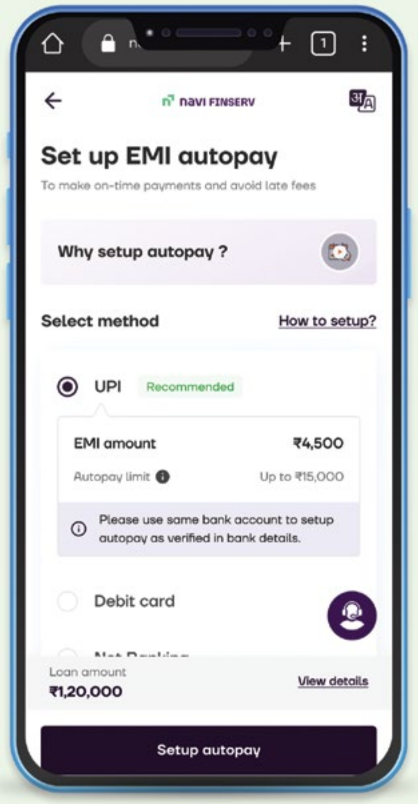
Review Your Offer



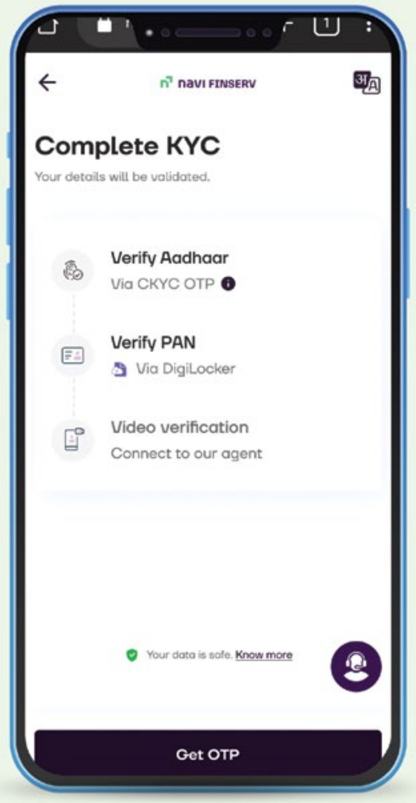
Add & Verify Bank Details



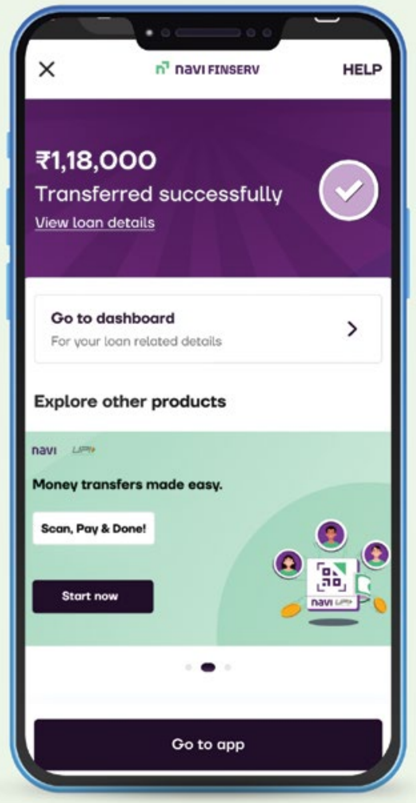
Set Up EMI Auto-Pay



Complete Digital KYC



Receive Loan Disbursal



Strategic Outlook

Navi Finserv's Operating Edge

Navi Finserv's operating edge is defined by the systems, capabilities, and partnerships that support its growth journey. Through continuous advancements in technology, underwriting, collections, and funding, the Company has strengthened its ability to serve customers efficiently, manage risk effectively, and scale responsibly. Together, these capabilities form a strong foundation for sustained performance and long-term value creation.

Tech-Enabled Growth

Technology remained a key enabler of Navi Finserv's growth during FY 2026, supporting responsible credit delivery, efficient servicing, and seamless customer experiences at scale. The Company's lending platforms supported business expansion while maintaining strong underwriting quality, collection efficiency, system reliability, and customer experience.

During the year, Navi Finserv enhanced its credit decisioning capabilities through advanced data orchestration, automated workflows, scalable cloud infrastructure, and AI and machine learning-driven models that strengthened risk assessment, credit intelligence, and portfolio monitoring.

In collections, GenAI-powered voice bots enabled personalised borrower engagement across repayment cycles, while a Smart eNACH system improved collection efficiency through intelligent mandate orchestration. The Company also enhanced customer transparency through RBI-compliant co-lending disclosures and expanded its co-lending technology stack to support new partnerships and larger-scale execution.

Underwriting Excellence

Navi Finserv continued to strengthen its underwriting framework through advanced analytics, machine learning models, portfolio monitoring, and algorithmic capabilities that enhanced customer identification and credit assessment. Leveraging multiple digital data sources, this data-driven approach improved customer selection and maintained portfolio quality while supporting sustainable growth to an AUM of INR 13,138 Cr as of March 31, 2026.

The Company also enhanced the scalability and resilience of its underwriting systems to support higher customer volumes and evolving regulatory requirements. Its proprietary underwriting infrastructure enabled greater flexibility, lower operating costs, and faster deployment of credit strategies.

Collections Innovation

FY 2026 marked Navi Finserv's strongest collection performance across all DPD buckets, reflecting the effectiveness of its underwriting discipline, risk management practices, and technology-led collections framework. For early-stage delinquencies, AI-powered chat and voice bots drive collections while delivering strong collection efficiencies. In addition, for late-stage delinquencies, ~50% of physical collections across more than 70 cities are managed through the Company's in-house collections operations

Navi Finserv continues to transform collections into a proactive, data-driven, and customer-centric function through AI, analytics, and digital engagement tools. These capabilities support predictive risk identification, personalised repayment journeys, smarter allocation of collection efforts, and enhanced productivity, while delivering a more seamless customer experience.

Funding and Co-Lending Partnerships

Navi Finserv further diversified its funding profile during FY 2026, enhancing capital resilience and operational flexibility. The Company continued to access capital through loans, debentures, commercial papers, and securitisation transactions, with outstanding debt standing at INR 11,480 Cr as of March 31, 2026. Strong credit ratings of A/Stable from CRISIL and India Ratings for long-term debt, and A1 from India Ratings and CARE for short-term debt, reinforced market confidence in the business.

The Company also expanded its co-lending ecosystem through partnerships with leading institutions, including Aditya Birla Finance, Piramal Capital, Tata Capital, Northern Arc, and others. These collaborations enabled efficient scaling of disbursals, diversified funding sources, and supported capital-light growth across lending products. Backed by relationships with more than 70 institutions spanning public sector banks, private banks, NBFCs, small finance banks, and global financial institutions, Navi Finserv remains well-positioned for long-term growth.

CSR and Community Impact

Beyond Business, a Commitment to Society

During FY 2026, Navi Finserv contributed INR 3.75 Cr to the Swachh Bharat Kosh, a Government of India initiative established to support sanitation and cleanliness interventions across the country.

Why It Matters?

Access to safe sanitation remains fundamental to public health, community well-being, and sustainable development. The Swachh Bharat Kosh was created to mobilise voluntary contributions towards strengthening sanitation infrastructure, promoting hygiene awareness, and advancing cleanliness initiatives across rural and urban India.

Areas of Impact

The fund supports a broad range of interventions, including the construction of sanitation facilities in communities, government schools, and anganwadis, as well as the renovation and restoration of existing infrastructure. It also facilitates the development of water supply systems linked to sanitation assets and supports training programmes aimed at improving maintenance practices and encouraging long-term behavioural change around hygiene and cleanliness.

Creating Sustainable Outcomes

In addition, the fund contributes to solid and liquid waste management initiatives, innovative sanitation solutions, and other programmes designed to improve environmental hygiene and sanitation outcomes. Particular emphasis is placed on expanding access to sanitation facilities and creating sustainable systems that can be effectively maintained over time.

Contribution Towards a Cleaner Future

Through its contribution to the Swachh Bharat Kosh, Navi Finserv supports broader efforts to create cleaner environments, improve sanitation access, and promote healthier living conditions for communities across India.

People and Culture

Navi Finserv's Architects of Success

Navi Finserv's growth journey is driven by the collective talent, commitment, and capabilities of its people. The Company remains focused on fostering a culture built on collaboration, accountability, innovation, and continuous learning. By creating an environment that empowers employees to grow and contribute meaningfully, Navi Finserv continues to strengthen the foundation for long-term success and sustainable value creation.

The Navi Finserv Operating System

Six principles that guide decision-making, execution, and collaboration across the organisation.

Customer First

Understand customer needs and deliver meaningful solutions.

Master the Details

Pursue excellence through discipline and attention to detail.

Act with Urgency

Move quickly, decisively, and with purpose.

Own the Outcome

Take responsibility for results and follow through.

Build for the Long-Term

Focus on sustainable value creation over short-term gains.

Win as One

Collaborate across teams to achieve shared goals.

How We Build Talent

Hire Right

Navi Finserv's hiring philosophy prioritises capability, ownership, and first-principles thinking. Across functions, the Company seeks individuals who can solve problems, take responsibility, and deliver outcomes. Field teams undergo DRA certification, background verification, and identity validation before deployment.

Grow Fast

Early-career talent is entrusted with meaningful responsibilities from the outset. Internal mobility is encouraged, and high performers are recognised through accelerated career progression supported by two promotion cycles annually.

Reward Merit

Performance remains the primary driver of recognition and growth. Through its recognition and rewards platform, Navi Finserv celebrates exceptional contributions while providing market-benchmarked compensation and Employee Stock Ownership Plans (ESOPs) that enable employees to participate in long-term value creation.

Talent Density: The Compounding Advantage

A smaller team of exceptional people, empowered with ownership, context, and autonomy, can create disproportionate impact. Navi Finserv believes sustained success comes from maintaining a high talent bar and fostering an environment where capable individuals can thrive, innovate, and grow.

Life at Navi Finserv

Workspaces Designed for Collaboration

Writing walls, focus zones, outdoor spaces, and collaborative environments designed to encourage creativity and teamwork.

Wellness and Support

Programmes focused on employees' physical, mental, and financial well-being, complemented by flexible leave policies.

Community and Connections

Sports tournaments, trekking expeditions, cultural events, and team experiences that strengthen engagement and camaraderie.

Care and Convenience

Employee-centric amenities including catered meals, fitness facilities, recreational spaces, and crèche support.

Board of Directors

Leading with Purpose

Mr. Sachin Bansal

Non-Executive Chairman

Sachin Bansal is the Non-Executive Chairman of the Company. He holds a bachelor's degree in computer science and engineering from the Indian Institute of Technology, Delhi. He is the co-founder of Flipkart.

Ms. Nilufer Panthaki

Independent Director

Nilufer Panthaki is an Independent Director of the Company and is a seasoned financial services leader with over 25 years of experience across leading banks, NBFCs, and fintech platforms. An MBA in Marketing from Sydenham College of Management Studies, Mumbai, she has held senior leadership roles at Groww (Head of Banking), Federal Bank (Country Head – Retail Banking), Indostar Capital Finance (Product Head), and Standard Chartered Bank (Head – Retail Products, Analytics & Segments).

Her expertise spans retail banking, strategic product development, monetisation, analytics-driven growth, digital transformation, risk management, and regulatory compliance. She is known for building customer-centric, digitally-enabled businesses while ensuring strong governance and sustainable profitability.

Mr. Ankit Agarwal

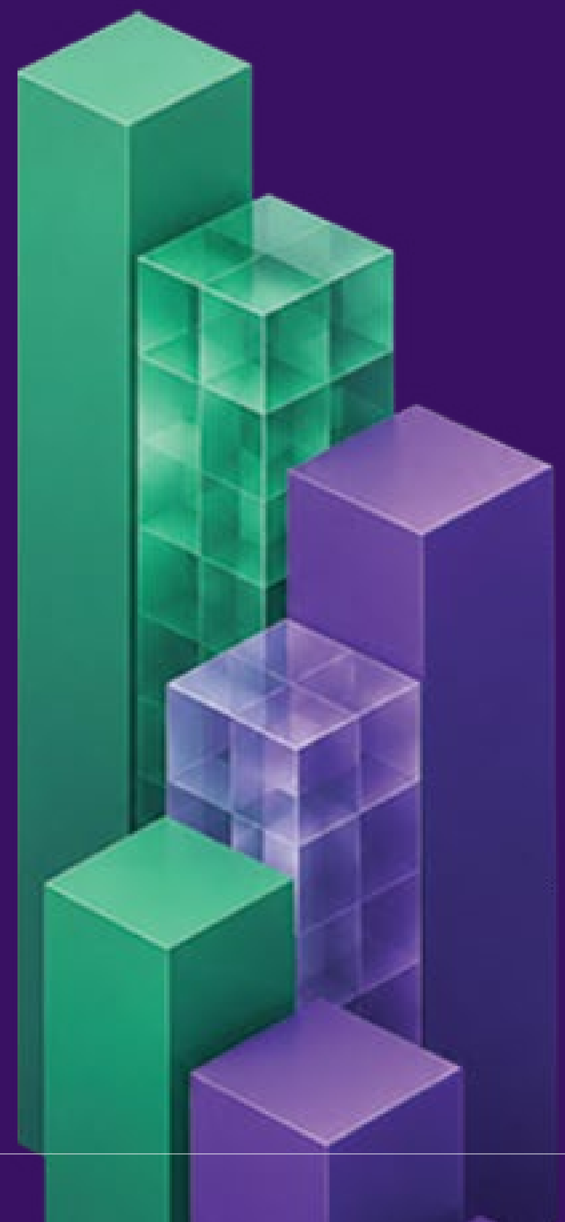
Non-Executive Director

Ankit Agarwal is the Non-Executive Director of the Company. He holds a bachelor's degree in computer science and engineering from the Indian Institute of Technology, Delhi, and a master's degree in management from the Indian Institute of Management, Ahmedabad. He was previously associated with Bank of America as a director in global banking and markets. He was also associated with Deutsche Bank AG as their vice president.

Mr. Ranganathan Sridharan

Independent Director

Ranganathan Sridharan is an Independent Director of the Company. He holds a bachelor's degree in commerce from the University of Madras. He has previously been associated with the State Bank of India (Former Managing Director), Clearing Corporation of India Limited, Clearcorp Dealing Systems India Ltd, Legal Entity Identifier India Ltd, State Bank Capital Market Limited, overseen seven associate banks of SBI and all the non-banking subsidiaries, and as a member of committees set up by the RBI and the Government of India, such as the Expert Group on Foreign Exchange Markets, Working Group on Introduction of Financial Holding Company Structure, Committee on Comprehensive Review of National Small Savings Fund, and Committee on Financial Benchmarks.



Mr. Arindam Ghosh

Independent Director

Arindam Ghosh is an Independent Director of the Company and has over two decades of leadership experience in financial services in India and Asia-Pacific region across Asset Management, Wealth Management, NBFCs and Fintech. He has been associated with Alphaniti Fintech Pvt Ltd as Director & CEO, which is a Fintech company, engaged in building digital investment products and solutions across asset classes and geographies. Previously, Arindam was associated with Mirae Asset Global Investments as "Head of Asia Pacific Business" based out of Hong Kong and subsequently as Director and CEO to launch and establish their Indian Mutual fund organisation from inception. Prior to joining Mirae Asset, he was associated with Fidelity (AP). During his association with Fidelity, he covered the key markets in Asia Pacific region comprising of Japan, Australia, Hong Kong, Korea, Taiwan, and Singapore. He has also been associated with the financial services industry through his career stints across leading domestic organisations, including Tata and AV Birla Group.

Mr. Ashwani Kumar

Independent Director

Mr. Ashwani Kumar is a seasoned banking professional with over 37 years of extensive experience spanning operational and administrative roles in various public sector banks.

He has held several key leadership positions, including serving as Chairman and Managing Director of Dena Bank for a tenure of five years. Prior to that, he was the Executive Director at Corporation Bank. Mr. Kumar also served as a Nominee Director on the Board of LIC, India's largest life insurance company, for approximately six years. Additionally, he has been a Director on the boards of few other companies, contributing his expertise in governance and strategic oversight.

Mr. Kumar holds a postgraduate degree in Chemistry and is a Certified Associate of the Indian Institute of Bankers. Over the course of his distinguished career, he has worked with prominent institutions including Allahabad Bank, Corporation Bank, and Dena Bank. He also held the position of Chairman of the Indian Banks' Association, further underscoring his influence and contributions to the industry.

Currently, Mr. Kumar continues to serve as an Independent Director on the boards of various companies, offering his wealth of knowledge in banking and corporate governance. In addition, he is a certified mediator from the Indian Institute of Corporate Affairs, bringing valuable conflict-resolution skills to his professional engagements.

Mr. Abhishek Dwivedi

Managing Director & Chief Executive Officer

Abhishek is a seasoned business leader with over 15 years of diverse experience spanning financial services, fintech, insurance, and retail. Known for his ability to scale businesses and drive profitability, he has played a pivotal role in the growth of the Navi Group since its inception in 2019. He currently serves as the CEO and Managing Director of Navi Finserv, where he is spearheading the Company's strategic vision and business growth. Prior to this, he served as the Vice President of Strategy and Business Operations at Navi Finserv, where he successfully led critical verticals including collections, customer experience, KYC, and operations.

Abhishek has also held key leadership roles at Navi Limited (formerly known as Navi Technologies Limited) and Navi General Insurance. Earlier in his career, he co-founded and served as CEO of Treemendous.in and was Vice President at BankBazaar.com, further enriching his entrepreneurial and operational expertise. With a proven track record of building high-performing teams and delivering business impact, Abhishek continues to shape the future of digital financial services in India.

navi FINSERV

Corporate Information

Chief Financial Officer
Ms. Mahima Gautam

Company Secretary and Compliance Officer
Mr. Chanchal Kumar

Chief Technology Officer
Mr. Mukesh Kumar

Chief Compliance Officer
Ms. Hina Doon

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Secretarial Auditor
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Email: biswajit@bmpandco.com

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Integrated Registry Management Services Pvt. Ltd
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Peer Review Certificate No.: 016966
Email: vikramdhanania@mska.in

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Statutory Reports

Management Discussion and Analysis

Global Economy

Overview

The global economy remained resilient in FY 2026 despite persistent geopolitical tensions, evolving trade dynamics, and policy uncertainty. According to the International Monetary Fund (IMF), global GDP growth stood at 3.4% in 2025, reflecting the continued strength of economic activity despite a challenging global environment. Growth remained uneven across regions, with advanced economies expanding by 1.9%, while emerging market and developing economies grew by 4.4%, supported by stronger domestic demand and investment activity.

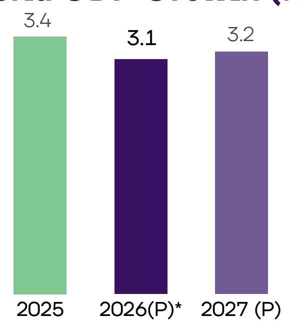
Inflationary pressures continued to ease during the year as supply chain disruptions normalised and the effects of monetary tightening measures implemented over recent years filtered through the global economy. Global inflation moderated to 4.1% in 2025, with advanced economies recording inflation of 2.5%, and emerging markets and developing economies averaging 5.2%. The moderation in price pressures contributed to improved macroeconomic stability and strengthened market confidence across major economies.

As inflation eased, central banks across key economies gradually shifted from aggressive policy tightening towards a more balanced approach, aimed at supporting growth while maintaining price stability. The resulting improvement in financial conditions supported investment activity, liquidity, and overall market sentiment. Global trade also remained resilient, with world trade volumes growing by 5.1% in 2025, aided by continued demand for technology-related products and the ongoing diversification of global supply chains.

The year was nevertheless marked by elevated geopolitical and economic uncertainty. Trade fragmentation, changing tariff regimes, and shifting global alliances continued to influence cross-border economic activity. Towards the end of the fiscal year, escalating tensions in the Middle East heightened concerns around energy security, commodity prices, and inflation expectations, contributing to periodic volatility in global financial markets.

Real GDP Growth

World GDP Growth (%)



Source: IMF DataMapper – Real GDP Growth

*(P) Projected

Outlook

The IMF projects global growth at 3.1% in 2026 and 3.2% in 2027, indicating a stable but moderate growth trajectory. While growth in advanced economies is expected to remain subdued at 1.8% in 2026 and 1.7% in 2027, emerging market and developing economies are projected to expand by 3.9% and 4.2%, respectively, continuing to underpin global economic growth.

Global inflation is forecast to remain at 4.4% in 2026 before moderating to 3.7% in 2027, supported by easing price pressures and prudent monetary policy. Global trade growth is expected to normalise to 2.8% in 2026 and improve to 3.8% in 2027, reflecting a gradual recovery in demand and trade activity. Central banks are expected to maintain a cautious and data-driven approach as they balance growth objectives with price stability.

While easing inflation provides room for a gradual moderation in interest rates, policymakers remain alert to the risk of renewed inflationary pressures arising from geopolitical conflicts, supply chain disruptions, and commodity price volatility. Financial market conditions are therefore expected to remain sensitive to macroeconomic developments and policy actions.

Despite the broadly stable outlook, downside risks continue to outweigh upside potential. Escalating geopolitical tensions, trade fragmentation, energy market disruptions, and policy uncertainty could adversely impact global growth, investment activity, and capital flows. At the same time, continued technological innovation, increasing adoption of artificial intelligence, improving digital infrastructure, and resilient consumer demand are expected to support productivity gains and create new avenues for economic growth over the medium term.

Source: International Monetary Fund (IMF), World Economic Outlook, April 2026

Indian Economy

Overview

India reinforced its position as one of the world's fastest-growing major economies in FY 2026, supported by resilient domestic demand, strong investment activity and continued policy reforms. According to official estimates, real GDP grew by 7.7% during the year, while nominal GDP expanded by 8.9% to reach INR 346.36 Lakh Cr. Real Gross Value Added (GVA) increased by 7.9%, driven by robust performance across the secondary and tertiary sectors, with recorded growths of 8.8% and 9.3%, respectively. Private consumption remained a key driver of economic activity, supported by improving rural incomes, healthy agricultural output, and sustained urban demand.

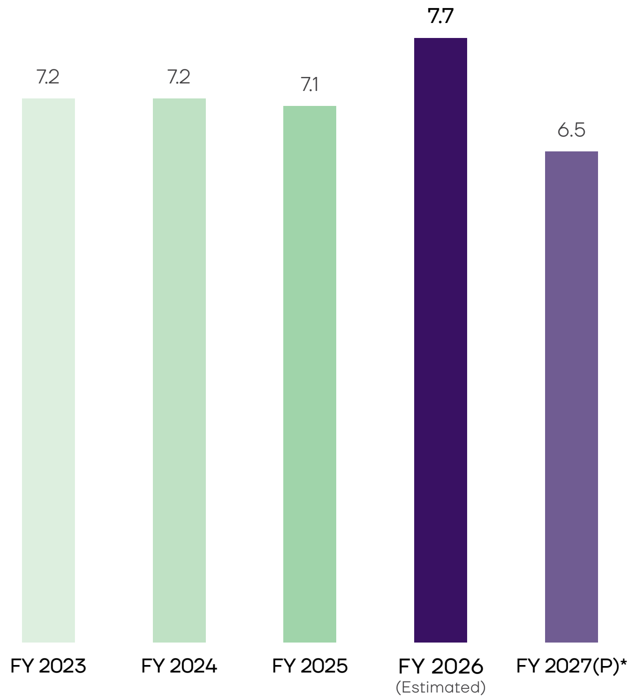
Rural consumption strengthened on the back of favourable monsoon conditions and higher farm incomes, while urban markets witnessed continued demand for discretionary and premium products and services. Household spending was further supported by stable macroeconomic conditions and increasing formalisation of the economy.

India's rapidly expanding digital ecosystem continued to transform consumption patterns and financial access across the country. Growing smartphone penetration, affordable internet connectivity and widespread adoption of digital payment platforms, particularly the Unified Payments Interface (UPI), accelerated the growth of digital commerce and financial services. Increasing digital adoption across Tier-2 and Tier-3 cities further strengthened financial inclusion and expanded participation in the formal economy.

The year under review also witnessed sustained momentum in infrastructure creation and investment activity. Continued government focus on transportation, logistics, energy, and urban development enhanced economic productivity and improved the investment climate. Combined with ongoing policy reforms and manufacturing-focused initiatives, these efforts helped strengthen India's long-term growth prospects and attract private sector participation.

Despite external challenges, including geopolitical tensions, trade-related uncertainties and volatility in global commodity markets, India's economic fundamentals remained resilient. Strong domestic consumption, a diversified economic base, and continued policy support enabled the economy to maintain growth momentum while limiting the impact of global headwinds.

India GDP Growth (%)



*(P)Projected

Outlook

India is expected to remain among the fastest-growing major economies in the coming years, supported by favourable demographics, rising domestic consumption, expanding digital adoption, and sustained public and private investment. The Reserve Bank of India (RBI) projects real GDP growth of 6.6% for FY 2027, while the IMF forecasts growth of 6.5%, reflecting continued confidence in the country's medium-term economic outlook.

The government's continued emphasis on infrastructure-led development is expected to provide a strong foundation for future growth. The Union Budget 2026–27 has allocated a record INR 12.2 Lakh Cr towards capital expenditure, representing a 9% increase over the previous year. Investments in transportation, logistics, manufacturing and energy infrastructure are expected to improve competitiveness, crowd in private investment, and support employment generation. At the same time, the government remains committed to fiscal consolidation, with the fiscal deficit targeted at 4.3% of GDP.

Inflationary pressures have moderated significantly and are expected to remain within the Reserve Bank of India's comfort range, creating a supportive environment for economic activity. Combined with a favourable policy environment and continued focus on financial inclusion, this is expected to support credit demand across retail, MSME, and consumer segments.

While risks from geopolitical developments, global trade disruptions, and commodity price volatility remain, India's strong domestic fundamentals, expanding digital economy and ongoing infrastructure investments position the country well for sustained long-term growth. The evolving economic landscape is expected to create significant opportunities for NBFCs and digital financial services providers to deepen credit penetration, enhance financial inclusion, and support India's next phase of economic development.

Sources: RBI, Union Budget 2026-27, IMF, PIB

Indian Retail Lending Sector Overview

India's retail lending sector continued to expand in FY 2026, supported by consumer demand, increasing formalisation of credit, and the growing adoption of digital lending channels. At the same time, lenders remained focused on portfolio quality and prudent underwriting amid evolving regulatory expectations and a changing risk environment. According to CRIF High Mark's "How India Lends" report, the retail loan portfolio outstanding increased by 16.6% year-on-year to INR 170.2 Lakh Cr as of March 2026, reflecting continued credit penetration across customer segments.

Housing finance remained the largest segment within the retail lending market. The outstanding home loan portfolio grew by 9.4% year-on-year to INR 44.4 Lakh Cr, supported by sustained demand for home ownership and increasing penetration of formal housing credit. Home loan originations also recorded steady growth, with origination value increasing by 12.3% to INR 11.81 Lakh Cr during the year.

The personal loan segment regained momentum in FY 2026, with origination value rising by 28.9% year-on-year to INR 11.45 Lakh Cr. Growth was supported by improving credit demand, wider access to formal lending channels and continued digital adoption. However, lenders continued to adopt a measured approach towards unsecured lending, balancing growth objectives with portfolio quality considerations. The year also witnessed a gradual shift towards secured lending segments, reflecting a continued focus on sustainable growth and risk management.

Vehicle finance remained an important contributor to retail credit growth. Auto loan portfolios expanded by 13.9%, while two-wheeler loan portfolios grew by 15.1%, supported by demand across urban and semi-urban markets. Consumer finance also recorded steady growth, with consumer durable loan originations increasing by 13.0% to INR 1.78 Lakh Cr, reflecting continued demand for discretionary purchases.

Digital lending continued to gain traction across the retail lending ecosystem. Fintech-led and technology-enabled lenders leveraged digital onboarding, data-driven underwriting, and streamlined customer journeys to improve credit accessibility and operational efficiency. Increasing adoption of digital channels has also contributed to deeper credit penetration, particularly among first-time borrowers and underserved customer segments.

From a regulatory standpoint, the Reserve Bank of India continued to emphasise responsible lending practices, customer protection and portfolio quality. While lenders remained mindful of risks associated with unsecured credit growth, asset quality across the financial system remained broadly stable, supported by prudent underwriting standards and disciplined credit monitoring.

Looking ahead, favourable demographics, rising income levels, increasing financial inclusion and continued digital adoption are expected to support retail credit demand. While macroeconomic and regulatory risks remain, the sector continues to offer opportunities for lenders to expand credit access and support the evolving financing needs of consumers across India.

Sources: CRIF High Mark – How India Lends (March 2026); RBI Financial Stability Report

Indian NBFC Sector Performance

The Indian NBFC sector demonstrated resilient performance during FY 2026, supported by sustained retail credit demand, improving funding conditions, and prudent risk management. According to ICRA, NBFC-Retail (excluding HFCs) Assets Under Management (AUM) grew by an estimated 18-20% during FY 2026, driven by strong demand for secured lending products such as gold loans and loans against property (LAP), while vehicle finance benefited from GST rate reductions in the second half of the year. Asset quality remained stable despite seasoning pressures, with credit costs maintained at 2.1–2.3%, reflecting disciplined underwriting and accelerated technical write-offs. Bank borrowings contributed nearly 45% of the sector's incremental funding requirements, significantly higher than in the preceding two years, suggesting improved access to bank credit.

The Reserve Bank of India noted that although credit growth moderated during FY 2026, particularly in the industry and services segments, retail lending remained relatively resilient. The RBI further highlighted that the overall NBFC risk profile, as measured by the Non-Banking Stability Indicator (NBSI), remained below its long-term average, while stress tests confirmed the sector's resilience under adverse macroeconomic scenarios. The report also noted that fintech NBFCs accounted for 56.8% of loans below INR 50,000, with credit growth of 41.6%, although delinquencies in this segment increased to 6.4%, underscoring the importance of prudent risk management.

Sources: ICRA, Non-banking Financial Companies: Growth momentum to sustain at a range-bound pace in FY2027, April 2026, ETBFSI

Company Overview

Navi Finserv is a fast-growing non-banking financial company operating in India's digital-first lending ecosystem. The Company provides personal loans and home loans through a technology-led model that is designed to deliver efficient, customer-centric financial solutions across diverse borrower segments.

A key differentiator for Navi Finserv is its end-to-end digital lending infrastructure, which enables a fully paperless and streamlined credit journey. As part of the Navi Group, the Company functions as a full-stack digital lender and is recognised for its quick turnaround time in the personal loan segment within the Indian market. Its lending approach is supported by a strong emphasis on credit discipline and risk-based pricing, aimed at ensuring sustainable portfolio quality and profitability. The Company primarily serves young, digitally engaged middle-income consumers, offering flexible loan products across varying ticket sizes and tenors. These offerings are designed to address a wide range of financial needs, including home renovation, travel, high-value consumption, wedding expenses, medical emergencies, and short-term business requirements.

Navi Finserv's lending operations, covering both personal loans and home loans, are delivered entirely through digital channels. This ensures a seamless application and servicing experience, significantly reducing manual processes and documentation requirements. The personal loan was introduced in April 2020, offering loan amounts of up to INR 20 Lakh with repayment tenors of up to 84 months, processed fully through digital infrastructure. Subsequently, the Company expanded its product suite with home loans launched in February 2021. This segment caters to diverse housing finance needs, including purchase of ready-to-move-in properties, under-construction homes and self-construction homes. Home loan offerings extend up to INR 10 Cr, with repayment tenors of up to 30 years.

This year, Navi Finserv also introduced Loans Against Property (LAP), extending its lending portfolio with secured financing solutions.

Driven by a strong focus on innovation and customer-centric design, Navi Finserv continues to broaden its product portfolio to meet evolving credit requirements and enhance financial accessibility across India.

The Company's lending ecosystem is designed to be simple, secure, and highly accessible. The entire loan journey is fully digital and paperless, requiring minimal documentation. A fully integrated VKYC process is available for both personal and home loans, enabling faster onboarding and verification. Customers benefit from a frictionless digital experience with the ability to apply for, track, and manage loans conveniently. In addition, the Company provides round-the-clock customer support, ensuring continuous assistance throughout the customer lifecycle.

Products and Performance

FY 2026 was a year of sustained growth for Navi Finserv, driven by its digital-first lending platform, disciplined risk management, and diversified funding strategy. Continued investments in technology and analytics enabled the Company to expand its lending portfolio, strengthen operational efficiency, and maintain healthy asset quality while supporting long-term, sustainable growth.

Building a Scalable Digital Lending Franchise

The Company continued to scale its digital lending platform by enhancing customer experience and strengthening technology capabilities. During FY 2026, personal loan disbursals increased to INR 22,822 Cr from INR 13,025 Cr in FY 2025, while AUM grew to INR 11,606 Cr.

Growth with Strong Asset Quality

Navi Finserv continued to pursue growth through a disciplined risk framework supported by proprietary underwriting models, alternative data, and continuous portfolio monitoring. Higher disbursal volumes were accompanied by improved credit costs and a continued decline in Gross Non-Performing Assets (GNPA), reflecting resilient portfolio quality. The Company remains focused on expanding its secured lending portfolio while strengthening its unsecured lending franchise.

Diversified Funding Platform

The Company further diversified its funding base by expanding banking and institutional relationships and strengthening co-lending partnerships. A balanced funding mix, supported by prudent treasury management, enabled Navi Finserv to optimise capital efficiency and maintain a competitive cost of borrowings, providing a strong platform for future growth.

Management Outlook

India's retail credit market continues to be supported by increasing digital adoption, improving financial inclusion, and rising demand for technology-enabled financial solutions. Against this backdrop, Navi Finserv remains well positioned to capitalise on long-term growth opportunities through its technology-led operating model and customer-centric lending platform.

Going forward, the Company will focus on expanding its Assets Under Management (AUM) while maintaining disciplined underwriting standards and healthy asset quality. Strategic priorities include strengthening the secured lending portfolio, deepening co-lending partnerships, and optimising funding costs through a diversified liability profile. The Company also remains committed to enhancing operational efficiency through continued investments in technology, enabling higher business volumes, improved scalability, and sustained operating leverage. Supported by these initiatives, Navi Finserv aims to deliver profitable growth while creating long-term value for all stakeholders.

Financial Performance

FY 2026 witnessed another year of strong financial performance, supported by sustained growth in the lending business and improving operating efficiency.

Total income increased to INR 2,476 Cr from INR 2,289 Cr in FY 2025, driven primarily by higher interest income from an expanding loan portfolio and the introduction of processing fee for personal loan disbursals. Finance costs rose to INR 1,071 Cr in line with higher borrowings to support portfolio growth. At the same time, impairment on financial instruments declined to INR 408 Cr from INR 578 Cr, reflecting improved asset quality, disciplined underwriting, and effective portfolio monitoring.

The Company's balance sheet strengthened during the year, with total assets increasing to INR 15,941 Cr as of March 2026, compared to INR 10,903 Cr in the previous year. Supported by its technology-led operating model, prudent risk management, and diversified funding profile, Navi Finserv remains well positioned to sustain profitable growth and create long-term value.

Risk and Mitigation

Economic Risk

Adverse macroeconomic conditions could reduce credit demand and adversely impact borrowers' repayment capacity.

Mitigation

The Company actively monitors key macroeconomic indicators and adjusts its lending strategies, including customer segment mix and pricing, to sustain demand while safeguarding margins and portfolio quality.

Regulatory Risk

Changes in regulations issued by the RBI or the Government may impact lending operations, compliance requirements, or capital adequacy norms.

Mitigation

Navi Finserv maintains adequate capital buffers through prudent capital planning and continuous monitoring of regulatory requirements. The Company also operates a robust compliance framework, supported by active regulatory surveillance and timely implementation of regulatory changes to ensure full compliance with applicable laws and guidelines.

Credit Risk

An increase in delinquencies within the unsecured lending portfolio or broader economic disruptions could adversely affect asset quality and profitability.

Mitigation

The Company employs stringent borrower selection criteria, leverages proprietary credit assessment and scoring models, and undertakes continuous portfolio monitoring to identify and address early signs of stress, thereby mitigating potential credit losses.

Cybersecurity Risk

As a digital-first lender, the Company faces the risk of cyberattacks, data breaches, and system disruptions, which could adversely affect customer trust and business operations.

Mitigation

The Company continues to invest in advanced cybersecurity infrastructure, conducts regular vulnerability assessments and security audits, and implements stringent data protection and information security protocols to safeguard customer data and ensure operational resilience.

Funding and Liquidity Risk

Tightening liquidity conditions in financial markets could increase funding costs and constrain access to capital.

Mitigation

The Company maintains a diversified funding profile comprising bank borrowings, capital market instruments, and securitisation arrangements. This diversified funding base supports stable liquidity, enhances financial flexibility, and helps ensure uninterrupted access to capital across market cycles.

Customer Grievance Redressal Mechanism

Navi Finserv has enhanced its Customer Grievance Redressal Mechanism by assigning a Directly Responsible Individual (DRI) to every grievance received. This targeted accountability has substantially reduced the average turnaround time, enabling faster and more efficient resolution of customer concerns.

To further streamline the process, clearly defined internal escalation levels have been established under the Company's Customer Grievance Redressal Policy. If a grievance remains unresolved within the stipulated timeframe, it is automatically escalated for priority handling, ensuring that no issue remains unaddressed.

This proactive, customer-first approach reflects the Company's commitment to understanding customer needs and delivering products and services that support their growth and long-term progress.

The Company has maintained a strong track record of minimal decision reversals by the Internal Ombudsman, highlighting the robustness and effectiveness of its grievance redressal mechanism.

The Company's Grievance Redressal Mechanism is guided by the following key principles:

- Customers shall always be treated with fairness and respect, and their complaints shall be addressed promptly and courteously.
- Complaints can be registered through multiple convenient channels, and the Company's Customer Grievance Redressal Policy, available on its website, clearly outlines the escalation framework. This ensures that any unresolved or inadequately addressed concerns receive priority attention. Customers are also informed of their right to escalate grievances further or pursue alternative remedies, as applicable.
- All grievances undergo thorough investigation and root cause analysis (RCA) by dedicated teams.
- All complaints in which the customer's grievance is fully or partially rejected are reviewed by the Internal Ombudsman.

Managing Human Capital

People-Centric Culture

The Company fosters a workplace culture rooted in meritocracy, equal opportunity, and employee empowerment, enabling it to attract, develop, and retain exceptional talent in a competitive market. High-performing employees are recognised and rewarded with growth opportunities, ensuring that individuals across all levels experience a strong sense of ownership, accountability, and purpose.

Career Growth and Development

The Company places significant emphasis on nurturing young talent through a transparent Internal Job Posting (IJP) framework. Employees are encouraged to explore opportunities aligned with their interests and career aspirations, gain cross-functional exposure, and build diverse capabilities. This commitment to multi-disciplinary development helps create well-rounded professionals equipped to take on evolving business challenges.

Leadership Pipeline

To build a strong pipeline of future leaders, the Company has implemented a structured leadership development programme to prepare high-potential talent for people manager and leadership roles. A robust, data-driven performance management framework, supported by 360-degree feedback, monthly manager check-ins, and half-yearly and annual performance reviews, enables objective assessments, continuous feedback, and professional growth.

Scaling Expertise

The Company continues to strengthen its talent base across key areas such as technology, product development, analytics, and data. By expanding capabilities in these domains, it is building the specialised expertise required to drive innovation, enhance operational excellence, support business growth, and deliver long-term success.

Significant organisational changes have been implemented to scale operations and enhance self-sufficiency:

1. **Establishment of Specialised Hiring Teams**

   The Company has established dedicated recruitment teams focused on sourcing talent across critical domains such as technology, product development, analytics, and data science. These teams leverage specialised recruitment tools and targeted hiring strategies, enabling the organisation to attract high-quality talent more efficiently and build the required expertise internally.

2. **Expansion of Internal Talent Mobility Programmes**

   To optimise talent utilisation, the Company has strengthened its internal talent mobility programmes, enabling employees to explore opportunities across functions such as business teams, analytics, and product development. This initiative not only helps retain valuable talent but also ensures that critical functions are consistently supported by skilled professionals, enhancing operational scalability and self-sufficiency.

3. **Enhancing Employee Engagement and Well-Being**

   To foster a supportive work environment, the Company has expanded its employee engagement and well-being initiatives. These include flexible leave policies and access to 24/7 online consultations covering financial, mental, and overall wellness. These initiatives are designed to improve employee experience, strengthen workforce resilience, enhance job satisfaction, and drive employee motivation.

Internal Controls and Their Effectiveness

Establishment of Internal Controls

The Company implements robust internal controls and Standard Operating Procedures (SOPs) to govern operational processes. These cover key areas such as automated reconciliations, continuous monitoring of collections management, and strong fraud prevention mechanisms.

Data Security Measures

To safeguard customer data and prevent data leakage, Navi Finserv has implemented Google SSO with MFA enforced across Google Workspace for strong authentication, along with tokenisation of core PII data. Strict access controls are applied to all Personally Identifiable Information (PII), and Data Loss Prevention (DLP) policies are deployed across email, chat, and drive platforms using both customised and predefined detectors to prevent unauthorised transmission of sensitive data. Application access management is being transitioned to the Central IT team to enable centralised governance. A multi-region Business Continuity Plan (BCP), supported by periodic Disaster Recovery (DR) drills, is in place, while SIEM and EDR solutions are fully operational and continuously monitored. To mitigate cybersecurity and data security risks, Navi Finserv has adopted a layered security framework covering MFA, endpoint protection, network segmentation, and data encryption, reinforced by 24x7 SOC monitoring.

Regular VAPT audits conducted by CERT-In empanelled auditors ensure the timely identification and remediation of vulnerabilities. The IT governance framework is aligned with RBI Master Directions and ISO 27001 standards, supported by periodic ITGC and change management reviews. Compliance with RBI digital lending guidelines is ensured through access controls, consent management, and privacy-by-design principles, while employee resilience is strengthened through phishing simulations and ongoing security awareness training.

Technology Monitoring Enhancements

The Company's technology monitoring and integration processes have been significantly enhanced. Advanced systems now enable the swift detection of API failures and internal system errors, supported by defined severity indices that help prioritise resolution efforts effectively.

Internal Audit Enhancements

The Company's Internal Audit function operates as an independent assurance mechanism to strengthen governance, risk management, and internal controls. Audits are conducted under a risk-based plan developed through an annual risk assessment and approved by the Audit Committee in line with RBI guidelines. The Committee reviews audit findings on a quarterly basis, monitors emerging risks, and provides guidance to the Internal Audit function accordingly. The function leverages external technical resources, including Big 4 firms, for specialised expertise, utilises automation for population testing where feasible, and conducts regular staff training to maintain competency. The Company remains committed to maintaining a robust control environment that supports operational efficiency, regulatory compliance, and sustainable growth.

BOARD'S REPORT

Dear Members,

The Board of Directors ("**Board**") of Navi Finserv Limited ("**Company**" or "**NFL**") is pleased to present the Fourteenth Board's Report of the Company together with the Standalone and Consolidated Audited Financial Statements for the financial year ended March 31, 2026.

This Report has been prepared in compliance with the applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) ("**Act**"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"), and the Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025, along with other applicable circulars and guidelines issued by the Reserve Bank of India ("**RBI**"). This report is based on the Financial Statements of the Company for the financial year ended March 31, 2026 and encompasses other events/developments during the financial year ended March 31, 2026.

Financial and Operational Highlights

The Financial Statements of the Company for the financial year ended March 31, 2026, have been prepared in accordance with Indian Accounting Standards notified under Section 133 and Schedule III to the Act.

(Indian Rupees (INR) in Millions)

Particulars	Consolidated		Standalone	
	FY26	FY25	FY26	FY25
Total income	26,968.39	22,988.47	24,759.37	22,891.52
Finance cost	10,748.43	7,968.28	10,714.69	7,933.01
Net income	**16,219.96**	**15,020.19**	**14,044.68**	**14,958.51**
Operating expenses	10,564.82	6,837.28	5,859.38	6,167.84
Pre provision operating profit	5,655.14	8,182.91	8,185.30	8,790.67
Impairment of financial instruments	4,078.57	5,782.44	4,076.34	5,780.37
Profit / (loss) before tax from continuing operations	1,576.57	2,400.47	4,108.96	3,010.30
Profit / (loss) after tax from continuing operations	933.19	1,722.70	2,922.09	2,219.65
Profit from discontinued operations	-	-	-	-
Profit for the year	**933.19**	**1,722.70**	**2,922.09**	**2,219.65**
Other comprehensive income / (loss)	234.86	69.68	230.49	70.94
Total comprehensive income	**1,168.05**	**1,792.38**	**3,152.58**	**2,290.59**

Key Highlights of Standalone Financial Performance

1. Total income increased by 8% to INR 24,759.37 Mn in FY 2025-26 from INR 22,891.52 Mn in FY 2024-25.
2. Finance cost has increased to INR 10,714.69 Mn (PY 7,933.01 Mn). Borrowings from lenders stand at INR 1,14,801.54 Mn as on March 31, 2026 against INR 71,948.92 Mn as on March 31, 2025.
3. Operating expenses decreased by 5% mainly due to decrease in Other Expenses to INR 3,712.27 Mn (PY INR 4,216.55 Mn)
4. Loan losses and provision decreased to INR 4,076.34 Mn (PY INR 5,780.37)
5. Profit before tax increased to INR 4,108.96 Mn compared to Profit before tax of INR 3,010.30 Mn in the previous year.
6. Profit after tax increased to INR 2,922.09 Mn compared to profit after tax of INR 2,219.65 Mn in the previous year.
7. The Company's Capital adequacy ratio as on March 31, 2026 is 23.76% which continued to be well above the RBI norms.

Key Operational Highlights

1. The Digital Personal Loans portfolio of the Company as of March 31, 2026, stands at INR 1,17,367.26 Mn.
2. The portfolio quality of Digital Personal Loans as of March 31, 2026, stands at 1.34% of Days past due ("**DPD**") 90.
3. The Secured Loan Portfolio of the Company as of March 31, 2026, stands at INR 15,533.59 Mn.

Transfer to Reserves

During the year under review, the Company has transferred INR 584.42 Mn to the statutory reserves created as per the norms laid down under Section 45-IC of the Reserve Bank of India Act, 1934. The closing balance of the statutory reserves as on March 31, 2026 is INR 2,933.35 Mn.

Pursuant to Section 71(4) of the Act, read with Rule 18(7) of the Companies (Share Capital and Debentures) Rules, 2014, the Company, being a non-deposit taking NBFC registered with the RBI, is not required to create Debenture Redemption Reserve.

Dividends

The Board of Directors has not recommended any dividend on equity shares for the financial year 2025–26, with a view to conserve capital, maintain a strong capital position and support the Company's future business growth through retention of internal accruals.

RBI Guidelines

During the year under review, the Company has complied with the applicable regulatory framework prescribed by the Reserve Bank of India for non-banking financial companies, including the Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025 and other applicable master directions, circulars and guidelines issued by the RBI, as amended from time to time.

The Company is registered with the RBI as a Non-Banking Financial Company – Investment and Credit Company ("**NBFC-ICC**") and is categorised as a Middle Layer NBFC in accordance with the applicable regulatory framework prescribed by the RBI.

Credit Rating

The ratings assigned by the credit rating agencies as at March 31, 2026 are set out below:

Instruments	CRISIL	CARE	India Ratings
Long term debt instruments	CRISIL A/Stable	NA	IND A/Stable
Commercial Paper	NA	CARE A1	IND A1
Bank facilities (long term)	CRISIL A/Stable	NA	NA
Bank facilities (short term)	CRISIL A1	NA	NA

Public Deposits

The Company is registered with the Reserve Bank of India ("**RBI**") as a Non-Banking Financial Company – Investment and Credit Company (**NBFC-ICC**) and is classified as a non-deposit taking NBFC under the applicable regulatory framework prescribed by the RBI, including its classification as a Middle Layer NBFC.

In accordance with the applicable RBI directions and guidelines, the Company has not accepted any public deposits during the year under review and shall not accept any public deposits without prior approval of the RBI.

Internal Capital Adequacy Assessment Process

In accordance with the applicable regulatory framework prescribed by the Reserve Bank of India ("**RBI**") for Non-Banking Financial Companies, the Company is required to undertake an Internal Capital Adequacy Assessment Process ("**ICAAP**") to assess the adequacy of its capital in relation to the risks inherent in its business.

The Company has adopted an ICAAP framework as part of its overall risk management architecture, which enables an ongoing assessment of its capital requirements, taking into account its risk profile, business strategy and growth plans.

The ICAAP framework is aligned with the principles of the Basel framework and is integrated with the Company's Enterprise Risk Management practices. The framework is periodically reviewed by the Board to ensure its continued effectiveness.

Capital adequacy

The Company, being a Middle Layer Non-Banking Financial Company, is subject to the capital adequacy requirements prescribed by the RBI. The capital management process of the Company ensures that it maintains a healthy CRAR at all times.

As on March 31, 2026, the Capital to Risk Assets Ratio (CRAR) stood at 23.76% which is higher than the minimum requirements of 15% CRAR stipulated by the Reserve Bank of India.

Asset Liability Management (ALM)

The Company had a total borrowing of INR 1,14,801.54 Mn as on March 31, 2026. The Company has an active Asset Liability Committee (**ALCO**) which meets in accordance with the ALM Policy, and it continuously monitors asset-liability mismatches to ensure compliance with RBI Guidelines while also tracking liquidity sufficiency across various metrics. The Asset Liability Management (**ALM**) position of the Company, based on the maturity buckets as per the guidelines issued by RBI, is assessed using the behaviour maturity pattern.

Disclosures relating to Subsidiaries, Associates and Joint Ventures

The Company is a wholly owned subsidiary of Navi Limited (formerly known as Navi Technologies Limited) ("**NL**" or "**Promoter**"). During the year, the Company acquired 100% of the issued, subscribed and paid-up equity share capital of Navi Fintech Private Limited ("**NFPL**"), which became a wholly owned subsidiary of the Company with effect from December 26, 2025 pursuant to the approval of the Board at their Meeting held on November 24, 2025.

As at March 31, 2026, the Company has one subsidiary and does not have any associate or joint venture company.

Pursuant to Section 129(3) of the Companies Act, 2013, a statement containing the salient features of the financial statements of the subsidiary in Form AOC-1 is annexed to the financial statements.

Major Events that Occurred During the Year

During the financial year under review, there were no major events that required disclosure under this head, other than those separately disclosed in this Report.

State of Company's Affairs

a. **Segment:** The Company is primarily engaged in the business of financing which is considered to be the only reportable business segment as per Ind AS 108, Operating Segments. The Company operates in India and there are no other geographical segments.

b. **Change in nature of the business:** There was no change in the nature of the business of the Company for the entire year under review.

c. **Status of the Company:** The Company is registered with the Reserve Bank of India ("**RBI**") as a Non-Banking Financial Company – Investment and Credit Company (NBFC-ICC) and is classified as a non-deposit taking NBFC under the applicable regulatory framework prescribed by the RBI. Since the asset size of the Company is more than INR 1000 crore, it is classified as a middle layer as per the scale based structure for NBFCs.

d. **Key business developments:** During the year under review, the Company

- has successfully raised INR 10,684 Crore in FY26 through multiple external borrowing instruments.
- has crossed Asset under Management ("**AUM**") of INR 13,138 Crore as of March 31, 2026.
- Is undertaking Co-lending with several financial services companies like Tata Capital, Northern Arc, Piramal Finance, Aditya Birla Capital Limited, among others.
- has received a rating of A1 and A/Stable from CRISIL Ratings Limited for short term and long term fund raising, respectively, for FY 2026 vide Credit Rating letter dated March 13, 2026.
- has received a rating of IND A1 and A/Stable from India Ratings Limited for short term and long term fund respectively vide credit rating letter dated August 04, 2025.

e. **Change in the financial year:** There was no change in the Financial Year of the Company.

f. **Capital expenditure programs:** NIL

g. **Details and Status of Acquisition, Merger, Expansion, Modernization and Diversification:** The same is covered under the section titled "Disclosures relating to Subsidiaries, Associates and Joint Ventures."

h. **Developments, Acquisition, and Assignment of material Intellectual Property Rights:** Nil

i. **Any other material event having an impact on the affairs of the Company:** Nil

j. **Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the Board's Report:** There were no material and commitments affecting the financial position of the Company, occurred between the end of the financial year of the Company i.e. March 31, 2026 and the date of the Directors' Report.

Details of Revision of Financial Statement or the Report

During the year under review, the Company has not revised its financial statements or the Report in respect of any of the three preceding financial years either voluntarily or pursuant to the order of a judicial authority.

Capital and Debt Structure of the Company

Share Capital:

During the year under review, the Company amended its Memorandum of Association pursuant to the reclassification of its Authorised Share Capital. The Board of Directors, at its meeting held on December 1, 2025, approved the reclassification of the authorised share capital of the Company from INR 6,00,00,00,000 divided into 60,00,00,000 equity shares of INR 10 each to INR 6,00,00,00,000 comprising 40,00,00,000 equity shares of INR 10 each (aggregating to INR 4,00,00,00,000) and 20,000 preference shares of INR 1,00,000 each (aggregating to INR 2,00,00,00,000). Consequently, Clause V of the Memorandum of Association was amended, which was duly approved by the shareholders on December 1, 2025 by way of a Special Resolution in accordance with the provisions of the Companies Act, 2013.

During the financial year, the Company, with the consent of the Board of Directors and the Members at their respective meetings held on December 5, 2025 and February 24, 2026, issued and allotted an aggregate of 5,000 Convertible Preference Shares (**"CPS"**) of face value of INR 1,00,000 each, at a premium of INR 9,00,000 per CPS, aggregating to INR 500 Crores, through private placement in two tranches. The CPS were issued in accordance with the applicable provisions of the Companies Act, 2013 and the rules made thereunder.

Details of Share Capital as on March 31, 2026 are as under:

- **Authorised Share Capital:** INR 6,00,00,00,000 (Rupees Six Hundred Crore only) comprising 40,00,00,000 (Forty Crore) Equity Shares of INR 10 each aggregating to INR 400,00,00,000 (Rupees Four Hundred Crores) and 20,000 (Twenty Thousand) Preference Shares of INR 1,00,000 each aggregating to INR 200,00,00,000 (Indian Rupees Two Hundred Crores).
- **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 INR 3,35,24,03,530 (Rupees Three Hundred Thirty-Five Crore Twenty-Four Lakhs Three Thousand Five Hundred Thirty only) comprising 28,52,40,353 (Twenty-Eight Crore Fifty-Two Lakh Forty Thousand Three Hundred Fifty-Three) Equity Shares of INR 10 each and 5,000 (Five Thousand) Preference Shares of INR 1,00,000 each.
- **Issue of equity shares with differential rights:** During the year under review, the Company has not issued any equity shares with differential rights.
- **Issue of Sweat Equity Shares:** During the year under review, the Company has not issued any sweat equity shares.

Details of Employee Stock Options:

The Company has not implemented any Employee Stock Option Scheme during the year. The employees have been granted ESOPs from the Holding Company – Navi Limited (formerly known as Navi Technologies Limited) ("**NL**" or "**Promoter**").

Shares held in trust for the benefit of employees where the voting rights are not exercised directly by the Employees: Not Applicable.

Issue of Debentures, Bonds or Any Convertible Securities:

During the year under review, the Company has raised:

- INR 3,980 Crores through issuance of privately placed Listed, Secured, Redeemable, Non-Convertible Debentures ("**NCDs**")
- INR 1,667 Crores through Commercial Papers.

The proceeds of the above-mentioned issues have been utilized in accordance with the objects of the issue as specified in the Placement Memorandum and Term Sheet, as may be applicable.

Further, the Company has been regular in making payments of principal and interest on all the outstanding NCDs issued by the Company on a private placement basis and there are no principal repayments or interest payments that are unclaimed by investors or unpaid by the Company after the date on which the NCDs were redeemed or interest has been paid.

Conversion of Compulsorily Convertible Debentures into Optionally Convertible Redeemable Debentures

Further, during the year under review, pursuant to the approval of the Board of Directors at its meeting held on July 11, 2025 and the approval of the shareholders at the Extra-ordinary General Meeting held on August 12, 2025, the terms of 15,000 Compulsorily Convertible Debentures ("**CCDs**") of face value INR 1,00,000 each, aggregating to INR 150 crore, subscribed by Navi Limited (formerly known as Navi Technologies Limited), the holding company of the Company, were amended and nature of the securities was changed to unlisted, unrated, unsecured Optionally Convertible Redeemable Debentures ("**OCRDs**").

Pursuant to the amended terms, at the sole discretion of the debenture holder, the outstanding OCRDs shall either be converted into equity shares in accordance with the conversion terms approved at the time of allotment of the CCDs, or be redeemed in accordance with the amended Debenture Subscription Agreement and applicable regulatory provisions.

Issue of Warrants:

During the year under review, the Company has not issued any warrants by way of preferential allotment, private placement or public issue.

Code of Conduct, Transparency & Client Protection

The Company has implemented the Reserve Bank of India's Fair Practice Code.

Investor Education and Protection Fund ("IEPF")

During the year under review, the Company was not required to transfer any amount to the IEPF.

Management Discussion and Analysis Report:

In accordance with the applicable provisions of the RBI Guidelines and SEBI Listing Regulations, a detailed analysis of the Company's performance is presented as a separate section, which forms part of the Annual Report.

Annual Evaluation of Board, Committees, and Directors:

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act. The performance of the board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information, and functioning, etc. The performance of the committees was evaluated by the Board after seeking inputs from the directors on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

At the board meeting held on May 27, 2026 and the meeting of the Nomination and Remuneration Committee held on May 14, 2026, the performance of the Board, its Committees, and individual directors was discussed.

Management:

Directors and Key Managerial Personnel:

The Company's Board lays down the strategic objectives of the Company and guides the management in meeting interests of the stakeholders.

Director liable to retire by rotation: In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Ankit Agarwal (DIN: 08299808) will retire by rotation at the ensuing Annual General Meeting (**"AGM"**) and, being eligible, has offered himself for re-appointment. The Board recommends his re-appointment for the consideration of the Members at the ensuing AGM.

Changes in Directors during the year: During the year under review, Mr. Ankit Agarwal ceased to be the Managing Director of the Company with effect from May 14, 2025, on account of his resignation, and his designation was changed to Non-Executive Director. Further, Mr. Abhishek was appointed as the Managing Director of the Company with effect from May 14, 2025.

Mr. Ashwani Kumar was appointed as an Additional Independent Director of the Company with effect from May 28, 2025, and the said appointment was approved by the members at the Extraordinary General Meeting held on June 02, 2025.

Further, pursuant to Regulation 62D of the SEBI Listing Regulations, the Members of the Company, at the Annual General Meeting held on September 22, 2025, approved the continuation of directorship of Mr. Ranganathan Sridharan (DIN: 00868787) as an Independent Director of the Company, notwithstanding that he would attain the age of 75 years during his current tenure, for the remainder of his existing term up to August 30, 2030.

Further, Ms. Usha A Narayanan (DIN: 06939539) resigned as an Independent Director of the Company with effect from February 13, 2026. The Board placed on record its appreciation for the valuable contributions made by her during her tenure.

Ms. Nilufer Panthaki (DIN: 08753306) was appointed as an Independent Director of the Company with effect from February 13, 2026.

Composition of the Board as on March 31, 2026:

- Mr. Sachin Bansal – Chairman and Non-Executive Director
- Mr. Ankit Agarwal – Non-Executive Director
- Mr. Abhishek – Managing Director and CEO
- Mr. Ranganathan Sridharan – Independent Director
- Mr. Arindam Haraprasad Ghosh – Independent Director
- Mr. Ashwani Kumar – Independent Director
- Ms. Nilufer Panthaki – Independent Director

Key Managerial Personnel ("KMP"):

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the Key Managerial Personnel of the Company as on March 31, 2026 are as follows:

- Mr. Abhishek – Managing Director and CEO
- Ms. Mahima Gautam – Chief Financial Officer
- Mr. Chanchal Kumar – Company Secretary & Compliance Officer

Changes in Key Managerial Personnel during the year:

The Board of Directors, at its meeting held on February 14, 2025, appointed Mr. Abhishek as the Chief Executive Officer of the Company. Pursuant to the receipt of approval from the Reserve Bank of India, he was appointed as the Managing Director of the Company with effect from May 14, 2025.

Mr. Ankit Agarwal ceased to be the Managing Director of the Company with effect from May 14, 2025 and was redesignated as a Non-Executive Director.

Ms. Mahima Gautam was appointed as the Chief Financial Officer of the Company with effect from June 11, 2025, consequent to the resignation of Mr. Ankit Surana, who ceased to be the Chief Financial Officer with effect from the close of business hours on June 10, 2025.

Mr. Chanchal Kumar was appointed as the Company Secretary and Compliance Officer of the Company with effect from June 01, 2025, consequent to the resignation of Ms. Prachi Mathur, who ceased to be the Company Secretary and Compliance Officer with effect from the close of business hours on May 31, 2025.

Declaration by Directors:

All the Directors of the Company have confirmed that they satisfy the "fit and proper" criteria as prescribed under the Reserve Bank of India (Non-Banking Financial Companies – Governance) Directions, 2025 and are not disqualified from being appointed or continuing as Directors in terms of Section 164(2) of the Companies Act, 2013.

Declaration by Independent Directors and statement on Compliance of Code of Conduct:

All Independent Directors have submitted declarations confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and have complied with the provisions of Section 149(7) of the Act. They have further confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

In the opinion of the Board, all the Independent Directors fulfil the conditions of independence as specified under the Act and the rules made thereunder and are independent of the management of the Company.

The Company has also received declarations from all Independent Directors confirming compliance with the provisions of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, relating to inclusion of their names in the databank of Independent Directors maintained by the Indian Institute of Corporate Affairs and passing of the online proficiency test, wherever applicable.

Policies on Appointment of Directors and Senior Management and Remuneration of Directors, Key Managerial Personnel and Employees

The Company has adopted the Nomination, Remuneration and Evaluation Policy for senior management, Key Managerial Personnel and Employees of the Company in accordance with the provisions of sub-section (4) of Section 178 of the Companies Act, 2013 and rules thereof. The Policy lays down a framework:

- To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a director (executive/non-executive/independent) of the Company ("**Director**"), KMP and Senior Management.
- To recommend Nomination, Remuneration and Evaluation Policy relating to the remuneration of the Directors, KMP and Senior Management to the Board of Directors of the Company ("**Board**").
- Evaluation of individual Directors, Chairperson of the Board, the Board as a whole and the Committees of the Board.
- Board Diversity.

Details of the Nomination, Remuneration and Evaluation Policy is available on the website of the Company at: https://navi.com/finserv/governance/policies

Board Meetings

During the year under review, the Board of Directors has met 16 (Sixteen) times and the requisite quorum was present for all the Meetings. The maximum time gap between any two Meetings was not more than one hundred and twenty days. Further, the details of the meetings held are provided in the report on Corporate Governance forming part of the Annual Report.

Board Committees

The Company has constituted Committees as applicable to the Company as required under the applicable provisions of the laws and statutes.

- **Audit Committee:** During the year under review, the Committee met 17 (seventeen) times to deliberate upon various matters, and the requisite quorum was present throughout the meeting, and the details of the meetings held are provided in the report on Corporate Governance forming part of the Annual Report.
- **Nomination and Remuneration Committee:** During the year under review, the Committee met 5 (five) times to deliberate upon various matters and the requisite quorum was present throughout the meeting and the details of the meetings held are provided in the report on Corporate Governance forming part of the Annual Report.
- **Stakeholders Relationship Committee:** During the year under review, the Committee met 1 (one) time to deliberate upon various matters and the requisite quorum was present throughout the meeting and the details of the meetings held are provided in the report on Corporate Governance forming part of the Annual Report.
- **Risk Management Committee:** During the year under review, the Committee met 9 (nine) times to deliberate upon various matters and the requisite quorum was present throughout the meeting and the details of the meetings held are provided in the report on Corporate Governance forming part of the Annual Report.
- **Information Technology Strategy Committee:** During the year under review, the Committee met 4 (four) times to deliberate upon various matters and the requisite quorum was present throughout the meeting and the details of the meetings held are provided in the report on Corporate Governance forming part of the Annual Report.
- **Corporate Social Responsibility Committee:** During the year under review, the Committee had met 2 (two) times to deliberate upon various matters and the requisite quorum was present throughout the meeting and the details of the meetings held are provided in the report on Corporate Governance forming part of the Annual Report.
- **Finance Committee:** During the year under review, the Committee met 55 (fifty-five) times to deliberate upon various matters and the requisite quorum was present

throughout the meeting and the details of the meetings held are provided in the report on Corporate Governance forming part of the Annual Report.

- **Debenture Committee:** During the year under review, the Debenture Committee did not meet since no public Non-Convertible Debentures ("**NCDs**") were issued.

Separate Meeting of Independent Directors

Pursuant to Clause VII(1) of Schedule IV to the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on March 13, 2026, inter alia, to:

- review the performance of Non-Independent Directors and the Board as a whole; and
- assess the quality, quantity and timeliness of the flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the meeting. The meeting was conducted without the presence of the Non-Independent Directors and members of the management.

Recommendations of the Audit Committee

During the year under review, there were no instances where the Board of Directors of the Company did not accept the recommendations of the Audit Committee of the Company.

Report on Corporate Governance

Pursuant to the SEBI Listing Regulations read with Schedule V thereto, the Report on Corporate Governance for the financial year 2025-26, together with the certificate issued by the Secretarial Auditors of the Company confirming compliance with the corporate governance requirements under the SEBI Listing Regulations, is annexed as **"Annexure I"** and forms part of this Report.

Directors' Responsibility Statement

Pursuant to the provisions of Section 134(5) of the Act and based on the framework of internal financial controls and systems of compliance which are established and maintained by the Company, audits conducted by the Internal, Statutory and Secretarial Auditors including audit of internal financial controls over financial reporting by the Statutory Auditors and reviews by the Management and the Board of Directors, the Directors confirm to the best of their knowledge and ability, that:

1. In the preparation of the annual financial statements for the year ended March 31, 2026, the applicable accounting standards have been followed with no material departures.
2. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2026, and of the profits/(losses) of the Company for the year ended on that date;
3. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors had prepared the annual financial statements on a going concern basis;
5. The Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
6. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Particulars of Employees and Related Information

In terms of Section 197 of the Act read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the statement relating to particulars of employees of the Company is available for inspection by the members at the registered office of the Company during business hours on working days. A copy of this statement may be obtained by the members by writing to the Company Secretary of the Company.

Adequacy of Internal Financial Controls with Reference to Financial Statement

The Company has in place adequate Internal Financial Controls with reference to financial statements. During the year under review, such controls were tested and no reportable material weaknesses in the design or operation was observed.

Reporting of Frauds by Auditors

During the period under review, neither the Statutory Auditors nor Secretarial Auditors have reported to the Audit Committee/ Board or Central Government any instances of material fraud in the Company by its Officers or employees under Section 143(12) of the Companies Act, 2013.

Vigil Mechanism/ Whistle Blower Policy

The Company, as part of the 'vigil mechanism', has in place a 'Vigil Mechanism and Whistle Blower Policy' to deal with unethical behaviour, mismanagement, instances of actual or suspected fraud, if any, and provides safeguards against victimization of employees who avail the mechanism. During the year, no person was denied access to the audit committee.

The company received 13 whistleblower complaints and closed the same during the financial year ended 31 March, 2026.

The Vigil Mechanism and Whistle Blower Policy has been placed on the website of the Company, which can be accessed here on the Company's website at the given weblink: https://navi.com/finserv/governance/policies

Details of Deposits

The Company is a non-deposit taking Non-Banking Financial Company and has not accepted any deposits during the year under review. There are no deposits outstanding as at March 31, 2026.

Accordingly, the provisions of Chapter V of the Companies Act, 2013 and the rules made thereunder relating to acceptance of deposits are not applicable to the Company.

Particulars of Loans, Guarantees, and Investments

The loan made, guarantee given or security provided in the ordinary course of business by a Non-Banking Financial Company registered with Reserve Bank of India are exempt from the applicability of provisions of Section 186 of the Act.

Particulars of contracts or arrangements with Related Party Transactions as per Section 188(1) of the Companies Act, 2013

During the year under review, there were no materially significant related party transactions with the Company's Promoters, Directors, Key Managerial Personnel or other designated person which may have potential conflict with the interest of the Company at large. All the Related Party Transactions entered were on an arm's length basis and in compliance with the applicable provisions of the Act.

The Company has institutionalized systems for obtaining prior omnibus approval of the Audit Committee on an annual basis for transactions with related parties which are of a foreseeable and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted and a statement giving details of all transactions with related parties are placed before the Audit Committee for their review on a periodic basis.

In compliance with section 188(1) of the Companies Act, 2013, AOC-2 is enclosed as **"Annexure - II"**. Further, the details of Related Party Transactions as required to be disclosed as per Indian Accounting Standard 24 "Related Party Disclosures" specified under section 133 are provided in the Note no. 41 of the Financial Statements.

The Policy on related party transactions as approved by the Board can be accessed on the Company's website at the given weblink: https://navi.com/finserv/governance/policies

Corporate Social Responsibility ("CSR")

Your Company is committed to integrate social and environmental concerns in their business operations and believes that it is our moral responsibility to give back to the community, participate in philanthropic causes, and provide positive social value and wealth to stakeholders.

During the year under review, your Company has spent INR 37.51 Million towards Corporate Social Responsibility on the CSR projects/programmes as per CSR Policy, and the Company is in compliance with the statutory requirements in this regard.

The details of the contribution made by the Company during the year as prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014, are made available in **"Annexure - III"** to this Report.

The CSR policy of the Company relates to the activities to be undertaken by the Company, which is in accordance with the provisions of CSR under Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, and Schedule VII of the Act.

The CSR Policy of the Company, duly amended, may be accessed on the Company's website at the given weblink: https://navi.com/finserv/governance/policies

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The Company has not undertaken any activity relating to conservation of energy and technology absorption and the requirement of disclosure of particulars relating to conservation of energy and technology absorption in terms of Rule 8 of the Companies (Accounts) Rules, 2014, are not applicable to the Company.

However, the Company has been increasingly using information technology in its operations and promotes the conservation of resources.

Foreign Exchange Earnings and Outflow

Particulars	As on March 31, 2026	As on March 31, 2025
Foreign Exchange inflow	Nil	Nil
Foreign Exchange Outflow	Nil	Nil

Risk Management:

The Company has established a comprehensive Enterprise Risk Management (**"ERM"**) and Internal Capital Adequacy Assessment Process (**"ICAAP"**) Policy, which serves as the overarching framework for identifying, assessing, monitoring and managing risks across the organisation. The framework is supported by the Risk Appetite Framework (**"RAF"**), Asset Liability Management (**"ALM"**) Policy, Operational Risk Management (**"ORM"**) Policy and other Board-approved policies governing key risk areas, including contingency funding, fraud risk management, outsourcing and third-party risk management, model risk management, information security and regulatory compliance.

The risk management framework is overseen by the Board through the Risk Management Committee and implemented by senior management with independent oversight from the Risk Management function. The Company manages risks through defined governance mechanisms, Risk Appetite metrics, portfolio monitoring, periodic reporting and timely escalation of material risks, thereby supporting prudent decision-making and sustainable business growth.

The Company also undertakes periodic stress testing and scenario analysis covering key risks such as credit, liquidity and interest rate risk to assess its resilience under adverse but plausible conditions. The results are reviewed by senior management and the Board and are used to support capital planning, liquidity management and strategic decision-making.

Material orders of Judicial Bodies/ Regulators

During the financial year under review, there were no major events that require disclosure under this head, other than those separately disclosed in this Report.

Compliance with Secretarial Standards

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

Maintenance of Cost Records

The Company, being an NBFC, the requirements under sub-section (1) of Section 148 of the Act, relating to the maintenance of cost records are not applicable.

Listing on the Stock Exchange

The non-convertible debentures issued by the Company are listed on BSE Limited ("**BSE**") & National Stock Exchange of India Limited ("**NSE**").

Statutory Auditors

M/s MSKA & Associates (BDO), Chartered Accountants (Firm Registration No. 105047W/W101187), were appointed as the Statutory Auditors of the Company for a term of three consecutive years commencing from FY 2025-26 to FY 2027-28, pursuant to the recommendation of the Audit Committee and the approval of the Board of Directors at its meetings held on April 29, 2025 and May 28, 2025, respectively, and upon the approval of the shareholders at the 13th Annual General Meeting of the Company held on September 22, 2025.

M/s MSKA & Associates (BDO), Chartered Accountants, have confirmed their eligibility and independence to continue as Statutory Auditors of the Company in accordance with the provisions of Sections 139 and 141 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014. There are no qualifications, reservations, adverse remarks, or disclaimers made by the Statutory Auditors in their Report for the financial year under review.

Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the rules made thereunder and Regulation 24A of the SEBI Listing Regulations, the Members of the Company have approved the appointment of M/s BMP & Co. LLP, Company Secretaries, as the Secretarial Auditors of the Company for a term of three consecutive years commencing from the financial year 2025–26 to FY 2027–28.

M/s BMP & Co. LLP, Company Secretaries, have conducted the Secretarial Audit for the financial year 2025–26. The Secretarial Audit Report (Form MR - 3) for the FY 2025-26 forms part of the Annual Report as **"Annexure-IV"**. There has been no qualification, reservation, adverse remarks or disclaimer given by the Secretarial Auditor in their Report for the year under review.

Certifications from the Company Secretary in Practice

A certificate has been received from BMP & Co. LLP, Practicing Company Secretaries, that none of the Directors on the Board of the Company 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 statutory authority. The certificate is attached as **"Annexure- A"** to the Corporate Governance Report.

The Report on Corporate Governance, as stipulated in the Listing Regulations, forms part of the Annual Report. The requisite certificate from BMP & Co. LLP, Practicing Company Secretaries confirming compliance with the conditions of Corporate Governance as stipulated under the Listing Regulations is annexed as **"Annexure- B"** to the Corporate Governance Report.

Other Statutory Compliance

The Company has complied with all the mandatory regulatory compliances as required under the Act, Secretarial Standards issued by the Institute of Company Secretaries of India, SEBI Regulations, various tax statutes, and other regulatory bodies.

Extract of Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company in Form MGT-7 as on March 31, 2026, is available on the Company's website at: https://navi.com/finserv/governance/annual-return

Disclosures Pertaining to the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and the rules made thereunder. The Policy aims to promote a healthy work environment and to provide protection to employees at the workplace and to redress complaints of sexual harassment and related matters thereto. The Company has also constituted an Internal Complaint Committee ("**ICC**") to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy, and the policy is gender neutral.

The details relating to the number of complaints received and disposed off during the financial year 2025-26 are as under:

Sr. No.	Particulars	Total count
1.	Number of complaints of sexual harassment received in the year	0
2.	Number of complaints disposed off during the year	0
3.	Number of cases pending for more than ninety days	0
4.	Number of workshops or awareness programme against sexual harassment carried out	1
5.	Nature of action taken by the employer or District Officer	0

Compliance with the Maternity Benefit Act, 1961

The Company affirms that it has duly complied with the applicable provisions of the Maternity Benefit Act, 1961, including the rules framed thereunder, for the financial year 2024-25 and 2025–26.

Proceeding Under Insolvency And Bankruptcy Code, 2016

During the year under review, there was no application made or any proceeding pending against the Company under Insolvency and Bankruptcy Code, 2016.

One Time Settlement With Any Bank Or Financial Institution

During the year under review, the Company has not entered into any one-time settlement with Banks or Financial Institutions; therefore, there was no reportable instance of difference in the amount of the valuation.

Acknowledgement

Your directors take this opportunity to acknowledge the support extended by the Reserve Bank of India, the Ministry of Corporate Affairs, the Registrar of Companies, and all other governmental and regulatory authorities for the guidance and support received from them, including officials therefrom time to time. Your directors also place on record their sincere appreciation for the continued support extended by the Company's stakeholders, including investors, customers, banks, financial institutions, rating agencies, debenture holders, debenture trustees, and well-wishers for their continued support during the year.

Your directors also place on record their appreciation of the contribution made by the employees of your Company and its subsidiary at all levels. Your Company's consistent growth was made possible by their hard work, solidarity, cooperation, and support.

For and on behalf of the Board of Directors

Sachin Bansal
Chairman and Non-Executive Director
DIN: 02356346

Date: May 27, 2026
Place: Bengaluru

Annexure I

Corporate Governance Report for FY 2025-26

Company's Philosophy on Code of Governance

The Company's corporate governance philosophy is rooted in its value system, encompassing its culture, policies, and relationships with stakeholders. The Company is committed to conducting its business in a legally compliant, transparent, and ethical manner, while maintaining the highest standards of integrity and ensuring the trust of its stakeholders.

Pursuant to Regulation 17(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**SEBI Listing Regulations**"), the Board has laid down a Code of Conduct for all members of the Board of Directors and Senior Management.

Board Composition

The Board has an optimum combination of Executive and Non-Executive Directors, including Independent Directors, in compliance with the requirements of the Companies Act, 2013 ("**Act**") and the SEBI Listing Regulations.

As on March 31, 2026, the Board comprised 7 (seven) Directors, consisting of 1 Managing Director & Chief Executive Officer, 2 Non-Executive, Non-Independent Directors (including the Chairman), and 4 Independent Directors (one woman Independent Director). The composition of the Board is in compliance with Regulation 16(1)(b), Regulation 17 and Regulation 62D of the SEBI Listing Regulations and Section 149(6) of the Act.

The Board comprises individuals with diverse experience and expertise across financial services, strategy, governance, and business management, enabling effective oversight and informed decision-making.

Category	Name of Director	% of Total Strength
Non-Executive, Non-Independent Directors	Mr. Sachin Bansal (Chairman)	28.57%
	Mr. Ankit Agarwal*	
Executive Director (MD & CEO)	Mr. Abhishek	14.29%
Non-Executive, Independent Directors	Mr. Arindam Haraprasad Ghosh	57.14%
	Mr. Ranganathan Sridharan	
	Mr. Ashwani Kumar	
	Ms. Nilufer Panthaki**	

* Mr. Ankit Agarwal has ceased to be the Managing Director of the Company pursuant to his resignation from the position of Managing Director, with effect from May 14, 2025. He continues on the Board as a Non-Executive Director. Further, Mr. Abhishek was appointed as the Managing Director of the Company with effect from May 14, 2025.

** Ms. Nilufer Panthaki (DIN: 08753306) was appointed as an Independent Director of the Company w.e.f. February 13, 2026.

To ensure transparency in the nomination process, the Board has adopted a Nomination, Remuneration and Evaluation Policy. The Policy provides for reviewing and approving corporate goals and objectives relevant to the compensation of Executive Directors, evaluating their performance in light of those goals and objectives and, either as a Committee or together with other Independent Directors (as directed by the Board), determining and approving the compensation of Executive Directors based on such evaluation. It also provides for making recommendations to the Board with respect to compensation of Key Managerial Personnel and Senior Management, and for recommending incentive compensation and equity-based plans, subject to the approval of the Board.

Directorship/ Membership in other Companies

As per Section 165 of the Act, none of the Directors on the Board of the Company hold directorships in more than 20 companies, including not more than 10 public companies. Further, in terms of Regulation 17A and Regulation 62C of the SEBI Listing Regulations, none of the Directors hold directorships in excess of the prescribed limits in listed entities. None of the Independent Directors serve as an Independent

Director in more than 7 listed entities. Further, Directors who are serving as Whole-time Directors or Managing Directors in any listed entity do not serve as Independent Directors in more than 3 listed entities.

All Directors have submitted the requisite disclosures under Regulation 26(1) and Regulation 62D of the SEBI Listing Regulations as on March 31, 2026, confirming that none of them is a member of more than 10 Committees or acts as Chairperson of more than 5 Committees across all public limited companies in which they are Directors. For this purpose, only the Audit Committee and Stakeholders Relationship Committee have been considered. Further, the Managing Director does not serve as an Independent Director in any listed entity. All Non-Executive Directors, except Independent Directors, are liable to retire by rotation.

The details of directorships and committee memberships / chairmanships held by the Directors in other public companies, including listed entities, as on March 31, 2026 are provided below.

Sr. No.	Name of the Director	Category of the Director	No. of Directorships in other Public Limited companies*	No. of committee positions held in other public entities**		No. of Equity Shares held (including convertible instruments)	Directorship in other listed entity (Category of Directorship)
				Chairperson	Member		
1.	Mr. Sachin Bansal	Chairman and Non-Executive Director	3	0	0	1- held as nominee shareholder	0
2.	Mr. Ankit Agarwal	Non-Executive Director	6	0	2	1- held as nominee shareholder	0
3	Mr. Abhishek	Managing Director & CEO	5	0	0	0	0
4	Mr. Ranganathan Sridharan	Independent Director	2	1	2	0	Nelcast Limited - Independent Director
5.	Mr. Arindam Haraprasad Ghosh	Independent Director	2	1	2	0	Repro India Limited - Independent Director
6	Mr. Ashwani Kumar	Independent Director	3	2	3	0	Saurashtra Cement Limited - Independent Director NIIF Infrastructure Finance Limited -Independent Director
7	Ms. Nilufer Panthaki	Independent Director	0	0	1	0	-

*Excluding Private Limited Companies (but includes subsidiary of public companies), foreign companies and companies under Section 8 of the Act.

**Pursuant to Regulation 62O(b) of the SEBI Listing Regulations, only two committees viz, Audit and Stakeholders Relationship Committees, have been considered for this purpose.

**No. of other Committee Membership(s) held as Member includes Chairperson mentioned in previous column.

NOTES:

- Mr. Ankit Agarwal has ceased to be the Managing Director of the Company pursuant to his resignation from the position of Managing Director, with effect from May 14, 2025. He continues on the Board as a Non-Executive Director. Further, Mr. Abhishek was appointed as the Managing Director of the Company with effect from May 14, 2025.
- Mr. Ashwani Kumar was appointed as an Additional Director in the capacity of Independent Director of the Company with effect from May 28, 2025. His appointment as a Non-Executive Independent Director was approved by the Members of the Company at the Extraordinary General Meeting held on June 02, 2025.
- Ms. Usha A. Narayanan resigned as an Independent Director of the Company with effect from February 13, 2026. Further, Ms. Nilufer Panthaki was appointed as an Independent Director of the Company with effect from February 13, 2026.

Skills/expertise/competence of the Board of Directors

The Board members as on March 31, 2026 have rich and varied experience in critical areas like Leadership, Corporate Governance, rich knowledge of financial markets, entrepreneurship, Industry Knowledge and experience, understanding of relevant rules, regulations and policies, Human Resources, Information Technology and Risk Management which are core elements for the proper functioning of the business.

Sr. No.	Name of the Director	Leadership skills	Industry Knowledge and expertise	Understanding of applicable laws	Corporate Governance	Financial Expertise	Risk Management
1	Mr. Sachin Bansal	✓	✓	✓	✓	✓	✓
2	Mr. Ankit Agarwal	✓	✓	✓	✓	✓	✓
3	Mr. Abhishek	✓	✓	✓	✓	✓	✓
4	Mr. Ranganathan Sridharan	✓	✓	✓	✓	✓	✓
5	Mr. Arindam Haraprasad Ghosh	✓	✓	✓	✓	✓	✓
6	Mr. Ashwani Kumar	✓	✓	✓	✓	✓	✓
7	Ms. Nilufer Panthaki*	✓	✓	✓	✓	✓	✓

*During the year, Ms. Usha A. Narayanan ceased to be an Independent Director of the Company with effect from February 13, 2026. Further, Ms. Nilufer Panthaki was appointed as an Independent Director of the Company with effect from February 13, 2026.

Attendance of Directors at the Board Meetings during the FY 2025-26 and at the last Annual General Meeting ('AGM')

The Company has a well-established framework for the meetings of the Board and committees, which seeks to systematize the decision-making process at the meetings in an informed and efficient manner in line with the Secretarial Standards - 1 ("**SS-1**") issued by Institute of Company Secretaries of India ("**ICSI**").

During the year under review, the Board of Directors has met 16 (Sixteen) times, and the requisite quorum was present for all the Meetings. The maximum time gap between any two Meetings was not more than one hundred and twenty days.

Sr. No.	Date of Board Meeting	Attendance of Directors							
		Mr. Sachin Bansal	Mr. Ankit Agarwal	Mr. Ashwani Kumar	Mr. Ranganathan Sridharan	Mr. Arindam Haraprasad Ghosh	Mr. Abhishek	Ms. Nilufer Panthaki	Ms. Usha A Narayanan*
1	April 10, 2025	Leave of Absence	✓	Not Entitled	✓	✓	Not Entitled	Not Entitled	✓
2	May 28, 2025	Leave of Absence	✓	Not Entitled	✓	✓	✓	Not Entitled	✓
3	June 30, 2025	✓	✓	✓	✓	✓	✓	Not Entitled	✓
4	July 11, 2025	✓	✓	✓	✓	✓	✓	Not Entitled	✓
5	August 11, 2025	Leave of Absence	✓	✓	✓	✓	✓	Not Entitled	✓
6	September 01, 2025	Leave of Absence	✓	✓	✓	✓	✓	Not Entitled	✓
7	September 25, 2025	✓	✓	✓	✓	✓	✓	Not Entitled	✓
8	October 13, 2025	✓	✓	✓	✓	✓	✓	Not Entitled	✓
9	November 12, 2025	✓	✓	✓	✓	✓	✓	Not Entitled	✓
10	November 24, 2025	Leave of Absence	✓	✓	✓	✓	✓	Not Entitled	✓
11	December 01, 2025	Leave of Absence	✓	✓	✓	✓	✓	Not Entitled	✓
12	December 05, 2025	Leave of Absence	✓	✓	✓	✓	✓	Not Entitled	✓
13	December 15, 2025	Leave of Absence	✓	✓	✓	✓	✓	Not Entitled	✓
14	January 21, 2026	✓	✓	✓	✓	✓		Not Entitled	Leave of Absence
15	February 13, 2026	✓	✓	✓	✓	✓	✓	Not Entitled	✓
16	February 24, 2026	Leave of Absence	✓	✓	✓	✓	✓	✓	Not Entitled
	Attendance at the last AGM								
17	September 22, 2025	✓	✓	Leave of Absence	✓	Leave of Absence	✓	Not Entitled	✓

*Ms. Usha A. Narayanan resigned as an Independent Director of the Company with effect from February 13, 2026, to prioritise her time for other professional and personal commitments, and confirmed that there are no other material reasons for her resignation.

Further, Ms. Nilufer Panthaki was appointed as an Independent Director of the Company with effect from February 13, 2026

Disclosure of relationships between directors inter-se

None of the Directors of the Company are inter-se related to each other.

Separate Meeting of Independent Directors

During the year under review, the Independent Directors convened a separate meeting on March 13, 2026, inter alia to discuss the following matters:

- Performance Evaluation: Review the performance of non-independent directors and the Board as a whole.
- Chairperson's Performance: Review the performance of the Chairperson, considering the views of both executive and non-executive directors.
- Information Flow Assessment: Assess the quality, quantity, and timeliness of the flow of information between management and the Board to ensure effective decision-making and oversight.

All the Independent Directors were present throughout the meeting, and the meeting was conducted without the presence of the Chairman, the Managing Director or other Non-Independent Director(s) or any other Management Personnel.

In the opinion of the Board, the Independent Directors fulfil the conditions specified in SEBI Listing Regulations and are independent of the management.

Web link for Familiarisation Programme imparted to independent directors

The Board members are provided with necessary documents / brochures, reports and internal policies to enable them to familiarise themselves with the Company's procedures and practices. Periodic presentations are made at the Board and Committee meetings on business and performance updates of the Company, including fraud management, credit underwriting, group-level business overviews of the Company's major business segments, practices relating to human resources, overview of business operations of major subsidiaries, global business environment, business strategy, and risks involved. Quarterly updates on relevant statutory, regulatory changes and landmark judicial pronouncements encompassing important laws are circulated to the Board of Directors.

The details of the familiarisation and training programmes attended by the Directors (including Independent Directors) are available on the Company's website and can be accessed at: https://navi.com/finserv/governance/familiarisation-program-for-directors

Code of Conduct

The Company has in place a comprehensive Code of Conduct for Board of Directors and Senior Management personnel applicable to all the Directors and Senior Management. The code outlines the standard of conduct and ethics to be discharged by the members of the Board and Senior Management Personnel. The Codes are available on the website of the Company on URL: https://navi.com/finserv/governance/policies. The Codes have been circulated to the Directors and Senior Management Personnel and its compliance is affirmed by them annually.

A declaration on confirmation of compliance of the Code of Conduct, signed by the Company's Managing Director & CEO is published in this Report.

BRIEF DESCRIPTION OF TERMS OF REFERENCE OF THE COMMITTEE AND DETAILS OF COMMITTEE MEETINGS AND ATTENDANCE OF THE COMMITTEE MEMBERS

Audit Committee

Terms of Reference:

1. Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible

2. Recommend to the Board the appointment, remuneration and terms of appointment of the statutory auditor of the Company

3. Reviewing and monitoring the statutory auditors independence and performance, and effectiveness of audit process

4. Approving payments to statutory auditors for any other services rendered by the statutory auditor's

5. Reviewing, with the management, the annual financial statements and auditor's 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 to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Act

   (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

   (d) Significant adjustments made in the financial statements arising out of audit findings

   (e) Compliance with listing and other legal requirements relating to financial statements

   (f) Disclosure of any related party transactions

   (g) Modified opinion(s) in the draft audit report

6. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval

7. Approval or any subsequent modification of transactions of the Company with related parties and omnibus approval subject to the conditions as may be prescribed, by the independent directors who are members of the Audit Committee and approving material related party transactions.

8. Scrutinising of inter-corporate loans and investments

9. Valuation of undertakings or assets of the Company, wherever it is necessary

10. Review/ Evaluation of internal financial controls and risk management systems

11. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances

12. Reviewing, with the management, performance of statutory and internal auditors, and 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 of any significant findings and follow up thereon

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. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern

17. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors

18. Reviewing the functioning of the whistle blower mechanism

19. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter

20. Approving the appointment of chief financial officer, or any other person heading the finance function or discharging that function, after assessing the qualifications, experience and background, etc. of the candidate

21. Carrying out any other function as may be decided by the Board and/or specified/ provided under the Act, SEBI Listing Regulations or by any other regulatory authority

22. Reviewing the utilization of loan and/or advances from investment by the company in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as per applicable law (when applicable)

23. Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., of the listed entity and its shareholders

24. To review and recommend to the Board suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:

   (a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; or

   (b) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended.

25. Review the following

- Management letters / communications and reports highlighting internal control weaknesses issued by the statutory auditors.
- Internal Audit reports pertaining to internal control deficiencies.
- Appointment, removal, and terms of remuneration of the Head of Internal Audit.
- Examination of the financial statements and the Auditors' Report thereon.

26. Consideration of matters relating to following:

- Investigate any activity falling within its terms of reference.
- Seek information from any employee of the Company.
- Obtain external advice, including legal or other professional expertise, as deemed necessary.
- Invite and secure the attendance of external persons with relevant expertise, where considered necessary.

Reviewing Power:

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;

2. Management letters / letters of internal control weaknesses issued by the statutory auditors;

3. Internal audit reports relating to internal control weaknesses;

4. The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the Audit Committee; and

5. Examination of the financial statements and the auditors' report thereon; and

6. Statement of deviations:

   a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to Stock Exchange(s) in terms of the SEBI Listing Regulations; and

   b. annual statement of funds utilised for purposes other than those stated in the document/prospectus/notice in terms of SEBI Listing Regulations.

Composition and Attendance:

During the year under review, the Committee met 17 (Seventeen) times on April 10, 2025, April 29, 2025, May 08, 2025, May 26, 2025, May 27, 2025, July 11, 2025, August 01, 2025, August 11, 2025, September 01, 2025, September 25, 2025, November 10, 2025, November 11, 2025, November 24, 2025, December 15, 2025, February 11, 2026, February 12, 2026 and February 24, 2026 to deliberate upon various matters and the requisite quorum was present throughout the meeting.

The attendance of the members of the committee at the above meetings was as under.

Name of Member	Position	No. of Meetings attended
Ms. Nilufer Panthaki*	Chairperson	1 / 1
Mr. Ranganathan Sridharan	Member	17 / 17
Mr. Arindam Haraprasad Ghosh	Member	17 / 17
Mr. Ashwani Kumar**	Member	12 / 12
Ms. Usha A Narayanan***	Member	16 / 16

Note:

* Ms. Nilufer Panthaki was appointed as a member and Chairperson of the Committee with effect from February 24, 2026.

** Mr. Ashwani Kumar was appointed as a member of the Committee with effect from May 28, 2025.

*** Ms. Usha A. Narayanan ceased to be a member and Chairperson of the Committee with effect from February 13, 2026, pursuant to her resignation as an Independent Director of the Company.

Nomination and Remuneration Committee:

Terms of Reference:

1. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

2. For every appointment of an independent director, the Nomination and Remuneration Committee

shall evaluate 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. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

a. use the services of external agency, 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 criteria for evaluation of the performance of the independent directors and the Board;

4. Devising a policy on Board diversity;

5. Identifying persons who qualify to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal, and carrying out evaluations of every director's performance;

6. Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

7. Analysing, monitoring and reviewing various human resource and compensation matters;

8. Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

9. Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;

10. Reviewing and approving compensation strategy from time to time in the context of the then current market in accordance with applicable laws;

11. Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;

12. Performing such other activities as may be delegated by the Board and/or specified/provided under the Companies Act or the Listing Regulations, or by any other regulatory authority; and

13. Recommend to the board, all remuneration, in whatever form, payable to senior management.

14. To work in close coordination with Risk Management Committee to achieve effective alignment between compensation and risks;

15. To ensure that compensation levels are supported by the need to retain earnings and the need to maintain adequate capital envisaged in the ICAAP;

16. To ensure there is no conflict of interest in appointment of directors on the Board, KMPs and Senior Management;

17. To ensure that fixed and variable pay components are aligned effectively with prudent risk-taking adjusted for all types of risks.

Composition and Attendance:

During the year under review, the Committee met 5 (Five) times on May 05, 2025, May 27, 2025, September 01, 2025, November 12, 2025, and February 05, 2026, to deliberate upon various matters and the requisite quorum was present throughout the meeting.

The attendance of the members of the committee at the above meetings was as under.

Name of Member	Position	No. of Meetings attended
Mr. Ashwani Kumar*	Chairperson	0/0
Mr. Ranganathan Sridharan	Member	5/5
Mr. Arindam Haraprasad Ghosh	Member	5/5
Ms. Nilufer Panthaki*	Member	0/0
Ms. Usha A Narayanan**	Member	5/5

Note:

* Mr. Ashwani Kumar was appointed as the Chairperson of the Committee and Ms. Nilufer Panthaki was appointed as a member of the Committee, with effect from February 24, 2026.

** Ms. Usha A. Narayanan ceased to be a member and Chairperson of the Committee with effect from February 13, 2026, pursuant to her resignation.

Performance evaluation criteria for Independent Directors:

The Nomination and Remuneration Committee lays down the criteria for evaluation of the performance of Independent Directors. The evaluation is carried out, inter alia, based on the following parameters:

a. participation and contribution at Board and Committee meetings;

b. attendance, preparedness and active engagement in discussions;

c. commitment towards the roles and responsibilities as a Director;

d. application of knowledge, experience and expertise in decision-making;

e. independent judgement and objectivity in views expressed;

f. understanding of the Company's business, regulatory environment and governance requirements;

g. contribution towards strategy, risk management, compliance and stakeholder interests;

h. management of relationships with fellow Directors, senior management and stakeholders;

Risk Management Committee:

Terms of Reference:

1. To review and recommend to the Board 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, information, cyber security risks or any other risk as may be determined by the Committee.

   b. Measures for risk mitigation including systems and processes for internal control of identified risks.

   c. Business continuity plan.

2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate the identified material risks associated with the business of the Company.

3. To monitor and oversee implementation of the Risk Management Policy (ERM & ICAAP Policy), including evaluating the adequacy of risk management systems.

4. To review and approve risk appetite and ensure the Company is operating within the same.

5. To ensure the Company's overall risk exposure is maintained at prudent levels and is consistent with available capital.

6. To recommend the Risk Management Policy (ERM & ICAAP Policy) to the Board for approval. Oversee the ICAAP process including challenging the ICAAP and underlying assumptions.

7. To review and recommend the capital plan detailing the Company's capital needs, anticipated capital utilization, desired level of capital, limits related to capital erosion and a contingency plan.

8. To oversee and manage the overall liquidity profile of the Company, including review and approval of the Asset Liability Management Policy

9. To review liquidity measures that describe the nature of the Company's Liquidity Risk, and review of all breaches which have a material impact on the risk profile of the Company.

10. To review the Risk Management Policy (ERM & ICAAP Policy), annually, including by considering the changing industry dynamics, regulator requirements, and evolving complexity of the business.

11. To keep the Board of Directors informed of the nature and content of its discussions, recommendations and actions to be taken.

12. To ensure policy guidance and expectations regarding business continuity planning are in place.

13. To review the appointment, removal and terms of remuneration of the Chief Risk Officer.

Composition and Attendance:

During the year under review, the Committee met 9 (Nine) times on May 07, 2025, May 23, 2025, June 27, 2025, August 07, 2025, September 25, 2025, October 13, 2025, November 11, 2025, January 21, 2026, and February 06, 2026, to deliberate upon various matters and the requisite quorum was present throughout the meeting.

The attendance of the members of the committee at the above meetings was as under.

Name of Member	Position	No. of Meetings attended
Mr. Ranganathan Sridharan	Chairperson	9/9
Mr. Ankit Agarwal*	Member	2/2
Mr. Ashwani Kumar*	Member	7/7
Mr. Aby George Eapen	Member	9/9
Mr. Abhishek*	Member	7/7

* Mr. Ankit Agarwal ceased to be a member of the Committee with effect from May 28, 2025, and Mr. Ashwani Kumar and Mr. Abhishek were appointed as members of the Committee with effect from May 28, 2025.

Stakeholders Relationship Committee |

Terms of Reference:

1. To consider and resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, credit of securities, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and such other securities-holders related matters;

2. To review measures taken for effective exercise of voting rights by shareholders;

3. To review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar to an Issue and Share Transfer Agent

4. To review 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. Resolving grievances of debenture holders related to creation of charge, payment of interest/principal, maintenance of security cover and any other covenants

6. Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Act, the SEBI Listing Regulations, or other applicable laws or by any other regulatory authority; and

7. Performing such other functions as may be necessary or appropriate for the performance of its duties.

Composition and Attendance:

During the year under review, the Committee met 1 (One) time on February 11, 2026, to deliberate upon various matters and the requisite quorum was present throughout the meeting.

The attendance of the members of the committee at the above meeting was as under.

Name of Member	Position	No. of Meetings attended
Mr. Ranganathan Sridharan	Chairperson	1/1
Mr. Arindam Haraprasad Ghosh	Member	1/1
Mr. Abhishek*	Member	1/1
Mr. Sachin Bansal*	Member	0/0

* Mr. Abhishek was appointed as a member of the Committee and Mr. Sachin Bansal ceased to be a member of the Committee, with effect from May 28, 2025.

Name and designation of the compliance officer: Mr. Chanchal Kumar, Company Secretary acts as Compliance Officer of the Company.

Status Report of Investor Complaints for the year ended March 31, 2026:

Particulars	No. of complaints
Total complaints received during the year	8
Total complaints resolved during the year	8
Complaints pending at the end of the year	0

*Complaints received during the year generally pertained to non-receipt of interest, annual reports, TDS matters, etc.

There are no complaints pending or unresolved to the satisfaction of shareholders.

Corporate Social Responsibility Committee:

Terms of Reference:

1. To formulate and recommend to the Board a corporate social responsibility policy, indicating the activities to be undertaken by the Company in areas or subjects specified in the Companies Act, 2013. The activities should be within the list of permitted activities specified in the Companies Act, 2013 and the rules thereunder;
2. Recommending the amount of expenditure to be incurred, amount to be at least 2% of the average net profit of the Company in the three immediately preceding financial years or where the Company has not completed the period of three financial years since its incorporation, during such immediately preceding financial years;
3. Instituting a transparent monitoring mechanism for implementation of the corporate social responsibility projects or programs or activities undertaken by the Company;
4. Monitoring the corporate social responsibility policy from time to time and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
5. Identifying corporate social responsibility policy partners and corporate social responsibility policy programmes;
6. Identifying and appointing the corporate social responsibility team of the Company including corporate social responsibility manager, wherever required; and
7. Performing such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company or as may be required under applicable laws.

Composition and Attendance:

During the year under review, the Committee met 2 (Two) times on May 05, 2025, and July 31, 2025, to deliberate upon various matters and the requisite quorum was present throughout the meeting.

Name of Member	Position	No. of Meetings attended
Mr. Arindam Haraprasad Ghosh*	Chairperson	2/2
Mr. Ranganathan Sridharan	Member	2/2
Mr. Ashwani Kumar**	Member	1/1
Ms. Nilufer Panthaki*	Member	0/0
Ms. Usha A Narayanan***	Member	2/2

* Mr. Arindam Ghosh was appointed as the Chairperson of the Committee and Ms. Nilufer Panthaki was appointed as a member of the Committee, with effect from February 24, 2026.

**Mr. Ashwani Kumar was appointed as a member of the Committee with effect from May 28, 2025.

*** Ms. Usha A. Narayanan ceased to be a member and Chairperson of the Committee with effect from February 13, 2026, pursuant to her resignation.

Information Technology Strategy Committee

Terms of Reference

1. Ensure that the Company has put an effective IT strategic planning process in place;
2. Guide in preparation of IT Strategy and ensure that the IT Strategy aligns with the overall strategy of the Company towards accomplishment of its business objectives;
3. Satisfy itself that the IT Governance and Information Security Governance structure fosters accountability, is effective and efficient, well defined objectives and unambiguous responsibilities for each level in the organisation;
4. Ensure that the Company has put in place processes for assessing and managing IT and cybersecurity risks;
5. Ensure that the budgetary allocations for the IT function (including for IT security), cyber security are commensurate with the Company's IT maturity, digital depth, threat environment and industry standards and are utilised in a manner intended for meeting the stated objectives; and
6. Review, at least on an annual basis, the adequacy and effectiveness of the Business Continuity Planning and Disaster Recovery Management of the Company.
7. Review and approval of the strategies and policies related to IT, Information Assets, Business Continuity, Information Security, Cyber Security (including Incident Response and Recovery Management/ Cyber Crisis Management).

Composition and Attendance:

During the year under review, the Committee met 4 (Four) times on May 08, 2025, August 07, 2025, November 10, 2025, and February 05, 2026, to deliberate upon various matters and the requisite quorum was present throughout the meeting.

Name of Member	Position	No. of Meetings attended
Mr. Ranganathan Sridharan	Chairperson	4/4
Mr. Sachin Bansal*	Member	0/1
Mr. Ankit Agarwal	Member	4/4
Mr. Amit Jambotkar	Member	3/4
Mr. Ashwani Kumar*	Member	3/3
Mr. Abhishek*	Member	3/3

*Mr. Sachin Bansal ceased to be a member of the Committee on May 28, 2025, and Mr. Ashwani Kumar and Mr. Abhishek were appointed as members of the Committee on the same date.

Finance Committee

Terms of Reference

1. To approve borrowings by the Company (otherwise than by issue of debentures) within limits approved by the Board, and/or the shareholders of the Company, and as permitted under Section 179(3)(d) of the Companies Act, 2013, including interest rate swaps, and/or foreign exchange derivatives, as applicable and take necessary actions connected therewith, including refinancing, such that the proposed borrowings are as per the annual plan for borrowings as presented before the Board and approved;
2. To approve investments proposed to be undertaken by the Company within limits approved by the Board, and in all cases, in accordance with the Investment Policy approved by the Board of the Company and as allowed under Section 179 (3) (e) of the Companies Act, 2013;
3. To approve giving of guarantees or letters of comfort and providing securities by the Company for the purpose of borrowings (as per the annual plan for borrowings and within the limits approved by the Board, and/or the shareholders of the Company), and as allowed under Section 179 (3) (f) of the Companies Act, 2013;
4. To take all actions in connection with items (a)-(c), including approving execution, negotiation, and performance of transaction documents, appointment of intermediaries, brokers, agents, trustees or consultants, or any other third party, issuing of any letters or filing any documents, certificates, or undertakings with or before any regulatory authorities, and to sub-delegate the aforesaid to any authorized official of the Company, on such terms as may be decided by the Finance Committee;
5. To approve opening or closing of bank accounts of the Company, and to authorize the Company to avail any banking facilities including overdraft facilities etc, (with bank accounts, the "Bank Facilities") as may be approved by the Finance Committee;
6. To approve authorization, modification or revocation of any signatories to the Bank Facilities of the Company, consistent with the approved delegation of authority matrix, from time to time;
7. To exercise such powers as delegated to the Finance Committee under the Investment Policy, including formulation, amendment and review of the Investment Guidelines of the Company; and, or
8. To authorise and approve transactions involving a transfer of economic interest in loan exposures, whether in whole or in part, by the Company to third party transferee(s), with or without the transfer of the underlying loan contract, in the manner permitted under the Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021. To approve execution, negotiation, and performance of transaction documents, appointment of intermediaries, brokers, agents or consultants, issuing of any letters or filing any documents, certificates, or undertakings with or before any regulatory authorities, and to sub-delegate the aforesaid to any authorized official of the Company, on such terms as may be decided by the Finance Committee;
9. To approve and authorise execution, negotiation, and performance of transaction documents, appointment of intermediaries, brokers, agents or consultants, issuing of any letters or filing any documents, certificates, or undertakings with or before any regulatory authorities, and to sub-delegate the aforesaid to any authorized official of the Company, on such terms as may be decided by the Finance Committee in connection with securitisation transactions undertaken by the Company in accordance with the provisions of the Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021;

10. To approve offer/allotment of securities such as shares, stocks, bonds, debentures, Commercial papers and other marketable securities of the Company, from time to time, where such issuance of securities has been approved by the Board, and, or the shareholders in accordance with the Companies Act, 2013 and as per RBI Regulations and to obtain external advice, including legal or other professional expertise, as deemed necessary.

11. To implement the Corporate Loan policy and approve each such corporate loan transaction whereby the Committee may approve the proposal on a case-to-case basis after considering the relevant factors viz. purposes, size, interest rate, terms of loan, security cover, repayment terms, and any other conditions in accordance with the Corporate Loan Policy.

Committee Meetings :

During the year under review, the Committee had met 55 (Fifty-five) times on April 7, 2025, April 15, 2025, April 29, 2025, April 30, 2025, May 6, 2025, May 08, 2025, May 28, 2025, May 30, 2025, June 06, 2025, June 13, 2025, June 26, 2025, June 27, 2025, July 03, 2025, July 10, 2025, July 18, 2025, July 24, 2025, July 30, 2025, August 5, 2025, August 11, 2025, August 12, 2025 , August 21, 2025, August 28, 2025, September 9, 2025, September 23, 2025, September 25, 2025, September 29, 2025, October 9, 2025, October 15, 2025, October 28, 2025, November 7, 2025, November 17, 2025, November 21, 2025, November 27, 2025, December 2, 2025, December 04, 2025, December 10, 2025, December 19, 2025, December 31, 2025, January 02, 2026, January 30, 2026, February 09, 2026, February 13, 2026, February 20, 2026, February 25, 2026, February 27, 2026, March 2, 2026, March 05, 2026, March 10, 2026, March 11, 2026, March 13, 2026, March 18, 2026, March 20, 2026, March 23, 2026, March 27, 2026 and March 30, 2026 to deliberate upon various matters and the requisite quorum was present throughout the meeting.

Name of Member	Position	No. of Meetings attended
Mr. Ankit Agarwal	Chairperson	55 / 55
Mr. Sachin Bansal	Member	55 / 55
Mr. Abhishek*	Member	55 / 55

* Mr. Abhishek was appointed as a member of the Committee on May 28, 2025.

Debenture Committee:

Terms of Reference:

1. Noting of previous meeting Minutes & Circular resolutions passed before the date of the meeting in the subsequent meeting

2. Negotiate, modify and approve the terms of the Issue including the actual size, timing, pricing and all other terms and conditions of the Issue including coupon rate, yield, retention of oversubscription, if any, etc, and to accept any amendments, modifications, variations or alterations thereto and all other related matters, including the determination of the size of the Issue up to the maximum limit prescribed by the Board and the minimum subscription for the Issue;

3. Accept and execute any declarations required in connection with draft prospectus, prospectus for issue of the NCDs, issue agreement, debenture trustee agreement, debenture trustee deed, deed of hypothecation, registrar agreement, and other necessary agreements, memorandum of understanding, deeds, general undertaking/indemnity, certificates, consents, communications, affidavits, applications (including those to be filed with the regulatory authorities, if any) ("**Transaction Documents**") and negotiate and agree to/ accept any changes and modifications to the terms and conditions contained in the Transaction Documents (whether before or after the execution of the Transaction Documents) together with all other documents, agreements, instruments, letters and writings required in connection with, or ancillary to, the Transaction Documents (the "Ancillary Documents") as may be necessary or required for the aforesaid purpose including to sign and/or dispatch all forms, filings, documents and notices to be signed, submitted and/or dispatched by it under or in connection with the documents to which the Company is a party as well as to accept and execute any amendments, amendment and restatements or modifications to the Transaction Documents, the Ancillary Documents and other deeds, documents and other writings as and when necessary, including any advertisements, corrigendum, amendments supplements thereto and to approve any corrections or alterations therein on behalf of the Board and to take all such further steps as may be required to give effect to the aforesaid resolutions;

4. Negotiate and finalise fees payable to the Debenture Trustee, and all other persons providing services or otherwise associated with the issue of the NCDs;

5. Make the necessary application for creation of International Securities Identification Number ("**ISIN**") to National Securities Depository Limited ("**NSDL**") or Central Depository Services Limited ("**CDSL**"), for rating certificates to the rating agency (the "Rating Agency"), and such other applications to all such authorities as may be necessary from time to time for the purpose of issuance of the aforesaid NCDs;

6. Seeking the listing of the NCDs on any Indian stock exchanges, submitting the listing application to such stock exchange and to execute and to deliver or arrange the delivery of the listing agreement(s) or equivalent documentation to the concerned Stock Exchange(s); and taking all actions that may be necessary in connection with obtaining such listing;

7. Arrange for payment of the applicable stamp duty in respect of the above referred Transaction Documents and also in respect of all other transactions, documents and instruments executed in relation to the issue;

8. File with the relevant Registrar of Companies, all particulars in respect of the creation of charge/return of allotment for the issue of the NCDs in accordance with the Companies Act, 2013 and rules made thereunder, as may be required in the prescribed forms;

9. Register the Transaction Documents and the Ancillary Documents with any authority, as may be required under Applicable Law;

10. Appoint any person(s) as the true and lawful attorney to take all such actions as contemplated herein, for and on behalf of the Company, and to execute any power(s) of attorney granting the authority to such person(s) in this regard; and

11. Appointing the lead managers, legal counsel, credit rating agencies, Registrar and Share Transfer Agents, Debenture Trustee, bankers to the issue, refund bank, sponsor bank, consortium member/ lead brokers, printers, advertising agency, professionals and other intermediaries to the issue in accordance with the provisions of the SEBI NCS Regulations and to remunerate them by way of commission, brokerage, fees or the like and to negotiate, modify, enter into, execute, deliver and register all deeds, contracts, agreements, memorandum of understanding, arrangements, or documents with such intermediaries or agencies as may be required or desirable in connection with the Issue including the listing of the NCDs on the Stock Exchange(s) and creation of security for the Debentures;

12. Seeking, if required, any approval, consent or waiver from the Company's lenders, and/or parties with whom the Company has entered into various commercial and other agreements, and/or any/all concerned government and regulatory authorities in India, and/ or any other approvals, consents or waivers that may be required in connection with the issue, offer and allotment of the NCDs and creation of security;

13. Approving/ adopting the financial statements (including reformatted financial statements) of the Company for the purpose of incorporating in the Offering Documents;

14. Approving the materiality policy for the litigations to be disclosed in the Offering Documents;

15. Granting of powers of attorney / authority, if required, to such officers / employees of the Company or of its subsidiary or any other concerned persons, as it may deem necessary, to do such acts, deeds and things as such attorney in his / her / its absolute discretion may deem necessary or desirable in connection with the Issue of the NCDs;

16. To get the NCDs admitted to National Securities Depository Limited and Central Depository Services (India) Limited, and to execute or ratify the necessary or requisite agreement(s) with those depositories and the registrar and transfer agent and to negotiate, finalise and execute or ratify the agreements, undertakings or other writings required, with these authorities / agencies for the Issue in the dematerialised form;

17. Appointing the debenture trustee and execution of the trust deed in connection with the Issue, in accordance with the provisions of the SEBI NCS Regulations;

18. Authorization of the maintenance of a register of holders of the NCDs;

19. Open such Bank Accounts, Demat Accounts, Public Issue Account, Refund Account with Scheduled Commercial Banks, Institutions or Agencies as may be required for the Issue;

20. Acceptance and appropriation of the proceeds of the Issue;

21. Finalization of the date of allotment and finalization of the basis of allotment of the NCDs on the basis of the applications received and to approve and to issue and allot the NCDs and to approve all other matters relating to the Issue including acceptance and appropriation of the proceeds of the Issue, issuing debenture certificates and do all such acts, deeds, matters and things in relation to the allotment of the NCDs;

22. To appoint independent Chartered Accountant(s), Statutory Auditors (both current and previous) to issue such reports including financial reports/statements for the purpose of issue; do all acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the above resolutions and to execute on behalf of the Company, such deeds, documents, agreements and writings in this regard as may be necessary.

Committee Meetings:

During the year under review, the Debenture Committee did not meet since no public NCDs were issued during the year.

Customer Service Committee

Terms of Reference

a. Grievance Redressal Oversight:

- Review the quarterly and annual reports submitted by the Internal Ombudsman.
- Monitor the efficiency and effectiveness of the grievance redressal process, ensuring timely and fair resolution of customer complaints.
- Discuss and review cases where the IO's decision has been rejected by the regulated entity, ensuring such rejections are justified and approved by the Competent Authority.

b. Policy Recommendations:

- Based on the IO's reports and analysis, recommend policy changes to improve the grievance redressal process and customer service practices.
- Advise on the implementation of corrective actions and process improvements based on the root cause analysis of complaints.

c. Reporting to the Board:

- Provide regular reports to the Board of Directors on the status of customer service and grievance redressal activities and to obtain external advice, including legal or other professional expertise, as deemed necessary.
- Escalate any significant issues or trends identified in the IO's reports to the Board for further action.
- Performance review of the Internal Ombudsman of the Company

Committee Meetings:

During the year under review, the Committee met 4 (four) times on May 21, 2025, July 29, 2025, October 30, 2025 and January 29, 2026, to deliberate upon various matters and the requisite quorum was present throughout the meetings.

Name of Member	Position	No. of Meetings attended
Mr. Abhishek*	Chairperson	3/4
Mr. Ankit Agarwal	Member	1/4
Mr. Aby George Eapen	Member	4/4
Ms. Hina Doon**	Member	1/1

*Mr. Abhishek was designated as the Chairperson of the Committee on May 28, 2025.

** Ms. Hina Doon was appointed as a Member of the Committee on November 12, 2025.

Committee of Executive:

Terms of Reference:

1. Overseeing the effectiveness of fraud risk management in the Company.
2. Periodic review and monitoring of cases of frauds, including root cause analysis, and suggesting mitigating measures for strengthening the internal controls, risk management framework and minimising the incidence of frauds.
3. The coverage of these reviews shall include, among others, categories / trends of frauds, geographical concentration of frauds, delay in detection / classification of frauds and delay in examination / conclusion of staff accountability and to obtain external advice, including legal or other professional expertise, as deemed necessary.
4. These reviews shall be at least quarterly, if not more frequently as identified by the CoE, or as directed by the Board.

Committee Meetings :

During the year under review, the Committee met 4 (Four) times on May 05, 2025, July 30, 2025, October 29, 2025 and January 28, 2026 to deliberate upon various matters and the requisite quorum was present throughout the meeting.

Name of Member	Position	No. of Meetings attended
Mr. Abhishek**	Chairperson	3/3
Mr. Ankit Agarwal**	Chairperson	1/1
Mr. Aby George Eapen	Member	4/4
Mr. Iyyanar P*	Member	2/2
Ms. Hina Doon	Member	2/4

*Mr. Iyyanar P ceased to be a member of the Committee pursuant to his resignation from the Company on August 12, 2025.

**Pursuant to the Company's SOP, the Managing Director and Chief Executive Officer acts as the Chairperson of the Committee of Executives. Accordingly, Mr. Ankit Agarwal ceased to be a member and Chairperson of the Committee upon ceasing to be the Managing Director with effect from May 14, 2025, and Mr. Abhishek assumed the position of Chairperson upon his appointment as Managing Director with effect from the same date.

Review Committee

Terms of Reference

(a) Review the proposals for classification as Wilful Defaulter as submitted by the Identification Committee, including by providing an opportunity for a personal hearing also to the Borrower/ Guarantor/ Promoter/ Director/ persons who are in charge and responsible for the management of the affairs of the entity and to obtain external advice, including legal or other professional expertise, as deemed necessary.

(b) The Review Committee shall pass a reasoned order on the classification of Wilful Defaulter.

Committee Meetings:

During the year under review, the Committee met 1 (One) times on November 07, 2025, to deliberate upon various matters and the requisite quorum was present throughout the meeting.

Name of Member	Position	No. of Meetings attended
Mr. Abhishek*	Chairperson	1/1
Mr. Sachin Bansal**	Member	0/1
Mr. Arindam Ghosh	Member	1/1
Mr. Ankit Agarwal	Member	0/0

*Mr. Abhishek was designated as the Chairperson of the Committee on November 11, 2025.

**Mr. Sachin Bansal ceased to be a member of the Committee on November 11, 2025.

Third-Party Risk Management Committee:

Terms of Reference:

1. Review the vendor assessment prepared by the Business for onboarding or renewal of Outsourcing arrangements.
2. Review the half yearly statement on the list of activities Outsourced, the details of approval, documents taken,terms of arrangement, cost involved, etc.
3. Review periodically (at least annually) the effectiveness of Outsourcing policies and procedures, and recommend to the Risk Management Committee for recommendation to the Board, any changes to the Policy.
4. Communicate information pertaining to material Outsourcing risks to the Risk Management Committee and the Board in a timely manner.
5. Ensure that contingency plans, based on realistic and probable disruptive scenarios, are in place and tested.
6. Reviewing half-yearly / annual review of Outsourcing arrangements to identify new material Outsourcing risks as they arise and to obtain external advice, including legal or other professional expertise, as deemed necessary.
7. Review the central record of all material Outsourcing arrangements.

Committee Meetings:

During the year under review, the Committee met 6 (six) times on May 16, 2025, June 30, 2025, August 29, 2025, September 29, 2025, November 04, 2025 and January 30, 2026, to deliberate upon various matters and the requisite quorum was present throughout the meetings.

Name of Member	Position	No. of Meetings attended
Mr. Abhishek	Chairperson	6 / 6
Mr. Aby George Eapen	Member	6 / 6
Ms. Hina Doon	Member	3 / 6

Remuneration to Directors:

All Independent Directors were paid a sitting fee of ₹ 1,00,000/- for each meeting of the Board and other Committees of the Company. Sitting fees paid for attending meetings of the Board / Committees have been approved by the Board.

During the year, there were no pecuniary relationships or transactions between the Company and any of its Non-Executive Director.

The Company does not recommend/pay commission to Directors of the Company during the financial year under review.

The criteria for making payments to Non-Executive Directors, including Independent Directors, are governed by the Nomination, Remuneration and Evaluation Policy of the Company and the applicable provisions of law. Non-Executive Directors may be paid sitting fees for attending meetings of the Board and Committees, as approved by the Board from time to time. The said Policy is available on the Company's website at: https://navi.com/finserv/governance/policies.

Details of remuneration paid to Executive Directors for the FY 2025-26 are given hereunder:

Sr. No.	Particulars of Remuneration	Managing Director & CEO
1.	Gross salary*	2,75,00,000
2.	Stock Option	3,94,94,423
3.	Sweat Equity	-
4.	Commission - as % of profit	-
5.	Others, please specify	-
	Total	6,59,94,428
6.	Service contract	Appointment is governed by the terms approved by the Board and shareholders and applicable provisions of the Companies Act, 2013.
7.	Notice period	As per the terms of appointment and applicable Company policy.
8.	Severance fees	No separate severance fee is payable. Statutory and contractual dues, if any, shall be payable in accordance with the terms of appointment and applicable law.

*Gross salary includes variable component of ₹55,00,000

Changes in Key Managerial Personnel ("KMP") & Senior Management Personnel ("SMP"):

Details of Key Managerial Personnel and Senior Management Personnel, including changes during FY 2025-26 and up to the date of this Report

No	Name	Designation	KMP/ SMP	Appointment/ Resignation	Date
1	Ms. Mahima Gautam	Chief Financial Officer ("**CFO**")	KMP	Appointment	June 11, 2025
2	Ms. Sugandha Sharma	Head of Operations ("**HO**")	SMP	Appointment	May 28, 2025
3	Ms. Arshdeep Kaur	Head of Human Resources ("**HHR**")	SMP	Appointment	June 01, 2025
4	Mr. Chanchal Kumar	Company Secretary ("**CS**")	KMP	Appointment	June 01, 2025
5	Mr. Abhishek	Managing Director ("**MD**")	KMP	Appointment	May 14, 2025
6	Mr. Aman Rakesh Milwani	Internal Auditor	SMP	Appointment	September 01, 2025
7	Ms. Shivee Bharadwaj	Head of Partnerships and Fund-Raising	SMP	Appointment	November 12, 2025
8	Mr. Mahak Khabia	Head of Investment	SMP	Appointment	October 1, 2021
9	Mr. Aby George Eapen	Chief Risk Officer ("**CRO**")	SMP	Appointment	August 10, 2022
10	Mr. Ankit Agarwal	Managing Director ("**MD**")	KMP	Resignation	May 14, 2025
11	Mr. Shobhit Agarwal	Head of Lending Business	SMP	Resignation	May 06, 2025
12	Mr. Arjun Singh Chadha	Head of Human Resources ("**HHR**")	SMP	Resignation	May 31, 2025
13	Ms. Prachi Mathur	Company Secretary ("**CS**")	KMP	Resignation	May 31, 2025
14	Mr. Ankit Surana	Chief Financial Officer ("**CFO**")	KMP	Resignation	June 10, 2025
15	Ms. Hina Doon	Chief Compliance Officer ("**CCO**")	SMP	Appointment	September 02, 2024
16	Ms. Swathi Hebbar	Head of Credit (Underwriting)	SMP	Appointment	February 19, 2024
17	Mr. Naseem Halder	Chief Information Security Officer ("**CISO**")	SMP	Appointment	September 16, 2024
18	Mr. Sachin Shah	Internal Auditor	SMP	Resignation	August 31, 2025
19	Mr. Amit Jambotkar	Chief Technology Officer ("**CTO**")	SMP	Resignation	With effect from May 31, 2026
20	Mr. Mukesh Kumar	Chief Technical Officer ("**CTO**")	SMP	Appointment	With effect from June 01, 2026

General Meetings as on March 31, 2026

The details of Annual General Meetings ("**AGM**") held during the last three (3) years and the special resolutions passed thereat are as under:

Date of AGM	Venue	Time	Whether Special Resolution was passed	Summary of Special Resolutions
29.09.2023	Vaishnavi Tech Square, Bengaluru	09:30 AM	Yes	• Discuss and approve the borrowings by way of issuance of NCDs • Divestment of stake held in Chaitanya India Fin Credit Private Limited
30.09.2024	Vaishnavi Tech Square, Bengaluru	09:00 AM	Yes	• Approve appointment of Mr. Anil Kumar Misra as an Independent Director· Approve the Borrowings by way of issuance of NCDs
22.09.2025	Vaishnavi Tech Square, Bengaluru	05:30 PM	Yes	• To approve increase in the overall Borrowing Limits of the Company in excess of Paid-Up Share Capital, Free Reserves and Securities Premium of the Company Under Section 180(1)(c) of the Companies Act, 2013 • Approve the Borrowings of the Company by way of Issuance of Non-Convertible Debentures ("**NCDs**") • To approve creation of Charges on assets of the Company under section 180(1)(a) of the Companies Act, 2013 and to Secure Borrowings made/to be made under section 180(1)(C) of the Companies Act, 2013 • To Approve The Continuation Of Directorship Of Mr. Ranganathan Sridharan (DIN: 00868787) As Independent Director Who Will Attain The Age Of 75 Years During His Tenure

The details of Extra-ordinary General Meetings ("**EGM**") held during the year and the special resolution passed thereat are as under:

Date of EGM	Venue	Time	Whether Special Resolution was passed	Summary of Special Resolutions
11.04.2025	02nd Floor, Vaishnavi Tech Square, Iballur Village, Begur Hobli, Bengaluru – Karnataka, 560102	5:30 PM	No	No Special Resolution was Passed.
02.06.2025	02nd Floor, Vaishnavi Tech Square, Iballur Village, Begur Hobli, Bengaluru – Karnataka, 560102	5:30 PM	Yes	1. RE-APPOINTMENT OF MS. USHA A NARAYANAN (DIN: 06939539) AS AN INDEPENDENT DIRECTOR OF THE COMPANY 2. RE-APPOINTMENT OF MR. RANGANATHAN SRIDHARAN (DIN: 00868787) AS AN INDEPENDENT DIRECTOR OF THE COMPANY 3. APPOINTMENT OF MR. ASHWANI KUMAR (DIN: 02870681) AS AN INDEPENDENT DIRECTOR OF THE COMPANY
12.08.2025	02nd Floor, Vaishnavi Tech Square, Iballur Village, Begur Hobli, Bengaluru – Karnataka, 560102	11 AM	Yes	1. TO APPROVE AMENDMENT IN TERMS OF THE COMPULSORILY CONVERTIBLE DEBENTURES ISSUED TO NAVI TECHNOLOGIES LIMITED AND ISSUANCE OF UNLISTED, UNRATED, UNSECURED, OPTIONALLY CONVERTIBLE REDEEMABLE DEBENTURES ("OCRDS") ON A PREFERENTIAL BASIS BY WAY OF PRIVATE PLACEMENT TO NAVI TECHNOLOGIES LIMITED
14.10.2025	02nd Floor, Vaishnavi Tech Square, Iballur Village,Begur Hobli, Bengaluru – Karnataka, 560102	11 AM	Yes	1. APPROVE THE BORROWINGS OF THE COMPANY BY WAY OF ISSUANCE OF NON-CONVERTIBLE DEBENTURES ("NCDs")
01.12.2025	02nd Floor, Vaishnavi Tech Square, Iballur Village,Begur Hobli, Bengaluru – Karnataka, 560102	5:30 PM	Yes	1. RECLASSIFICATION OF AUTHORISED SHARE CAPITAL AND CONSEQUENTIAL AMENDMENT TO CLAUSE 5 OF THE MEMORANDUM OF ASSOCIATION
05.12.2025	02nd Floor, Vaishnavi Tech Square, Iballur Village,Begur Hobli, Bengaluru – Karnataka, 560102	5:00 PM	Yes	1. APPROVAL FOR ISSUANCE OF CONVERTIBLE PREFERENCE SHARES ("CPS") ON A PRIVATE PLACEMENT BASIS
13.02.2026	02nd Floor, Vaishnavi Tech Square, Iballur Village,Begur Hobli, Bengaluru - Karnataka, 560102	5:30 PM	Yes	1. APPOINTMENT OF MS. NILUFER PANTHAKI (DIN: 08753306) AS AN INDEPENDENT DIRECTOR 2. TO APPROVE INCREASE IN THE OVERALL BORROWING LIMITS OF THE COMPANY IN EXCESS OF PAID-UP SHARE CAPITAL, FREE RESERVES AND SECURITIES PREMIUM OF THE COMPANY UNDER SECTION 180(1)(c) OF THE COMPANIES ACT, 2013 3. TO APPROVE CREATION OF CHARGES ON ASSETS OF THE COMPANY UNDER SECTION 180(1) (a) OF THE COMPANIES ACT, 2013 TO SECURE BORROWINGS MADE/TO BE MADE UNDER SECTION 180(1)(C) OF THE COMPANIES ACT, 2013 4. APPROVE THE BORROWINGS OF THE COMPANY BY WAY OF ISSUANCE OF NON-CONVERTIBLE DEBENTURES ("NCD")
24.02.2026	02nd Floor, Vaishnavi Tech Square, Iballur Village,Begur Hobli, Bengaluru – Karnataka, 560102	1:30 PM	Yes	1. APPROVAL FOR ISSUANCE OF CONVERTIBLE PREFERENCE SHARES ("CPS") ON A PRIVATE PLACEMENT BASIS

Details of Special Resolution passed last year through Postal Ballot: - No Special Resolution passed in last year through postal ballot.

Whether any special resolution is proposed to be conducted through Postal Ballot: There is no immediate proposal for passing any resolution through postal ballot. None of the businesses proposed to be transacted at the ensuing AGM require passing of a resolution through postal ballot.

Procedure for postal ballot: Prescribed procedure for postal ballot as per the provisions contained in this behalf in the Act read with rules made there under as amended from time to time shall be complied with, whenever necessary.

Management Discussion and Analysis Report

The Management Discussion and Analysis Report for the financial year 2025-26, prepared in accordance with the SEBI Listing Regulations, forms part of the Board's Report.

Means of Communication:

The Company ensures full and timely disclosure of information regarding its financial position and performance, recognizing this as an essential component of its corporate governance and code of conduct.

Quarterly Results:

The quarterly/annual financial results are regularly submitted to the Stock Exchanges in accordance with the SEBI Listing Regulations and are also published in newspapers. The quarterly/annual results are also uploaded on the website of the Company at https://navi.com/finserv/investor-relations/financial-results. The Company also sends the quarterly results via emails to Registrar and Share Transfer Agent and Debenture Trustees for further dissemination.

Newspapers wherein results are normally published - Financial Express (English).

The Company displays official news releases, if any, on its website at www.navi.com/finserv. During the financial year under review, the Company did not issue any official news release requiring separate disclosure under this section. Further, during the financial year under review, the Company did not make any presentations to institutional investors or analysts.

Details of non-compliance by the listed entity, penalties, and strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years are set out below:

FY 2023-24	
Regulation 54 of SEBI Regulations	NSE imposed a penalty of INR 7,080 on April 3, 2023; the penalty has been paid.
Regulation 60(2) of SEBI Regulations	BSE and NSE imposed a penalty of INR 70,800 on October 3, 2023; the penalty has been paid.
Regulation 57(1) of SEBI Regulations	BSE imposed a penalty of INR 2,360 on August 30, 2023; the penalty has been paid.

FY 2024-25	
Regulation 60(2) of SEBI Regulations	BSE imposed a penalty of INR 11,800 on October 07, 2024; the penalty has been paid.
Regulation 57(1) of SEBI Regulations	BSE imposed a penalty of INR 5,900 on February 28, 2025; the penalty has been paid.

FY 2025-26	
Regulation 57(1) of SEBI Regulations	BSE imposed a penalty of INR 82,600 (including GST) on November 4, 2025; the penalty was paid. BSE subsequently approved the waiver of the penalty.
Regulation 57(1) of SEBI Regulations	BSE and NSE each imposed a penalty of INR 4,720 on February 27, 2026; the penalties have been paid.

Further, securities of the Company have not been suspended for trading at any point of time during the financial year ended 31st March, 2026.

General Shareholder Information

I. Company Registration Details:

The Company is registered in the state of Karnataka, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is U65923KA2012PLC062537.

II. Date, Time, Venue of AGM:

a. AGM: Thursday, August 13, 2026 at 5:00 p.m. (IST) at the Registered Office of the Company at 2nd Floor, Vaishnavi Tech Square, Iballur Village, Begur Hobli, Bengaluru, Karnataka 560102.

b. Financial Year: April 1, 2025 to March 31, 2026.

c. Book Closure dates: NA.

d. Dividend payment date: NA.

e. Mode of conducting the meeting: The meeting shall be attended in person at the registered office of the Company.

III. Listing of Securities on Stock Exchanges:

a. Equity Shares : The Equity Shares of the Company are not listed on any Stock Exchange.

b. Non-convertible Debentures : The Company has issued secured Non-convertible Debentures (NCDs) on private placement and through public issuances. The Company has paid the annual listing fees to BSE Limited for the financial year 2025-26.

The Company's debentures are listed on the following stock exchanges:

Sr. No.	Name and address of the stock exchange	Security Code/ Symbol	Payment of annual listing fees (FY 2025-26)
1.	BSE Limited ("**BSE**") Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 001 Tel : 91 22 2272 1233/4 Fax: 91 22 22721919 www.bseindia.com	960204	Yes
2.	National Stock Exchange of India Limited ("**NSE**") Exchange Plaza, C-l, Block G Bandra Kurla Complex Bandra East, Mumbai 400 051 Tel : 91 22 26598100/14 Fax: 91 22 26598120 www.nseindia.com	NAVIFIN	Yes

IV. Debenture Trustee: The details of the Debenture Trustees for the NCDs issued by the Company are given below:

Sr. No.	Debenture Trustee	Address
1.	Catalyst Trusteeship Limited	901, 9th Floor, Tower-B, Peninsula Business Park, Senapati Bapat Marg, Lower Parel (W), Mumbai – 400013.

V. Registrar and Share Transfer Agents (RTA): The details of RTA of the Company are given below:

Sr. No.	Name of Registrar & Share Transfer Agent	Issue	Address
1.	MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited)	Public Issue of NCDs	C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai - 400 083
2.	NDML Database Management Limited	Privately Placed NCD	4th Floor, Tower 3, One International Center, Senapati Bapat Marg, Prabhadevi, Mumbai - 400 013
3.	Integrated Registry Management Services Private Limited (For unlisted equity shares)	Equity	30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bangalore - 560 003

VI. Share transfer system:

All activities in relation to securities transfer is processed periodically by the Company along with the Registrar & Share Transfer Agent (RTA) of the Company. The RTA of the Company provides the facility of electronic transfer of shares.

VII. Shareholding Pattern:

Shareholders	Number of Equity Shares	Number of Preference Shares	Shareholding (%) (on a fully diluted basis)
Navi Limited (Formerly known as Navi Technologies Limited)*	285,240,353	-	93.39%
Other holders holding issued subscribed and paid up Convertible Preference Shares	-	5,000	6.61%
Total	**285,240,353**	**5,000**	**100.00%**

*Includes 6 shares held by Nominee shareholders on behalf of Navi Limited

VIII. Dematerialisation of Shares and Liquidity:

As on March 31, 2026, 28,52,40,353 equity shares representing 100% of the outstanding equity share capital and 5,000 Convertible Preference Shares of the Company were held in dematerialised form.

IX. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued GDRs/ADRs/Warrants or any other instrument convertible into equity.

X. Details of equity shares lying in the suspense account pursuant to the Listing Regulations:

Not Applicable

XI. Plant locations:

Not Applicable

XII. Address for Correspondence:

Registered Office: 2nd Floor, Vaishnavi Tech Square, Iballur Village, Begur Hobli, Bengaluru, Karnataka - 560102

Contact Person: Mr. Chanchal Kumar
Company Secretary
Telephone: 08045113400
Email: secretarial@navi.com

XIII. Credit ratings:

The credit ratings obtained by the Company during the financial year 2025-26 form part of the Board's Report.

XIV. SMART Online Dispute Resolution ('ODR'):

SEBI vide its circular dated July 31, 2023, released a master circular which aims at enhancing the resolution of disputes within the Indian securities market. This circular introduces a comprehensive framework for ODR to streamline the resolution process and protect the interests of investors, companies and intermediaries. The framework encompasses various stakeholders, including recognised Stock Exchanges, Clearing Corporations, Depositories, Stock Brokers, Depository Participants, Listed Companies, and SEBI Registered Intermediaries. The circular emphasises the usage of online conciliation and arbitration mechanisms, offering investors and market participants an efficient way to resolve disputes. The Company has registered itself on ODR portal and endeavours to resolve all complaints expeditiously.

XV. Securities and Exchange Board of India ('SEBI') Complaints Redress Platform (SCORES):

The investor complaints are processed in a centralized web-based complaints redress system by Securities and Exchange Board of India for debt listing. The salient features of this system are centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

Website: www.navi.com/finserv

Other Disclosures:

I. Disclosures on materially significant related party transactions that may have potential conflict with the interests of the listed entity at large | There were no materially significant related party transactions entered into by the Company during the Financial Year 2025-26 that may have potential conflict with the interests of the Company at large.

II. The details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years, disclosed on page 61.

III. The financial statements have been prepared in accordance with the applicable Accounting Standards.

IV. The Company has a Whistle Blower /Vigil Mechanism Policy to report concerns about unethical behaviour, actual or suspected fraud or violation of our code of conduct and confirms that no personnel have been denied access to the Audit Committee.

V. Web Link for Policy on Related Party Transactions are available at: https://navi.com/finserv/governance/ policies

VI. Web link where policy for determining 'material' subsidiaries is disclosed https://navi.com/finserv/governance/policies

VII. Web link for the details of familiarisation programmes imparted to independent directors https://navi. com/finserv/governance/familiarisation-program-for-directors

VIII. Certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate

Affairs or any such statutory authority form part of this Report | form part of the Board's report.

IX. There have been no instances where the Board has not accepted recommendation of any Committee of the Board which is mandatorily required, during the financial year under purview.

X. The Company is in compliance with the corporate governance requirements as prescribed in Chapter VA of the SEBI Listing Regulations.

XI. There are no loans and advances in the nature of loans to firms/companies in which directors are interested.

XII. The Company did not raise any funds through preferential allotment or qualified institutions placement during the year under review, except as disclosed in the section titled "Capital and Debt Structure of the Company" forming part of the Board's Report.

XIII. CEO/CFO Certification: The CEO and the CFO have certified to the Board the requirements of the SEBI Listing Regulations, with regard to financial statements.

XIV. Compliance Certificate: Pursuant to the SEBI Listing Regulations, a certificate issued by M/s. BMP & Co. LLP, Company Secretaries certifying the compliance by the Company with the provisions of the Corporate Governance forms part of this Report as an **Annexure B**.

XV. Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries: **Not Applicable**

XVI. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements | The Company hereby confirms that it has complied with the corporate governance requirements specified in Regulations 17 to 27 and Chapter VA of SEBI Listing Regulations.

The Company has adopted following discretionary requirements of Regulation 27 read with Schedule II Part E of the SEBI Listing Regulations:-

a. Separate posts of Chairperson & the Managing Director or the Chief Executive Officer:

b. Reporting of internal auditor:

c. Risk Management:

The Company has appointed separate individuals to the roles of Chairperson (a non-executive director) and Managing Director / Chief Executive Officer, in alignment with good governance practices prescribed under SEBI Listing Regulations. The Chairperson is not related to the MD/CEO, as defined under the Companies Act, 2013.

Reporting of internal auditor: The internal auditor is reporting directly to the Audit Committee.

Risk Management: The Company has constituted a Risk Management Committee with its composition, roles and responsibilities in accordance with Regulation 62I of the SEBI Listing Regulations.

XVII. Disclosure of commodity price risks or foreign exchange risk and commodity hedging activities | Not Applicable

XVIII. Details of the utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) | Not Applicable

XIX. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 | Forming part of the Board's Report.

XX. 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 | Forming part of the Board's Report.

XXI. Non-compliance of any requirement of corporate governance report as mentioned in Schedule V of the SEBI Listing Regulations, with reasons thereof, shall be disclosed | Not Applicable

XXII. The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted | The Company has complied with the applicable mandatory requirements under the SEBI Listing Regulations. The discretionary requirements under the SEBI Listing Regulations shall be adopted by the Company as and when required and / or deemed appropriate by the Board of Directors.

XXIII. Disclosures with respect to demat suspense account/ unclaimed suspense account | The provisions of the Regulation 61A of SEBI Listing Regulations regarding the disclosures with respect to demat suspense account/ unclaimed suspense account is applicable for the Company and disclosure has been made on the website.

XXIV. Transfer of dividend/shares to IEPF/IEPF Authority | No funds were transferred to the Investor Education and Protection Fund (IEPF) during the financial year, as none of the Non-Convertible Debentures have exceeded the seven-year maturity period.

XXV. The disclosures of the compliance with corporate governance requirements specified in regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 |The Company, being a High Value Debt Listed Entity, is compliant with the applicable corporate governance requirements specified under Chapter VA of the SEBI Listing Regulations.

XXVI. Accounting Standards followed by the Company: In the preparation of the financial statements, the Company has followed Indian Accounting Standard (Ind AS) referred to in Section 133 of the Act. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

XXVII. Total fees paid to Statutory Auditors : Details relating to the fees paid to the Statutory Auditors of the Company during the financial year 2025-26, are stated in point 37.1 under the heading of "Payments to auditor" to the financial statements, which form part of the Annual Report.

DECLARATION BY THE MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER UNDER REGULATION 34(3) READ WITH PARA D OF SCHEDULE V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

I, Abhishek, Managing Director and Chief Executive Officer of Navi Finserv Limited declare that all the Members of the Board of Directors and Senior Management personnel have, for the year ended 31st March, 2026, affirmed compliance with the Code of Conduct for Board of Directors and Senior Management Personnel laid down by the Board of Directors in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable.

For & on behalf of the **Board of Directors**
Navi Finserv Limited

Abhishek
Managing Director and CEO

DIN: 07843369
Date: May 27, 2026
Place: Bengaluru

Annexure II

FORM NO. AOC.2

Details of Related Party Transactions

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

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

1. **Details of contracts or arrangements or transactions not at arm's-length basis -** There were no contracts or arrangements, or transactions entered into during the year ended March 31, 2026, which were not at arm's-length basis.

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

Name(s) of the related party.	Nature of relationship	Transaction value (INR in Million)	Duration of contract/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as Advances if any
Navi Fintech Private Limited (Formerly known as Navi Payments Private Limited)	Wholly-owned Subsidiary	4,880.20	Unless terminated by either of the Parties	Loan sourcing fees: NFPL carries out marketing related activities for personal and home loan business of NFS. Loan sourcing fee is paid to NFPL as per the loan sourcing agreement.	September 16, 2024	NA

For & on behalf of the Board of Directors

Navi Finserv Limited

Abhishek
Managing Director and CEO
DIN: 07843369

Date: May 27, 2026
Place: Bengaluru

Ankit Agarwal
Director
DIN: 08299808

Date: May 27, 2026
Place: Bengaluru

Annexure III

CORPORATE SOCIAL RESPONSIBILITY REPORT

(Pursuant to Section 135 of the Companies Act, 2013)

The Company considers Corporate Social Responsibility ("CSR") not merely as a statutory obligation, but as an extension of its core values.

The Company recognizes CSR as an integral part of its corporate philosophy and ensures that its CSR initiatives are aligned with the provisions of the Companies Act, 2013 and Schedule VII thereto.

1. Brief outline on CSR Policy of the Company.

   Navi Finserv Limited recognizes that the Company's contributions to Corporate Social Responsibility ("CSR") is an opportunity to improve the lives of individuals and communities that are traditionally underserved or economically underprivileged.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Arindam Ghosh[3]	Independent Director, Chairperson (Appointed as Chairperson w.e.f. Feb 24, 2026)	2	2
2.	Mr. Ranganathan Sridharan	Independent Director, Member	2	2
3.	Mr. Ashwani Kumar	Independent Director, Member	2	2
4.	Ms. Usha A Narayanan[1]	Independent Director, Chairperson (Was Chairperson upto Feb 13, 2026)	2	2[4]
5.	Ms. Nilufer Panthaki[2]	Independent Director, Member (w.e.f. Feb 24, 2026)	2	0[4]

Notes:

[1]Ms. Usha A Narayanan (DIN: 06939539) resigned as an Independent Director of the Company with effect from February 13, 2026.

[2]Ms. Nilufer Panthaki (DIN: 08753306) was appointed as an Independent Director of the Company with effect from February 13, 2026 and was appointed as a Member of the CSR Committee pursuant to its reconstitution with effect from February 24, 2026.

[3]Mr. Arindam Ghosh (DIN: 01423589) was appointed as the Chairperson of the CSR Committee with effect from February 24, 2026.

[4]Attendance of Ms. Usha A Narayanan is up to the date of her resignation. Ms. Nilufer Panthaki was appointed as a Member of the CSR Committee subsequent to the meetings held during the year and, accordingly, did not attend any meetings.

3. Provide the web link where the Composition of the CSR committee, the CSR Policy, and the CSR projects approved by the board are disclosed on the website of the company: The Company's CSR Policy, including the composition of the CSR Committee and details of CSR projects approved by the Board, is available on the Company's website and can be accessed at www.navi.com/finserv.

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

   Impact assessment of CSR projects is not applicable, as the Company's average CSR obligation in the three immediately preceding financial years does not exceed INR 10 crore and there are no CSR projects with outlays of INR 1 crore or more.

5. (a) Average net profit of the company as per sub-section (5) of section 135 (Amt in INR Millions): 1,875.56

(b) Two percent of average net profit of the company as per sub-section (5) of section 135 (Amt in INR Millions): 37.51

(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years (Amt in INR Millions): 0.00

(d) Amount required to be set-off for the financial year, if any (Amt in INR Millions): 0.00

(e) Total CSR obligation for the financial year [(b)+(c)-(d)] (Amt in INR Millions): 37.51

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

Sr. No.	Name of the CSR Project	Item from the list of activities in Schedule VII to the Act	Local area (yes/ no)	Location of the project		Activities for which CSR Expenditure is made	Amount spent for the project (INR)	Mode of implementation - Direct (Yes / No)	Mode of implementation - Through implementing agency	
				State	District				Name	CSR Registration Number
1.	Transfer of funds to Swachh Bharat Kosh	Contribution to funds listed under Schedule VII of Companies Act, 2013 for promotion of sanitation and making available safe drinking water	No	-	-	Contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	3,75,10,129	Contribution to funds listed under Schedule VII of Companies Act, 2013	-	-
Total							**INR 3,75,10,129**			

(b) Amount spent in Administrative Overheads : INR 0.00

(c) Amount spent on Impact Assessment, if applicable : INR 0.00

(d) Total amount spent for the Financial Year [(a)+(b)+(c)] : INR 3,75,10,129

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

Total Amount Spent for the Financial Year 2025-26 (in INR)	Amount Unspent (in INR)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
3,75,10,129	-	-	-	-	-

(f) Excess amount for set off, if any

Sr. No	Particulars	Amount (in INR Millions)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	37.51
(ii)	Total amount spent for the Financial Year	37.51
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

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

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

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If Yes, enter the number of Capital assets created/ acquired: 0

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

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-

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

Abhishek
MD & Chief Executive Officer

Date: May 27, 2026
Place: Bengaluru

Arindam Ghosh
Chairperson
CSR Committee

Date: May 27, 2026
Place: Bengaluru

Annexure IV

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2026

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

To,
The Members,
Navi Finserv Limited
CIN: U65923KA2012PLC062537
2nd Floor, Vaishnavi Tech Square, Iballur Village,
Begur Hobli, HSR Layout, Bengaluru, Karnataka, India - 560102

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2026, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanisms in place to the extent, in the manner to the reporting made hereinafter:

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

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

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings – To the extent applicable;

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 - Not applicable during the financial year under review;

   c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 - To the extent applicable;

   d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; - Not applicable during the financial year under review;

   e. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; – Not applicable during the financial year under review;

   f. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) 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 clients; - Not applicable during the financial year under review;

   h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 – Not applicable during the financial year under review; and

   i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - Not Applicable during the financial year under review.

vi. The Company has identified the following laws as specifically applicable to the company:-

   1. NBFC Regulations and Guidelines issued by RBI;

   2. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 & EPF, FPF Schemes.

   3. The Employees' State Insurance Act, 1948 & its Central Rules/Concerned State Rules.

   4. The Minimum Wages Act, 1948 & its Central Rules/Concerned State Rules/Notification of Minimum Wages applicable to various class of industries/Trade.

   5. The Payment of Wages Act, 1936 & its Central Rules/Concerned State Rules if any.

   6. The Payment of Bonus Act, 1965 & its Central Rules/Concerned State Rules if any.

   7. The Payment of Gratuity Act & its Central Rules/Concerned State Rules if any.

   8. The Maternity Benefit Act, 1961 & its Rules.

   9. The Equal Remuneration Act, 1976.

   10. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI)

(ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited and National Stock Exchange of India Ltd.

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

We further report that -

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

Adequate notice was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and necessary consent of Board Members has been sought when the meetings have been called at shorter notice and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that based on a review of compliance mechanism established by the Company we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

As informed, the Company has responded to notices for demands, claims, penalties etc. levied by various statutory / regulatory authorities and initiated actions for corrective measures, wherever necessary.

During the review period, we further report that –

(i) Increase in borrowing limits of the Company under Section 180(1)(c) of the Act

The Company has increased its overall borrowing limits up to INR 12,000 Crores pursuant to the approvals accorded by the Board of Directors and the shareholders at their respective meetings held on 30.06.2025 and 22.09.2025, respectively. The said limit was subsequently increased up to INR 16,500 Crores pursuant to the approval of Board of Directors and the shareholders at their respective meetings held on 13.02.2026.

(ii) Approval for creation of charges on assets of the Company under Section 180(1)(a) of the Act

The Company has taken approval from the Board of Directors and the shareholders at their respective meetings held on 30.06.2025 and 22.09.2025, respectively to create security/charge up to an amount not exceeding 1.35 times of Company's receivables from loan assets/ book debts/current assets and non-current assets. Consequent to increase in borrowing limits under Section 180(1)(c), the aforesaid limit was subsequently approved by the Board of Directors and the shareholders at their respective meetings held on 13.02.2026.

(iii) **Approval for issuance of non-convertible debentures**

(a) The issuance of non-convertible debentures up to an aggregate issue size of INR 5,000 Crores was approved by the Board of Directors and the shareholders at their respective meetings held on 13.10.2025 and 14.10.2025, respectively.

(b) The issuance of non-convertible debentures upto an aggregate issue size of INR 8,000 Crores was approved by the Board of Directors and the shareholders at their respective meetings held on 13.02.2026.

(iv) **Approval for issuance of convertible preference shares**

(a) The issuance of 2,500 convertible preference shares having a face value of INR 1,00,000/- each, at a premium of INR 9,00,000/- per share, aggregating up to INR 250 Crores, on a preferential basis by way of private placement, was duly approved by the Board of Directors and the shareholders at their respective meetings held on 05.12.2025, respectively.

(b) The issuance of 2,500 convertible preference shares having a face value of INR 1,00,000/- each, at a premium of INR 9,00,000/- per share, aggregating up to INR 250 Crores, on a preferential basis by way of private placement, was duly approved by the Board of Directors and the shareholders at their respective meetings held on 24.02.2026, respectively.

For **BMP & Co. LLP,**
Company Secretaries

Place: Bangalore
Date: May 27, 2026
UDIN: F008750H000502166
Peer Review Certificate No. 6387/2025

CS Biswajit Ghosh
Designated Partner
Membership No.: F8750 CP No.: 8239
Firm Registration Number: L2017KR003200

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 Secretarial Auditor's Report

To,
The Members,
Navi Finserv Limited
CIN: U65923KA2012PLC062537
2nd Floor, Vaishnavi Tech Square, Iballur Village,
Begur Hobli, HSR Layout, Bengaluru, Karnataka, India- 560102

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

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

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of the 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 occurrence of events etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on a test basis.

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

7. We further report that the compliance by the Company of applicable financial laws like direct and indirect tax laws has not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

For **BMP & Co. LLP,**
Company Secretaries

Place: Bangalore
Date: May 27, 2026
UDIN: F008750H000502166
Peer Review Certificate No. 6387/2025

CS Biswajit Ghosh
Designated Partner
Membership No.: F8750 CP No.: 8239 Firm
Registration Number: L2017KR003200

Annexure A

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,
Navi Finserv Limited
CIN: U65923KA2012PLC062537
2nd Floor, Vaishnavi Tech Square, Iballur Village,
Begur Hobli, HSR Layout, Bengaluru, Karnataka, India- 560102

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Navi Finserv Limited having CIN - U65923KA2012PLC062537 and having its registered office at 2nd Floor, Vaishnavi Tech Square, Iballur Village, Begur Hobli, HSR Layout, Bengaluru, Karnataka, India- 560102 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate.

We certify that the following persons are Directors of the Company (during 01/04/2025 to 31/03/2026) and none of them have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

Sl No.	Name of the Director	DIN	Designation
1.	Mr. Sachin Bansal	02356346	Non-Executive Director and Chairman
2.	Mr. Ankit Agarwal	08299808	Non-Executive Director
3.	Mr. Abhishek	07843369	Managing Director and Chief Executive Officer
4.	Mr. Arindam Haraprasad Ghosh	01423589	Non-Executive - Independent Director
5.	Mr. Ashwani Kumar	02870681	Non-Executive - Independent Director
6.	Ms. Nilufer Panthaki	08753306	Non-Executive - Independent Director
7.	Mr. Ranganathan Sridharan	00868787	Non-Executive -Independent Director

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 **BMP & Co. LLP,**
Company Secretaries

CS Biswajit Ghosh
Designated Partner
Membership No.: F8750 CP No.: 8239
UDIN: F008750H000821188

Peer Review No. 6387/2025
Place: Bangalore
Date: May 27, 2026

Annexure-B

COMPLIANCE CERTIFICATE OF CONDITIONS OF CORPORATE GOVERNANCE

[Schedule V, para E of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Navi Finserv Limited
CIN: U65923KA2012PLC062537
2nd Floor, Vaishnavi Tech Square, Iballur Village,
Begur Hobli, HSR Layout, Bengaluru, Karnataka, India- 560102

We have examined the compliance of conditions of Corporate Governance by Navi Finserv Limited ("the company") (Formerly known as Navi Finserv Private Limited) having CIN: U65923KA2012PLC062537, for the purpose of certifying of the Corporate Governance under Regulation 17 to 27, and clauses (a) to (i) of Regulation 62(1A) and paragraph C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period from April 01, 2025 to March 31, 2026. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27, and clauses (a) to (i) of Regulation 62(1A) and paragraph C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For **BMP & Co. LLP,**
Company Secretaries

CS Biswajit Ghosh
Designated Partner
Membership No.: F8750 CP No.: 8239
UDIN: F008750H000821298

Peer Review No. 6387/2025
Place: Bangalore
Date: May 27, 2026

Independent Auditor's Report

To the Members of Navi Finserv Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Navi Finserv Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the 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 ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its profit (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 SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional 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.

Key audit matters	How our audit addressed the key audit matter
Allowance on Expected credit losses (ECL) on loan assets • Indian Accounting Standard 109–Financial Instruments ('Ind AS 109') requires the Company to provide for impairment of its financial assets using the expected credit loss ('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. As at March 31, 2026, the Company has reported outstanding balances towards Personal loans and Home loans granted by the Company and measured at amortised cost and fair value through other comprehensive income aggregate to INR 92,904.64 million and INR 40,755.16 million respectively against which provision for expected credit loss of INR 5,428.33 million has been recorded as at reporting date in accordance with Ind AS 109. The Company has written off (net of recoveries) INR 4,175.15 million during the current year.	Our audit procedures in respect of this matter included the following, but not limited to: • Examined policies approved by the Board of Directors for computation of ECL that addresses procedures and controls for assessing and measuring credit risk on all lending exposures commensurate with the size, complexity and risk profile specific to the Company. • Tested the design and operating effectiveness of key controls over completeness and accuracy of the key inputs and assumptions considered for calculations, validation of data and monitoring of impairment loss recognised based on historical and external data. • Tested the modelling assumptions and parameters based on historical data, including tracing the PD and LGD rates to external benchmarking reports, and assessed whether historical experience was representative of current circumstances and relevant considering the recent impairment losses incurred within the portfolios. • Tested the completeness of loan assets included in the Expected Credit Loss calculations as at March 31, 2026 by reconciling it with the balance as per loan book. We tested the data used in the PD and LGD model for ECL calculation by reconciling it to the source system.

Key audit matters	How our audit addressed the key audit matter
The Expected Credit Loss (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; • varied statistical model are used to determine probability of default, loss given default and exposure at default, based on the default history of loans, subsequent recoveries made and other relevant factors using probability-weighted scenarios, including management overlays and related Reserve Bank of India ('RBI') guidelines to the extent applicable. The 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 the personal loan portfolio, the Company has internally developed a statistical model with the help of management experts and using historical and industry observable data inputs, including macroeconomic factors, to estimate PD and LGD. • For home loans portfolio, the Company does not have sufficient historical data to estimate PD and LGD and has therefore relied on the external benchmarking report obtained from a reputed external firm. Refer Note 2 of material accounting policies, Note 8 for the details of provision and Note 47 for credit risk disclosures. Considering the significance of the above matter to the standalone financial statements, significant level of estimates and judgements involved in determination of ECL and write offs, this matter required our significant attention. Accordingly, we have determined Provision for ECL on Loan assets as Key Audit Matter.	• 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. • Verified the appropriateness of the Company's methodology and statistical models and assessed the reasonableness of the assumptions used in the computation of the impairment allowance, with the assistance of the auditor's expert. • 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; • We also verified that loan write-offs were carried out in accordance with the Board approved policy for write offs. • Assessed the appropriateness and adequacy of the related presentation and disclosures of Note 47 "Risk management" disclosed in the accompanying standalone financial statements in accordance with the applicable Ind AS and related Reserve Bank of India ('RBI') circulars.
Information Technology ("IT") Systems and Controls for accounting and financial reporting process: The Company is dependent on its information technology ('IT') systems due to the significant number of transactions processed daily across multiple and discrete systems. IT application controls are therefore critical to ensure that changes to applications and underlying data are made in an appropriate and controlled environment.	Our audit procedures in respect of this matter included the following, but not limited to: • Involved IT specialists as part of the audit to test the IT general controls and application controls to assess the accuracy of information produced by the Company's IT systems. • Obtained an understanding of the Company's IT applications, databases and operating systems relevant to financial reporting including the control environment, process flow, applications mapping and financial risks arising from people, process and technology.

Key audit matters	How our audit addressed the key audit matter
Appropriate IT controls help mitigate the risk of potential fraud or errors arising from unauthorized or inappropriate changes to applications and data. Given the pervasive use of IT systems across varied stages of business, testing of general controls relevant to financial reporting was identified as a Key Audit Matter. The Company operates a complex IT architecture to support its day-to-day business operations, with high volumes of transactions processed and recorded across single or multiple applications. The reliability and security of these IT systems are fundamental to the continuity of operations and IT controls are necessary to ensure that systems process data as intended and that changes are appropriately authorized and controlled. In addition, the Company's accounting and financial reporting processes rely significantly on automated controls embedded within IT systems impacting key financial reporting areas such as loans, interest income, impairment on loans, among others. As the Company's financial accounting and reporting processes are highly dependent on information systems and automated controls, there is an inherent risk that deficiencies in the IT control environment could result in material misstatement of financial records. The Company uses multiple systems for financial reporting, and given the high level of automation, significant number of systems in use, large transaction volumes and the increasing challenges in safeguarding system integrity and data, we have identified 'IT systems and automated controls' as Key Audit Matter.	• Tested IT general controls including the logical access, change management and aspects of IT operational controls. Tested that request for access to systems were appropriately reviewed and authorized; tested controls around Company's periodic review of access rights; inspected requests of changes to systems for appropriate approval and authorization; • Performed procedures over selected key controls within the financial reporting system to assess whether such controls remained unchanged during the year or were modified in accordance with the standard change management process. • Tested key automated and manual business cycle controls including alternate procedures where applicable, to assess whether any any unaddressed IT risks could have a material impact on the standalone financial statements. • Tested the design and operating effectiveness of the Company's IT controls across the identified IT applications.

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 information included in 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.

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. 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 Board of Directors of the Company 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 is 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.

We give in "Annexure A", a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

Other Matter:

The standalone financial statements of the Company for the year ended March 31, 2025, were audited by Price Waterhouse LLP, previous auditors of the Company, whose report dated May 28, 2025 expressed an unmodified opinion on those standalone financial statements.

Our opinion is not modified in respect of the above matter.

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 B", 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 relating to preparation of the aforesaid standalone financial statements 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 Flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the standalone financial statements;

   (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 modification 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 C"; and

   (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 44 to the standalone financial statements.

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2026.

      iv. The Management has represented that:

         a. To the best of our knowledge and belief, as disclosed in the note 52 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. To the best of our knowledge and belief, as disclosed in the note 52 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, that the Company 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 performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) 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 multiple accounting software for maintaining its books of account, 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's. Further, during the course of our audit, 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 Company as per the statutory requirements for record retention except for one accounting software wherein the audit trail logs have been preserved effective September 17, 2024.

3. In our opinion, according to information, explanations given to us, the remuneration paid or provided by the Company to its directors is within the limits laid prescribed under Section 197 of the Act.

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Vikram Dhanania
Partner
Membership No.: 060568
UDIN: 26060568YRIBJW6154

Place: Bengaluru
Date: May 27, 2026

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF NAVI FINSERV LIMITED

Auditor's Responsibilities for the Audit of the 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 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 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.

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Vikram Dhanania
Partner
Membership No.: 060568
UDIN: 26060568YRIBJW6154

Place: Bengaluru
Date: May 27, 2026

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF NAVI FINSERV LIMITED FOR THE YEAR ENDED 31 MARCH 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 no intangible assets. Accordingly, the provisions stated under clause 3(i)(a)(B) of the Order are not applicable to the Company.

(b) All the property, plant and equipment and right of use assets were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, there are no immovable properties, and accordingly, the provisions stated under clause 3(i)(c) of the Order are not applicable to the Company.

(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) 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 any point of time of the year, the Company has been sanctioned working capital limits in excess of INR 5 crores, in aggregate from banks and financial institutions on the basis of security of current 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 52 to the standalone financial statements.

iii. (a) The Company's principal business is to give loans and is a registered Non-Banking Finance Company ('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 and terms and conditions in relation to grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the interest of the Company. During the year the Company has not provided security to any other entity.

(c) The Company, being a NBFC, is registered under provisions of the Reserve Bank of India Bank, 1934 and rules made thereunder. In pursuance of its compliance with provisions of the said Act / Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms and generally accepted business practices by the lending institutions, repayment schedules are stipulated basis the nature of the loan products. In respect of loans and advances in the nature of loans where repayment or receipts are irregular, given the voluminous nature of loan transactions, it is not practicable to furnish entity-wise details of amounts, dates for repayment or receipt and the extent of delay in this report (as suggested in the Guidance Note on CARO 2020, issued by the Institute of Chartered Accountants of India for reporting under this clause)–Refer Note 47 to the standalone financial statements.

(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 (INR in million)	Interest overdue (INR in million)	Total overdue (INR in million)	Remarks (if any)
44,700	1,461.03	-	1,461.03	The Company has taken reasonable steps as per the policies and procedures of the Company for recovery of such principal and interest amounts overdue.

(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 and explanations provided to us, the Company has not granted any 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 Act either repayable on demand or without specifying any terms or period of repayment during the year. Accordingly, the requirement to report under clause 3(iii)(f) of the Order is not applicable to the Company.

iv. According to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, in respect of loans and investments made during the year as applicable. Further, the Company has not given any guarantees or provided security to which the provisions of section 185 and 186 of the Act apply.

v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of the provisions of Sections 73 to 76 of the Act 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 Act 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 requirement to report on clause 3(vi) of the Order is not applicable to the Company.

vii. (a) According to the information and explanations given to us and the records examined by us, in our opinion, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues have been regularly deposited by the Company with appropriate authorities in all cases during the year. No undisputed amounts payable in respect of these statutory dues were outstanding as at March 31, 2026 for a period of more than six months from the date they became payable.

vii. (b) According to the information and explanations given to us and the records examined by us, dues relating to goods and services tax which have not been deposited as on March 31, 2026 on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount Demanded INR in million	Amount Paid INR in million	Period to which the amount relates	Forum where dispute is pending
Goods & Service Tax, Act	GST	35.00	3.53*	FY 2021-22	Deputy Commissioner (Karnataka)

*includes INR 3.50 million restricted in electronic credit ledger towards pre-deposit for filing the appeal.

There are no dues relating to provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added 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 transaction which are not recorded in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment under the Income Tax Act, 1961. Accordingly, the requirement to report as 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 utilised for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.

(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 subsidiary.

x. (a) In our opinion and according to the information and explanations 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 reporting requirement under clause 3(x)(a) of the Order is 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 of the Act, have been complied with. The amount raised has been used for the purposes for which they were raised. The Company has not made any preferential allotment of shares or convertible debentures (fully, partially or optionally convertible).

xi. (a) Based on our examination of the books and records of the Company and according to the information and explanations given to us, we report that no fraud by the Company or no material fraud on the Company has been noticed or reported during the year in the course of our audit.

(b) During the year, no report under Section 143(12) of the Act, has been filed by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(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 Act, where applicable and details of such transactions have been disclosed in 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.

xv. According to the information and explanations given to us, and based on our examination of the records of the Company, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, the requirement to report on 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-Banking Financial 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 requirement to report under clause 3 (xvi)(c) of the Order is not applicable to the Company.

(d) The Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2025) does not have any Core Investment Company as part of its group). Accordingly, the requirement to report under clause 3(xvi)(d) of the Order is 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 requirement to report under clause 3(xvii) of the Order is not applicable to the Company.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in note 53 to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying 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. (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 37 to the standalone financial statements.

(b) There are no ongoing projects and accordingly reporting under Clause 3(xx)(b) of the Order is not applicable to the Company.

xxi. 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 No. 105047W/W101187

Vikram Dhanania
Partner
Membership No.: 060568
UDIN: 26060568YRIBJW6154

Place: Bengaluru
Date: May 27, 2026

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF NAVI FINSERV LIMITED

Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of Navi Finserv Limited on the Standalone Financial Statements for the year ended March 31, 2026

Report on the Internal Financial Controls with reference to standalone financial statements 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 Navi Finserv 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 financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (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 Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls 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 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 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 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 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 standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements 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 No. 105047W/W101187

Vikram Dhanania
Partner
Membership No.: 060568
UDIN: 26060568YRIBJW6154

Place: Bengaluru
Date: May 27, 2026

Balance Sheet as at March 31, 2026

(All amount in INR millions, unless otherwise stated)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
I Assets			
1 Financial Assets			
Cash and cash equivalents	5	7,770.73	4,486.60
Bank balances other than cash and cash equivalents	6	6,682.46	7,716.92
Receivables:			
(I) Trade Receivables	7	453.79	475.40
(II) Other Receivables		-	-
Loans	8	1,28,231.47	79,759.53
Investments	9	9,676.96	11,379.78
Other financial assets	10	3,590.33	1,759.84
2 Non-financial Assets			
Current tax assets (net)	11	17.79	-
Deferred tax assets (net)	12	955.58	1,078.86
Property, plant and equipment	13	168.33	189.11
Right of use assets	14	776.89	920.56
Other non-financial assets	15	1,090.49	1,258.65
Total Assets		**1,59,414.82**	**1,09,025.25**
II Liabilities and Equity			
1 Financial Liabilities			
Payables			
A. Trade payables	16		
(i) total outstanding dues of micro enterprises and small enterprises		25.11	2.41
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,097.66	803.62
B. Other payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
Debt securities	17	56,438.86	22,645.01
Borrowings (other than debt securities)	18	55,947.56	48,811.55
Subordinated liabilities	19	2,415.12	492.36
Lease liabilities	14	1,384.74	1,527.00
Other financial liabilities	20	2,861.18	2,088.10
2 Non-financial Liabilities			
Current tax liabilities (net)	21	-	189.57
Provisions	22	335.08	488.24
Other non-financial liabilities	23	569.43	350.45
Total Liabilities		**1,21,074.74**	**77,398.31**
3 Equity			
Equity share capital	24	2,852.40	2,852.40
Instruments entirely equity in nature	25	500.00	-
Other equity	26	34,987.68	28,774.54
Total Equity		**38,340.08**	**31,626.94**
Total Liabilities and Equity		**1,59,414.82**	**1,09,025.25**

Summary of material accounting policies 1-4
The accompanying notes are integral part of these standalone financial statements
This is the Balance Sheet referred to in our report of even date

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
Firm Registration No.: 105047W/W101187

Vikram Dhanania
Partner
Membership No. 060568

Place: Bengaluru
Date: May 27, 2026

For and on behalf of the Board of Directors of
Navi Finserv Limited

Abhishek
Managing Director & Chief Executive Officer
(DIN: 07843369)

Ankit Agarwal
Director
(DIN: 08299808)

Mahima Gautam
Chief Financial Officer

Chanchal Kumar
Company Secretary
(M.No. A50952)

Place: Bengaluru
Date: May 27, 2026

Place: Bengaluru
Date: May 27, 2026

Statement of Profit and Loss for the year ended March 31, 2026

(All amount in INR millions, unless otherwise stated)

Sl. No.	Particulars	Notes	Year ended March 31, 2026	Year ended March 31, 2025
1	**Income**			
	(a) Revenue from operations			
	(i) Interest income	27	22,884.64	19,827.77
	(ii) Fees and commission income	28	481.45	785.20
	(iii) Net gain on fair value changes	29	729.55	1,182.77
	(iv) Net gain on derecognition of financial instruments	30	514.39	915.80
	Total revenue from operations		**24,610.03**	**22,711.54**
	(b) Other income	31	149.34	179.98
	Total Income		**24,759.37**	**22,891.52**
2	**Expenses**			
	(a) Finance costs	32	10,714.69	7,933.01
	(b) Fees and commission expenses	33	57.16	35.38
	(c) Impairment on financial instruments	34	4,076.34	5,780.37
	(d) Employee benefits expense	35	1,944.68	1,725.66
	(e) Depreciation expenses	36	145.27	190.25
	(f) Other expenses	37	3,712.27	4,216.55
	Total Expenses		**20,650.41**	**19,881.22**
3	**Profit before tax (1-2)**		**4,108.96**	**3,010.30**
4	**Tax expense**	38		
	Current tax		1,131.44	1,182.82
	Tax related to earlier years		9.68	82.34
	Deferred tax (credit)/charge		45.75	(474.51)
	Total tax expense		**1,186.87**	**790.65**
5	**Profit for the year (3-4)**		**2,922.09**	**2,219.65**
6	**Other Comprehensive Income/(loss)**			
	(a) Items that will not be reclassified to profit or loss			
	Remeasurement of the net defined benefit plans		13.02	(16.69)
	Income tax relating to the above		(3.28)	4.20
	(b) Items that will be reclassified to profit or loss			
	Net change in fair value of loans measured at fair value through other comprehensive income		295.00	111.49
	Income tax relating to the above		(74.25)	(28.06)
	Total other comprehensive income/(loss) for the year, net of tax		**230.49**	**70.94**
7	**Total comprehensive income for the year (5+6)**		**3,152.58**	**2,290.59**
8	**Earnings per equity share (Face value of INR 10 each)**	39		
	Basic (INR)		9.91	7.39
	Diluted (INR)		9.91	7.39

Summary of material accounting policies 1-4
The accompanying notes are integral part of these standalone financial statements
This is the Statement of Profit and Loss referred to in our report of even date

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
Firm Registration No.: 105047W/W101187

Vikram Dhanania
Partner
Membership No. 060568

Place: Bengaluru
Date: May 27, 2026

For and on behalf of the Board of Directors of
Navi Finserv Limited

Abhishek
Managing Director & Chief Executive Officer
(DIN: 07843369)

Ankit Agarwal
Director
(DIN: 08299808)

Mahima Gautam
Chief Financial Officer

Chanchal Kumar
Company Secretary
(M.No. A50952)

Place: Bengaluru
Date: May 27, 2026

Place: Bengaluru
Date: May 27, 2026

Statement of Cash Flows for the year ended March 31, 2026

(All amount in INR millions, unless otherwise stated)

Particulars		Year ended March 31, 2026	Year ended March 31, 2025
A.	**Cash flow from Operating activities**		
	Profit before tax for the year	4,108.96	3,010.30
	Adjustments		
	Depreciation expenses	145.27	190.25
	Interest income	(22,884.64)	(19,827.77)
	Interest income on Security Deposits receipt/ Unwinding of discount on security deposit	(10.37)	(13.70)
	Interest income on sublease	(51.21)	(31.38)
	Income on lease modification	-	(93.75)
	Impairment on financial instruments	4,076.34	5,780.37
	Loss on sale of property, plant and equipment	-	24.84
	Net (gain) on derecognition of financial instruments	(947.31)	(915.80)
	Unrealised Gain/Loss on Investments	13.41	(64.01)
	Finance costs	10,714.69	7,933.01
	Operational cash flow from interest:		
	Interest received on loans	21,316.77	20,595.16
	Interest received on investments	868.26	498.70
	Interest received in bank deposits	666.51	462.31
	Interest payments	(10,673.28)	(7,374.41)
	Operating profit before working capital changes	**7,343.40**	**10,174.12**
	Movements in Working capital:		
	Adjustment for (increase)/decrease in assets		
	Receivables	21.61	-
	Loans	(51,794.64)	(7,698.95)
	Bank balances other than cash and cash equivalents	912.14	(1,122.75)
	Other financial assets	(761.38)	1,531.79
	Other non-financial assets	168.16	(366.85)
	Investments	2,990.37	(5,268.07)
	Adjustment for increase/(decrease) in liabilities		
	Payables	316.74	(966.15)
	Other financial liabilities	719.04	(1,470.69)
	Non-financial liabilities	218.98	46.67
	Provisions	(335.57)	119.85
	Net cash (used in) operations	**(40,201.15)**	**(5,021.03)**
	Income tax paid (net of refunds)	(1,411.97)	(944.44)
	Net cash flows (used in) operating activities (A)	**(41,613.12)**	**(5,965.47)**
B.	**Cash flow from Investing activities**		
	Purchase of property, plant and equipment	(1.19)	(3.74)
	Sale of property, plant and equipment	-	8.90
	Investment in Subsidiary	(1,415.00)	-
	Net cash flows (used in)/ generated from investing activities (B)	**(1,416.19)**	**5.16**

Statement of Cash Flows for the year ended March 31, 2026

(All amount in INR millions, unless otherwise stated)

Particulars		Year ended March 31, 2026	Year ended March 31, 2025
C.	**Cash flow from Financing activities**		
	Proceeds from issue of debt securities	54,461.18	22,321.70
	Repayment of debt securities	(21,802.36)	(20,751.13)
	Proceeds from borrowings (other than debt securities)	43,264.81	47,022.22
	Repayment of borrowings (other than debt securities)	(39,888.91)	(42,578.00)
	Loans Repayable on demand (net)	3,849.02	700.00
	Proceeds from Subordinated liabilities	2,000.00	490.83
	Repayment of Subordinated liabilities	-	(100.00)
	Proceeds from Issuance of Convertible Preference Shares	4,689.78	-
	Principal payment of lease liabilities	(121.80)	(99.52)
	Interest on lease liabilities	(138.28)	(156.24)
	Net cash flows generated from financing activities (C)	**46,313.44**	**6,849.86**
	Net increase in cash and cash equivalents (A+B+C)	3,284.13	889.55
	Cash and cash equivalents at the beginning of the year	4,486.60	3,597.05
	Cash and cash equivalents at the end of the year	**7,770.73**	**4,486.60**

The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS-7 on 'Statement of Cash Flows'.
The accompanying notes are integral part of these standalone financial statements
This is the Statement of Cash Flows referred to in our report of even date

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
Firm Registration No.: 105047W/W101187

Vikram Dhanania
Partner
Membership No. 060568

Place: Bengaluru
Date: May 27, 2026

For and on behalf of the Board of Directors of
Navi Finserv Limited

Abhishek
Managing Director & Chief Executive Officer
(DIN: 07843369)

Ankit Agarwal
Director
(DIN: 08299808)

Mahima Gautam
Chief Financial Officer

Place: Bengaluru
Date: May 27, 2026

Chanchal Kumar
Company Secretary
(M.No. A50952)

Place: Bengaluru
Date: May 27, 2026

Statement of Changes in Equity for the year ended March 31, 2026

(All amount in INR millions, unless otherwise stated)

A. Equity Share Capital

For the year ended March 31, 2026

Balance as at April 1, 2025	Changes in equity share capital during the year	Balance as at March 31, 2026
2,852.40	-	2,852.40

For the year ended March 31, 2025

Balance as at April 1, 2024	Changes in equity share capital during the year	Balance as at March 31, 2025
2,852.40	-	2,852.40

B. Instruments entirely equity in nature

For the year ended March 31, 2026

Balance as at April 1, 2025	Changes in Convertible Preference Shares during the year	Balance as at March 31, 2026
-	500.00	500.00

For the year ended March 31, 2025

Balance as at April 1, 2024	Changes in Convertible Preference Shares during the year	Balance as at March 31, 2025
-	-	-

C. Other equity

For the year ended March 31, 2026

Particulars	Reserves and surplus				Other comprehensive income on fair value of loans	Equity Component of Debt Instrument	Total
	Securities premium	Reserve fund u/s 45-IC of RBI Act 1934	Capital redemption reserve	Retained earnings			
Balance as at April 1, 2025	16,570.24	2,348.93	44.05	8,651.35	30.75	1,129.22	28,774.54
Profit for the year	-	-	-	2,922.09	-	-	2,922.09
Other comprehensive income for the year	-	-	-	9.74	220.75	-	230.49
Transferred from retained earnings to reserve fund u/s 45-IC of RBI Act 1934 [Refer note - 26(b)]	-	584.42	-	(584.42)	-	-	-
Changes in terms of Compulsory Convertible Debenture [Refer note - 26(f)]	-	-	-	-	-	(1,129.22)	(1,129.22)
Securities premium on issuance of Convertible Preference Shares ("CPS")	4,500.00	-	-	-	-	-	4,500.00
CPS issue expenses	(310.22)	-	-	-	-	-	(310.22)
Balance as at March 31, 2026	**20,760.02**	**2,933.35**	**44.05**	**10,998.76**	**251.50**	**-**	**34,987.68**

Statement of Changes in Equity for the year ended March 31, 2026

(All amount in INR millions, unless otherwise stated)

For the year ended March 31, 2025

Particulars	Reserves and surplus				Other comprehensive income on fair value of loans	Equity Component of Debt Instrument	Total
	Securities premium	Reserve fund u/s 45-IC of RBI Act 1934	Capital redemption reserve	Retained earnings			
Balance as at April 1, 2024	16,570.24	1,905.00	44.05	6,888.12	(52.68)	1,129.22	26,483.95
Profit for the year	-	-	-	2,219.65	-	-	2,219.65
Other comprehensive income/(loss) for the year	-	-	-	(12.49)	83.43	-	70.94
Transferred from retained earnings to reserve fund u/s 45-IC of RBI Act 1934 [Refer note - 26(b)]	-	443.93	-	(443.93)	-	-	-
Balance as at March 31, 2025	**16,570.24**	**2,348.93**	**44.05**	**8,651.35**	**30.75**	**1,129.22**	**28,774.54**

The accompanying notes are integral part of these standalone financial statements
This is the Statement of Changes in Equity referred to in our report of even date

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
Firm Registration No.: 105047W/W101187

Vikram Dhanania
Partner
Membership No. 060568

Place: Bengaluru
Date: May 27, 2026

For and on behalf of the Board of Directors of
Navi Finserv Limited

Abhishek
Managing Director & Chief Executive Officer
(DIN: 07843369)

Ankit Agarwal
Director
(DIN: 08299808)

Mahima Gautam
Chief Financial Officer

Place: Bengaluru
Date: May 27, 2026

Chanchal Kumar
Company Secretary
(M.No. A50952)

Place: Bengaluru
Date: May 27, 2026

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026

1. Corporate Information

Navi Finserv Limited ('the Company' or 'NFL'), incorporated on February 14, 2012 and domiciled in India, is a public limited company, headquartered in Bengaluru, India. The Company is a Non-Banking Finance Company, primarily engaged in financing Personal loan, Home loans, and Loan against property. The Company is a wholly owned subsidiary of Navi Limited (formerly, "Navi Technologies Limited") ("Holding Company").

The Company is a Non-Banking Financial Company – Investment and Credit Company (NBFC-ICC) registered with the Reserve Bank of India, placed under the Middle Layer (NBFC-ML) in accordance with the Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025. The Company holds RBI Registration No. N-02.00270.

2. Material Accounting Policies

2.1 Basis of preparation

These standalone financial statements comprises of Balance Sheet as on March 31, 2026, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and statement of cash flows for the year ended March 31, 2026, and notes to these financial statements, including a summary of material accounting policy information and other explanatory information (hereinafter collectively referred to as "standalone financial statements") that have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('Act'), read with relevant rules issued thereunder along with the circulars, guidelines and directions issued by the Reserve Bank of India ("the RBI") from time to time ("RBI Guidelines") and other accounting principles generally accepted in India.

The Company has prepared the standalone financial statements on the basis that it will continue to operate as a going concern. The Management is satisfied that the Company shall be able to continue its business for the foreseeable future, and no material uncertainty exists that may cast significant doubt on the going concern assumption. 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.

The Company generally reports financial assets and financial liabilities on a gross basis on the Balance Sheet. They are offset and reported net only where it has legally enforceable right to offset the recognised amounts and the Company intends to either settle on a net basis or to realise the asset and settle the liability simultaneously as permitted by Indian Accounting Standards ("Ind AS"). Similarly, the Company offsets incomes and expenses and reports the same on a net basis where the netting off reflects the substance of the transaction or other events as permitted by Ind AS.

These standalone financial statements have been prepared on the historical cost basis, except for the following:

- certain financial assets and liabilities that are measured at fair value as required by relevant Ind AS.
- defined benefit plans and other long term employee benefit plans measured at fair value.
- share-based payments.

These standalone financial statements have been approved by the Company's Board of Directors and authorized for issue on May 27, 2026.

2.2 Functional and presentation currency

The standalone financial statements are presented in Indian Rupee (INR), which is also the functional currency of the Company, in denomination of Millions with rounding off to two decimals as permitted by Schedule III to the Act except where otherwise indicated.

2.3 Use of estimates, judgements and assumptions:

The preparation of standalone financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the standalone financial statements and notes thereto. These estimates, judgements and assumptions affect the application of accounting policies, the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities as at the reporting date and the reported amount of revenues and expenses during the year. Accounting estimates could change from period to period. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from the Management's estimates and judgements. Revisions to accounting estimates are recognised prospectively.

Material accounting estimates and judgements used in various line items in the standalone financial statements

(a) Impairment of financial assets

The measurement of impairment losses across all categories of financial assets requires judgement of the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by several factors, changes which can result in different levels of allowance.

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

(b) Business model assessment

Refer note 2.7 for detailed explanation on Business model assessment.

(c) Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

(d) Provisions and other contingent liabilities

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

(e) Defined employee benefit plans

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(f) Recognition of deferred tax assets

A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses, if any, can be utilised. Accordingly, the Company exercises its judgment to reassess the carrying amount of deferred tax assets at the end of each reporting period.

(g) Lease–Estimating the incremental borrowing rate.

The Company uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay for its borrowings.

2.4 Investments in subsidiaries:

The Company assesses if it has acquired entity under common control. The Company accounts for its equity investments in subsidiaries at cost less accumulated impairment, if any.

2.5 Revenue recognition

i. Recognition of interest income

Interest income is recognized by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial assets measured at amortised cost or fair value through other comprehensive income other than credit-impaired assets.

The EIR in case of a financial asset is computed.

a. As the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

b. By considering all the contractual terms of the financial instrument in estimating the cash flows.

c. Including all fees received/ paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows are recognized in interest income with the corresponding adjustment to the carrying amount of the assets.

Interest income and impairment loss on financial assets measured at fair value through other comprehensive income (FVOCI) are recognized in the statement of profit and Loss. Any gain or loss on subsequent measurement is recognised in OCI and on derecognition the cumulative gain or loss recognised in OCI will be recycled to the statement of profit and Loss.

Interest income on fixed deposits is recognized on time proportion basis taking into account the outstanding amount and rate applicable. Interest on financial assets measured at fair value through profit or loss (FVTPL) is presented under interest income on investments.

ii. Recognition of interest on securitised loans

The Company securitises certain pools of loan receivables in accordance with applicable RBI guidelines. The Company, being Originator of these loan receivables, also acts as Servicer with a responsibility of collection of receivables from its borrowers and depositing the same in Collection and Pay-out Account maintained

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026

by the Special Purpose Vehicle (SPV) Trust for making scheduled pay-outs to the investors in Pass Though Certificates (PTCs) issued by the SPV Trust. These securitisation transactions also require the Company to provide for first loss credit enhancement in various forms, such as (EIS), over collateral and cash collateral in the event of shortfall in collections from underlying loan contracts. By virtue of existence of credit enhancement, the Company is exposed to credit risk, being the expected losses that will be incurred on the transferred loan receivables to the extent of the credit enhancement provided.

In view of the above, the Company has retained substantially all the risks and rewards of ownership of the financial asset and thereby does not meet the de-recognition criteria as set out in Ind AS 109. Consideration received in this transaction is presented as "Liability against Securitised assets" and the loan receivables securitised are continued to be reflected as loan assets. These loan assets are carried at amortised cost, and the interest income is recognised by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

iii. Fee and Commission Income

The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial Instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'.

The Company recognizes:

a. Service Fee income on co-lending arrangements on completion of service

b. Penalty charges on realisation from customer at the time of default

iv. Net gain/loss on derecognition of financial instruments

In direct assignment transactions or transfer of loan assets, net gain on derecognition i.e. present value of Excess Interest Spread (EIS) on de-recognized assets is computed by discounting net cash flows from such derecognised loan assets on the date of transaction including all fees received/paid & collection costs arising from direct assignments

v. Net gain/loss on fair value changes

The Company records any differences in the fair values of financial assets classified as fair value through profit or loss (FVTPL) on the balance sheet date as unrealised gains or losses. If the aggregate results in a net gain, this is reported under "Net Gains on Fair Value Changes" within Revenue from Operations. Conversely, if there is a net loss, it is disclosed under "Net Loss on Fair Value Changes" within Expenses in the statement of profit and loss.

Additionally, any realised gains or losses from the sale of financial instruments measured at FVTPL are recognised within net gain/loss on fair value changes.

2.6 Finance costs

Finance costs include interest expense computed by applying the EIR on respective financial instruments measured at Amortised cost (Financial liability'). Financial instruments include non-convertible debentures, commercial papers, subordinated debts, term loans from banks/financial institutions, working capital demand loan, Liability against securitisation transactions. Finance costs are charged to the statement of profit and Loss.

The EIR in case of financial liability is computed as below:

a. As the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability.

b. By considering all the contractual terms of the financial instrument in estimating the cash flows.

c. Including all fees paid/ received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Interest expense on lease liabilities computed by applying the Company's incremental borrowing rate has been included under finance costs.

2.7 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Financial assets:

Initial recognition and measurement

All financial assets are recognized initially at fair value adjusted for transaction costs that are attributable to the acquisition of the financial asset except for financial assets measured at Fair Value Through Profit and Loss wherein transaction cost is charged to statement of profit and loss.

Financial assets – Classification

On initial recognition, depending on the Company's business model for managing the financial assets and its contractual cash flow characteristics, a financial asset is classified as measured at**:**

- Amortised cost
- Fair value through other comprehensive income (FVTOCI)
- Fair value through profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Business model assessment

Classification and measurement of financial assets depend on the results of the Solely Payments of Principle and Interest (SPPI) and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated.

The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Financial assets at Amortized Cost:

A financial asset is measured at amortized cost only if both of the following conditions are met:

- It is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- The contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Financial assets at Fair value through other comprehensive income ('FVTOCI'):

A financial asset is measured at FVTOCI only if both of the following conditions are met:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- The contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Financial assets at Fair Value through Profit and Loss (FVTPL):

Items at fair value through profit or loss comprise:

- Investments (including Government securities & equity shares) held for trading.
- Debt instruments with contractual terms that do not represent solely payments of principal and interest.
- Any financial instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.

Equity Investments :

All equity investments other than equity investments in subsidiaries / associates / joint ventures are measured at FVTPL. These include all equity investments in scope of Ind AS 109. The Company accounts for its investments in subsidiaries, associates and joint ventures at cost less accumulated impairment, if any.

Subsequent measurement of financial assets:

- **Amortized cost:** After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortized 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 Company measures investments in repo lending at amortized cost, as it meets both of the conditions mentioned above.

- **FVTPL:** These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in the statement of profit and loss. The transaction costs and fees are also recorded related to these instruments in the statement of profit and loss.

  In accordance with Ind AS 109, the Company applies trade-date accounting for the purchase and sale of investments measured at FVTPL. Consequently, investments are recognised or derecognised on the trade date, with a corresponding increase in receivable and payable under settlement.

- **FVTOCI:** Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognized in the statement of profit and loss. On derecognition, cumulative gain or loss (if any) previously recognized in OCI is reclassified from the equity to 'other income' in the statement of profit and loss.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026

Modification and Derecognition of Financial Assets

(a) Modification 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 the 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. The Company renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. Modification of loan terms is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a 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). When a financial asset is modified the Company assesses whether this modification results in derecognition of financial asset.

In accordance with the Company's policy, a modification results in derecognition when it gives rise to substantially different terms. 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 and accounts for the same in the statement of profit and loss.

(b) Derecognition of financial assets

The Company derecognises a financial asset (or, where applicable, a part of a financial asset) when:

- The right to receive cash flows from the asset has expired such as repayments in the financial asset, sale of the financial asset etc.; or
- The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under an assignment arrangement and the Company has transferred substantially all the risks and rewards of the asset. Once the asset is derecognised, the Company does not have any continuing involvement in the same. A write-off of a financial asset constitutes a de-recognition event.

The Company transfers its financial assets through the partial assignment route and accordingly derecognises the transferred portion as it neither has any continuing involvement in the same nor does it retain any control. If the Company retains the right to service the financial asset, it recognises either a service asset or a service liability for that service contract. A service liability in respect of a service is recognised if the present value of fee to be received is not expected to compensate the Company adequately for performing the service. If the present value of fees to be received is expected to be more than adequate compensation for the servicing, a service asset is recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

Write-offs

Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. The Company reduces the gross carrying amount of a financial asset. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any subsequent recoveries made are recognized in the statement of profit and loss.

2.7.1 Impairment of financial assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) (general approach) model for measurement and recognition of impairment loss on loan assets. For other financial assets, the Company follows a simplified approach to the ECL model.

a. Overview of the ECL Model

ECL are recognised as applicable for loan assets and other financial assets.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss).

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is the portion of Lifetime ECL that represents the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both Lifetime ECLs and 12-month ECLs are calculated either on individual basis or as collective basis, depending on the nature of the underlying portfolio of financial instruments.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit

Notes forming part of the Standalone Financial Statements

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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 perform an assessment of significant increase in credit risk at a customer level. If a customer has various facilities having different past due status, then the highest days past due (DPD) is considered to be applicable for all the facilities of that customer.

Based on the above, the Company categorizes its loans into Stage 1, Stage 2 and Stage 3 as described 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 loans / investments up to 30 days by due under this category. Stage 1 financial instruments also include facilities where the credit risk has improved, and the loan has been reclassified from Stage 2. The company considers ECL for 12 months for those assets.

Stage 2

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. The Company classifies all loans over 30 Days Past Due (other than over 90 Days Past Due cases) is considered a significant increase in credit risk. The company considers lifetime ECL for those assets.

Stage 3

Financial instruments are classified as stage 3 when there is objective evidence of impairment as a result of one or more loss events that have occurred after initial recognition with a negative impact on the estimated future cash flows of a financial instrument. The Company classifies all financial assets over 90 Days Past Due as credit impaired assets. The Company considers lifetime ECL for those assets.

The Company also considers loan accounts which have moved to 90 + Days Past Due during the period or in previous years and has not fully repaid the overdue interest and principal as credit impaired or Stage 3 assets.

b. Estimation of Expected Credit loss

The mechanics of the ECL calculations are outlined below and the key elements are as follows:

- **Probability of Default (PD)–**The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously de-recognized and is still in the portfolio.
- **Exposure at Default (EAD) -**The Exposure at Default is an estimate of the exposure at a future default date (in case of Stage 1 and Stage 2), taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise. In case of Stage 3 loans EAD represents gross exposure as on the reporting date.
- **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 Company would expect to receive, including the realisation of any collateral and the time value of money determined based on appropriate discount rate. It is usually expressed as a percentage of the EAD.

Forward looking information

While estimating the expected credit losses, the Company reviews macro-economic developments occurring in the economy and the market it operates in. On a periodic basis, the Company analyses if there is any relationship between key economic trends like GDP, adequate external benchmark rates, inflation etc. with the estimate of PD, LGD determined by the Company based on its internal data. Forecast future macroeconomic indicators that demonstrate high correlation to performance of Company's portfolio are factored in computation of probability of default.

Collateral valuation

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. Collateral comes in various forms, such as immovable assets, However, the fair value of collateral affects the calculation of ECL and the fair value is based on data provided by third party or management judgements.

Collateral repossession

The Company provides secured loans to individuals. In the ordinary course of business, upon borrower default, the Company may take possession of underlying collateral. Such repossessed assets are typically disposed of through auctions to recover outstanding dues or may be released back to customers upon settlement. Any surplus funds are returned to the customers/obligors. Repossessed assets are not recognized in the balance sheet unless legal

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026

title is transferred to the Company and the asset satisfies the recognition criteria under Ind AS 105 as a non-current asset held for sale.

ii. **Financial liabilities and Equity classification:**

Classification as debt or equity –

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments –

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received. Transaction costs of an equity transaction are recognised as a deduction from equity.

Financial liabilities –

Financial liabilities are measured at amortised cost or FVTPL. A financial liability is measured as at FVTPL if it is classified as held-for-trading or it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expenses are recognised in statement of profit and loss. Any gain or loss on derecognition of financial liabilities are also recognised in statement of profit and loss.

De-recognition

A Financial Liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When 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 the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Convertible Instruments

The fair value of the liability portion of compulsory convertible debentures (CCD) is determined using an interest rate for an equivalent non-convertible bond. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or redemption of the CCD. The remainder of the proceeds is attributable to the equity portion of the compound instrument. This is recognised and included in shareholders' equity, net of income tax effects, and not subsequently remeasured.

2.8 Fair value measurement

The Company measures financial instruments at fair value which 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 liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1–**Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- **Level 2–**Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- **Level 3–**Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. For assets and liabilities that are recognized in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.9 Income Tax

i. **Current Tax**

Current Tax expense (part of Tax expense for the period), are included in the determination of the net profit or loss for the period.

Current tax comprises amount of tax payable in respect to the taxable income or loss for the year determined in accordance with Income Tax Act,1961 and any adjustment to tax payable or receivable in respect of prior years.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026

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 where the Company operates and generates taxable income.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and is intended to realise the asset and settle the liability on a net basis or simultaneously.

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 expense (part of Tax expense for the period), are included in the determination of the net profit or loss for the period.

Deferred tax is recognised using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised. Unrecognised deferred tax assets, if any, are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets 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 either in other comprehensive income or in other 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.

2.10 Leases

a) **As a lessee**

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate as on the date of lease commencement date. Subsequently, it is re-measured to reflect any reassessment or modification, or if there are changes in the in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right of use asset or is recorded in statement of profit and loss if the carrying amount of the right of use asset has been reduced to zero.

Identification of lease:

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.

Short-term leases and leases of low-value assets

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases of assets that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Notes forming part of the Standalone Financial Statements

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b) **As a lessor**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. Amount due from lessees under finance lease are recognized as receivable at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the company's net investment outstanding in respect of the leases.

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease.

3. Summary of other accounting Policies

3.1 Property, Plant and Equipment:

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost includes all expenses, direct and indirect, specifically attributable to its acquisition and bringing it to its working condition for its intended use. Incidental expenditure pending allocation and attributable to the acquisition of fixed assets is allocated / capitalised with the related assets. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

Depreciation

Depreciation on property, plant and equipment has been provided on the straight-line method over the life of the asset. All individual assets (other than furniture and fixtures and office equipment) valued less than INR 5,000 are depreciated in full in the year of acquisition. The useful life of the assets is as follows:

Asset class	Useful life adopted by the Company
Electrical Installations and Equipment	10 years
Office equipment	5 years
Furniture and fixtures	10 years
Leasehold Improvement	5 to 15 years
Plant and Machinery	15 Years

Depreciation is calculated on a pro rata basis from the date on which the asset is ready for use till the date the asset is sold or disposed off.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

De-recognition

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss when the asset is derecognized.

3.2 Intangible assets and amortisation

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the tax authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. An intangible asset is recognised only when its cost can be measured reliably, and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

Intangible assets acquired separately are measured on initial recognition at cost. Subsequently, they are carried at cost less accumulated amortisation and impairment losses if any and are amortised over their estimated useful life on the straight-line basis over a 3-year period or the license period whichever is lower.

Any gain or loss on disposal of an item of intangible assets is recognized in statement of profit or loss.

The carrying amount of the assets is reviewed at each Balance sheet date to ascertain impairment based on internal or external factors. Impairment is recognised, if the carrying value exceeds the higher of the net selling price of the assets and its value in use.

For amortisation of intangibles, the amortisation amount is allocated on a systematic basis over the best estimate of its useful life.

3.3 Employee benefits:

The Company provides employment benefits through various defined contributions and defined benefit plans.

Employee benefits include Provident Fund, Leave Encashment, Gratuity and Bonus.

Defined contribution plans

A defined contribution plan is a plan under which the Company pays fixed contributions into an independent fund administered by the government. The Company has no legal or constructive obligations to pay further contributions after its payment of the fixed contribution, which are recognized as an expense in the year in which the related employee services are received.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026

Defined benefit plans

The defined benefit plans sponsored by the Company define the amount of benefit that an employee will receive on completion of services by reference to length of service and last drawn salary. The legal obligation for any benefit remains with the Company.

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognized in the standalone financial statements in respect of gratuity is the present value of the defined benefit obligation at the reporting date, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of Other Comprehensive Income (OCI) in the year in which such gains or losses are determined.

Short-term employee benefits

Expense in respect of other short-term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

3.4 Derivative financial instruments

The Company enters into derivative financial instruments, such as interest rate swap to manage exposures to interest rate risk.

Such derivative financial instruments are initially recognized 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. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the statement of profit and loss

3.5 Share based payments

a) The fair value of options granted under the Employee Option Plan (provided by the Holding Company) is recognised as an employee benefits expense. The fair value is determined by using an appropriate valuation model at each reporting date. The total amount to be expensed is determined by reference to the fair value of the options granted:

   a. including any market performance conditions
   b. excluding the impact of any service and non-market performance vesting conditions
   c. including the impact of any non-vesting conditions

   If the options vest in installments (i.e. the options vest pro rata over the service period), then each instalment is treated as a separate share option grant because each instalment has a different vesting period.

   As the Company is awarding its Holding Company's equity instruments against services received and has an obligation to settle the share based payment transaction, the Company settles the amount in cash to Holding Company.

b) The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to payable to Holding Company.

3.6 Other expenses

Expenses are recognised on accrual basis inclusive of goods and services tax for which input credit is not statutorily permitted.

3.7 Earnings per equity share

Basic earnings per equity share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. To calculate diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.8 Impairment of non-financial assets

An assessment is done at each balance sheet date as to whether there are any indications that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit (CGU) is made. Where the carrying value of the asset/CGU exceeds the recoverable amount, the carrying value is written down to the recoverable amount.

3.9 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.10 Dividend

Proposed dividends and interim dividends payable to the shareholders are recognized as changes

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026

in equity in the period in which they are approved by the shareholder's meeting and the Board of Directors respectively

3.11 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

3.12 Trade and Other Payable

Trade and other payables represent liabilities for goods and services provided to the company prior to the end of the reporting period, remaining unpaid. These amounts are unsecured and are usually paid in accordance with the payment terms agreed with vendors.

3.13 Other Income

All other income is recognized on accrual basis when no significant uncertainty exists on their receipt.

3.14 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

4 Recent Accounting Pronouncements

The Ministry of Corporate Affairs (MCA), through the Companies (Indian Accounting Standards) Amendment Rules, 2025 and Companies (Indian Accounting Standards) Second Amendment Rules, 2025, has issued amendments to various Ind AS, which are effective from April 1, 2025 and which will be effective from April 1, 2026.

A. Amendments effective from April 1, 2025:

i. Ind AS 21 – Effects of Changes in Foreign Exchange Rates (Lack of Exchangeability)

These amendments aim to provide clear guidance on assessing currency exchangeability and estimating exchange rates when currencies are not readily exchangeable.

ii. Ind AS 7 – Statement of Cash Flows and Ind AS 107 – Financial Instruments: Disclosures (Supplier Finance Arrangements)

The amendments introduce additional disclosure requirements for supplier finance arrangements to enhance transparency regarding their effect on liabilities and cash flows.

iii. Ind AS 12 – Income Taxes (Pillar Two Model Rules)

International Tax Reform: Pillar Two Models Rules applicable immediately–The amendments provide temporary mandatory relief from deferred tax accounting for top-up tax and require companies to disclose that they have applied the relief. This relief is immediate and applies retrospectively. The amendments also require companies to provide new disclosures to compensate for potential loss of information resulting from the relief. Such disclosures are to be provided for annual reporting periods beginning on or after April 1, 2025.

Further, the amendment also require companies to disclose that it has applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes The disclosure should be made separately its current tax expense (income) related to Pillar Two income taxes. The company should disclose qualitative and quantitative information about its exposure to Pillar Two income taxes at the end of the reporting period.

iv. Ind AS 1, Presentation of Financial Statements

The amendment relates to classification of liabilities as current or non-current and non-current liabilities. 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.

v. Ind AS 101, First-time Adoption of Indian Accounting Standards

The amendment introduces transitional relief for leases under Ind AS 116 and includes the provisions from IFRS 11. These changes aim to ease the transition for first-time adopters and align with the international standards.

The Company has assessed and there is no material impact of the above amendments on these standalone financial statements.

B. Amendments notified but not yet effective (effective from April 1, 2026)

i. Ind AS 1, Presentation of Financial Statements

This amendment removes the carve-outs in Ind AS 1 from IAS 1 when there is a breach of a material covenant that transforms the liability from non-current to current.

The Company will evaluate the requirements and apply these amendments from the effective date. However, presently the Company does not see any impact on the standalone financial statements.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

5 Cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Balance with banks:		
- In current accounts	7,770.73	4,486.60
Total	**7,770.73**	**4,486.60**

(i) There are no restrictions with regard to Cash and cash equivalents as at the end of the reporting year.

(ii) Cash and cash equivalents exclude co-lenders' share of scheduled EMI payments received by the Company on behalf of respective co-lenders under co-lending arrangements.

6 Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Balance with banks to the extent held as margin money deposits*	5,516.59	7,645.68
Balance in current account- lien marked	38.50	1.24
Deposits with original maturity for more than three months	1,127.37	70.00
Total	**6,682.46**	**7,716.92**

*The term deposits with banks (exluding the interest accrued on deposits) have been placed under lien for the following purposes:

Particulars	As at March 31, 2026	As at March 31, 2025
Margin money against government securities	-	500.00
Margin money against equity and derivatives	-	79.97
Working capital loans/overdraft facilities	2,400.22	947.58
Securitisation liabilities	2,353.85	5,639.18
Default loss guarantee arrangements	464.74	187.50
Total	**5,218.81**	**7,354.23**

7 Trade Receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Receivables considered good - Unsecured	453.79	475.40
Less: Impairment loss allowance	-	-
Total	**453.79**	**475.40**

Trade Receivables aging schedule

Particulars	As at March 31, 2026						
	Outstanding for following periods from due date of payment						
	Unbilled dues	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables -							
- considered good	367.13	73.73	12.93	-	-	-	**453.79**
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
(ii) Disputed Trade Receivables -							
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

Trade Receivables aging schedule

Particulars	As at March 31, 2025						
	Outstanding for following periods from due date of payment						
	Unbilled dues	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables -							
- considered good	86.60	381.80	7.00	-	-	-	**475.40**
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
(ii) Disputed Trade Receivables -							
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-

8 Loans#

Particulars	As at March 31, 2026	As at March 31, 2025
A) Loans (at amortised cost)		
Term loans^	92,904.64	82,815.08
Less : Impairment loss allowance	(4,185.75)	(5,480.43)
	88,718.89	**77,334.65**
Loans (Fair value through other comprehensive income)		
Term loans	40,755.16	2,660.78
Less : Impairment loss allowance	(1,242.58)	(235.90)
	39,512.58	**2,424.88**
Total (gross)	**1,33,659.80**	**85,475.86**
Less : Impairment loss allowance	(5,428.33)	(5,716.33)
Total (net)	**1,28,231.47**	**79,759.53**
B) i) Secured by tangible assets (refer note (i))		
Amortised cost	15,533.59	8,882.92
Less : Impairment loss allowance	(108.73)	(65.32)
	15,424.86	**8,817.60**
Fair value through other comprehensive income	-	-
Less : Impairment loss allowance	-	-
	-	**-**
ii) Unsecured		
Amortised cost	77,371.05	73,932.16
Less : Impairment loss allowance	(4,077.02)	(5,415.11)
	73,294.03	**68,517.05**
Fair value through other comprehensive income	40,755.16	2,660.78
Less : Impairment loss allowance	(1,242.58)	(235.90)
	39,512.58	**2,424.88**
Total (gross)	**1,33,659.80**	**85,475.86**
Less : Impairment loss allowance	(5,428.33)	(5,716.33)
Total (net)	**1,28,231.47**	**79,759.53**

Particulars	As at March 31, 2026	As at March 31, 2025
C) Loans in India		
i) Public sector	-	-
ii) Retail loans:		
Total (gross)	1,32,900.85	85,475.86
Less : Impairment loss allowance	(5,428.33)	(5,716.33)
Total (net)	**1,27,472.52**	**79,759.53**
iii) Others*:		
Total (gross)	758.95	-
Less : Impairment loss allowance	-	-
Total (net)	**758.95**	**-**
Total (gross)	**1,33,659.80**	**85,475.86**
Less : Impairment loss allowance	(5,428.33)	(5,716.33)
Total (net)	**1,28,231.47**	**79,759.53**

^ includes receivable from related parties INR 759.77 millions as on March 31, 2026 (INR 0.43 million as on March 31, 2025)

(i) Loans secured by way of hypothecation of residential property.

The Company has not granted loans and advances in the nature of loans to promoters, directors, key managerial personnel or related parties u/s 2(76) either repayable on demand or without specifying terms.

Refer Note 47, for movement in the gross carrying amount in respect of loans and corresponding ECL allowances.

*Others comprise of term loan given to subisidiary (Navi Fintech Private Limited).

9 Investments

Particulars	At Cost	At Amortised Cost	At fair value through profit and loss	As at March 31, 2026 Total
Investments in -				
(i) Government Securities	-	-	2,212.82	2,212.82
(ii) Subsidiary	1,415.00	-	-	1,415.00
(iii) Certificate of deposits	-	-	5,664.60	5,664.60
(iv) Infrastructure Investment Trust	-	-	384.54	384.54
Total (gross) (A)	**1,415.00**	**-**	**8,261.96**	**9,676.96**
Allowance for impairment loss (B)	-	-	-	-
Total (net) (C) = (A - B)	**1,415.00**	**-**	**-**	**9,676.96**
Investments in India	1,415.00	-	8,261.96	9,676.96
Investments outside India	-	-	-	-
Total (gross) (D)	**1,415.00**	**-**	**8,261.96**	**9,676.96**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026

(All amount in INR millions, unless otherwise stated)

Particulars	At Cost	At Amortised Cost	At fair value through profit and loss	As at March 31, 2025 Total
Investments in -				
(i) Bonds and debentures	-	-	6,098.76	6,098.76
(ii) Government Securities	-	-	3,273.38	3,273.38
(iii) Equity shares	-	-	556.85	556.85
(iv) Others - Repo Lending	-	1,450.79	-	1,450.79
Total (gross) (A)	**-**	**1,450.79**	**9,928.99**	**11,379.78**
Allowance for impairment loss (B)	-	-	-	-
Total (net) (C) = (A - B)	**-**	**1,450.79**	**9,928.99**	**11,379.78**
Investments outside India	-	-	-	-
Investments in India	-	1,450.79	9,928.99	11,379.78
Total (gross) (D)	**-**	**1,450.79**	**9,928.99**	**11,379.78**

10 Other financial assets

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured-considered good		
Security deposits#	79.51	73.68
Net Investment in Leases#*	499.45	540.64
Other receivable^#	2,298.98	674.10
Excess Interest Spread (EIS) receivable (gross)	751.11	516.39
Less : Impairment loss allowance on EIS	(38.72)	(44.97)
Total	**3,590.33**	**1,759.84**

^ Includes receivable from payment aggregators.

Includes receivables from related parties. Refer note 42 for related party disclosures

* Refer Note 14 for lease related disclosures

11 Current tax assets (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Current tax assets (net of provision)	17.79	-
Total	**17.79**	**-**

12 Deferred tax assets (net)

Movement in deferred tax assets

Particulars	As at April 1, 2025	(Charged)/ credited to statement of profit and loss	(Charged)/ credited to other comprehensive income	As at March 31, 2026
Tax effect of items constituting deferred tax assets:				
Impairment allowance for loans and other receivables	1,510.72	(140.21)	-	1,370.51
Financial assets measured at fair value through profit and loss	-	3.38	-	3.38
Provision for employee benefits	39.32	(1.94)	(3.28)	34.10
Lease liabilities	405.36	(51.70)	-	353.66
On written down value of property, plant and equipment	20.59	(2.12)	-	18.47
Deferred tax assets (total)	**1,975.99**	**(192.59)**	**(3.28)**	**1,780.12**

Movement in deferred tax liabilities

Particulars	As at April 1, 2025	Charged/ (credited) to statement of profit and loss	(Charged)/ credited to other comprehensive income	As at March 31, 2026
Tax effect of items constituting deferred tax liabilities:				
Financial liabilities measured at amortised cost	151.52	53.98	-	205.50
Financial assets measured at amortised cost	281.16	(228.15)	-	53.01
Financial assets measured at fair value through other comprehensive income	10.34	-	74.25	84.59
EIS receivable and service liability on assigned loans	101.77	45.48	-	147.25
Right of use assets (including lease receivable on sub-lease)	336.06	(1.87)	-	334.19
Financial assets measured at fair value through profit and loss	16.28	(16.28)	-	-
Deferred tax liabilities	**897.13**	**(146.84)**	**74.25**	**824.54**
Total deferred tax asset (net)	**1,078.86**	**(45.75)**	**(77.53)**	**955.58**

Movement in deferred tax assets

Particulars	As at April 1, 2024	(Charged)/ credited to statement of profit and loss	(Charged)/ credited to other comprehensive income	As at March 31, 2025
Tax effect of items constituting deferred tax assets:				
Impairment allowance for loans and other receivables	1,179.47	331.25	-	1,510.72
Provision for employee benefits	33.85	1.27	4.20	39.32
Lease liabilities	658.17	(252.81)	-	405.36
On written down value of property, plant and equipment	17.91	2.68	-	20.59
Deferred tax assets	**1,889.40**	**82.39**	**4.20**	**1,975.99**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

Movement in deferred tax liabilities

Particulars	As at April 1, 2024	Charged/ (credited) to statement of profit and loss	(Charged)/ credited to other comprehensive income	As at March 31, 2025
Tax effect of items constituting Deferred tax liabilities:				
Financial liabilities measured at amortised cost	181.11	(29.59)	-	151.52
Financial assets measured at amortised cost	369.41	(88.25)	-	281.16
Financial assets measured at fair value through other comprehensive income	(19.62)	1.90	28.06	10.34
EIS receivable and service liability on assigned loans	124.19	(22.42)	-	101.77
Right of use assets (including lease receivable on sub-lease)	602.62	(266.56)	-	336.06
Financial assets measured at fair value through profit and loss	3.49	12.79	-	16.28
Deferred tax liabilities	**1,261.20**	**(392.13)**	**28.06**	**897.13**
Total deferred tax asset /(liabilities) (net)	**628.20**	**474.52**	**(23.86)**	**1,078.86**

13 Property, plant and equipment

Particulars	Furniture and fixtures	Office equiments	Leasehold improvement	Electrical equipment	Plant and Machinery	Total
Gross carrying amount						
Balance as at April 1, 2024	**71.21**	**17.57**	**157.11**	**50.98**	**76.63**	**373.50**
Additions	1.07	1.26	1.41	-	-	3.74
Disposals / Adjustments	-	-	(93.47)	-	-	(93.47)
Balance as at March 31, 2025	**72.28**	**18.83**	**65.05**	**50.98**	**76.63**	**283.77**
Additions	1.19	-	-	-	-	1.19
Disposals / Adjustments	(0.09)	1.20	(0.05)	(1.21)	-	(0.15)
Balance as at March 31, 2026	**73.38**	**20.03**	**65.00**	**49.77**	**76.63**	**284.81**
Accumulated depreciation						
Balance as at April 1, 2024	**21.52**	**9.03**	**73.74**	**13.14**	**13.87**	**131.30**
Depreciation	5.29	2.16	7.61	3.82	4.21	23.09
Disposals / Adjustments	-	-	(59.73)	-	-	(59.73)
Balance as at March 31, 2025	**26.81**	**11.19**	**21.62**	**16.96**	**18.08**	**94.66**
Depreciation	5.36	2.12	5.36	3.82	4.20	20.86
Disposals / Adjustments	(0.07)	0.27	1.01	(0.25)	-	0.96
Balance as at March 31, 2026	**32.10**	**13.58**	**27.99**	**20.53**	**22.28**	**116.48**
Net carrying amount						
Balance as at March 31, 2025	**45.47**	**7.64**	**43.43**	**34.02**	**58.55**	**189.11**
Balance as at March 31, 2026	**41.28**	**6.45**	**37.01**	**29.24**	**54.35**	**168.33**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

14 Leases

Company as a lessee

The Company has leases for office premises used in its business operations. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liabilities.

(i) Amounts recognised in balance sheet

a) Right-of-use assets

Office Premises

Gross carrying value	As at March 31, 2026	As at March 31, 2025
Opening Balance	1,262.22	1,821.70
Additions during the year	-	80.34
Modifications/retirement during the year	(19.26)	(639.82)
Closing Balance	**1,242.96**	**1,262.22**

Accumulated Depreciation	As at March 31, 2026	As at March 31, 2025
Opening Balance	341.66	254.18
Depreciation charge for the year	124.41	167.16
Modifications/retirement during the year	-	(79.68)
Closing Balance	466.07	341.66
Net carrying value	**776.89**	**920.56**

b) Lease liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	1,527.00	1,712.01
Additions	-	7.86
Accretion of interest	138.28	156.24
Payments	(260.08)	(255.76)
Adjustments on modification	(20.46)	(93.35)
Closing balance	**1,384.74**	**1,527.00**

(ii) Amounts recognised in the statement of profit and loss

The statement of profit and loss shows the following amounts relating to leases:

Particulars	As at March 31, 2026	As at March 31, 2025
Depreciation charge of right-of-use assets	124.41	167.16
Interest expense (included in finance costs)	138.28	156.24
Total	**262.69**	**323.40**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

(iii) The total cash outflow for leases for the year ended March 31, 2026 was INR 260.08 million (March 31, 2025: INR 255.76 million).

(iv) Critical judgements in determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

Extension options in certain office lease have not been included in the lease liability, because the Company could replace the assets without significant cost or business disruption.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

Company as a lessor

The Company has sub-leased its office premises to its subsidiary Navi Fintech Private Limited and has clasified it as finance lease.

The following table sets out a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting dates:

Particulars	Minimum lease income due as at March 31, 2026			
	Within 1 year	1-5 years	More than 5 years	Total
Lease income	92.40	428.57	162.93	683.90
Interest income	(46.99)	(126.69)	(10.77)	(184.45)
Net present values	**45.41**	**301.88**	**152.16**	**499.45**

Particulars	Minimum lease income due as at March 31, 2025			
	Within 1 year	1-5 years	More than 5 years	Total
Lease income	92.40	405.40	278.49	776.29
Interest income	(51.21)	(153.41)	(31.03)	(235.65)
Net present values	**41.19**	**251.99**	**247.46**	**540.64**

15 Other non-financial assets

Particulars	As at March 31, 2026	As at March 31, 2025
Advances to suppliers and others	121.35	112.15
Balance with government authorities	944.31	1,139.90
Tax paid under dispute	5.56	2.06
Prepaid expenses	18.72	4.21
Others	0.55	0.33
Total	**1,090.49**	**1,258.65**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

16 Trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises	25.11	2.41
Total outstanding dues of creditors other than micro enterprises and small enterprises*	1,097.66	803.62
Total	**1,122.77**	**806.03**

*Includes payable to related parties. Refer Note 42 for related party disclosures

16.1 Trade payables ageing schedule

As at March 31, 2026:

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 years	
Undisputed:					
(i) MSME	24.41	0.33	0.27	0.10	25.11
(ii) Others	1,064.53	33.20	(0.07)	0.00	1,097.66

There are no disputed trade payables

As at March 31, 2025:

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 years	
Undisputed:					
(i) MSME	2.29	0.09	0.03	-	2.41
(ii) Others	775.18	28.44	-	-	803.62

There are no disputed trade payables

16.2 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	As at March 31, 2026	As at March 31, 2025
(a) (i) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	25.11	2.41
(ii) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
(b) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(c) (i) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(ii) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(d) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed date during the year) but without adding the interest specified under the MSMED Act	-	-
(e) The amount of interest accrued and remaining unpaid at the end of the year	-	-
(f) Amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to small enterprise for purpose of disallowance as deductible expenditure under Section 23 of the MSMED Act	-	-

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026

(All amount in INR millions, unless otherwise stated)

17 Debt securities

Particulars	As at March 31, 2026	As at March 31, 2025
At amortised cost		
Secured Redeemable non-convertible debentures#	49,150.93	20,438.13
Liability component of compulsory convertible debentures #^	-	124.07
Commercial papers - unsecured	7,287.93	2,082.81
Total	**56,438.86**	**22,645.01**
Debt securities in India	56,438.86	22,645.01
Debt securities outside India	-	-
Total	**56,438.86**	**22,645.01**

#Refer Note 17.1 for terms of debt securities

^Refer Note 42 for related party disclosures.

17.1 Terms of Securities

a) Terms of Non-convertible debentures (Secured):

From the balance sheet date	As at March 31, 2026		As at March 31, 2025	
	Interest rate range	Amount	Interest rate range	Amount
Repayable on maturity:				
Maturing within 1 year	10.00% to 11.19%	13,785.30	9.25% to 11.19%	8,295.91
Maturing between 1 year to 3 years	10.20% to 10.75%	35,480.00	10.25% to 11.19%	11,465.30
Sub–total at face value		**49,265.30**		**19,761.21**
Repayable in yearly instalments:				
Maturing within 1 year		-	10.50%	175.00
Sub-total at face value		**-**		**175.00**
Repayable in quarterly instalments:				
Maturing within 1 year	11.16%	133.33	11.16%	133.33
Maturing between 1 year to 3 years	11.16%	33.33	11.16%	166.67
Sub-total at face value		**166.66**		**300.00**
Total at face value (A)		**49,431.96**		**20,236.21**
Interest accrued		222.04		457.55
EIR Adjustments		(503.07)		(255.63)
Total amortised cost		**49,150.93**		**20,438.13**

A. Nature of security

Secured by an exclusive charge by way of hypothecation of loans receivables.

B. Other information

i) The Company has not defaulted in the repayment of dues to its lenders.

ii) The Company has utilised the debt securities for the purpose for which it was obtained.

iii) Market Linked Debentures are carrying variable interest rate which is linked to performance of specified indices over the tenure of the debentures. The embedded value of the derivative is negligible and is likely to remain negligible throughout the tenure of debentures. Therefore, the market linked debentures have been classified at amortised cost and have exercisable call/put option.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026

(All amount in INR millions, unless otherwise stated)

b) Terms of Commercial papers (Unsecured)

From the balance sheet date	As at March 31, 2026		As at March 31, 2025	
	Interest rate range	Amount	Interest rate range	Amount
Repayable on maturity:				
Maturing within 1 year	8.50% to 10.50%	7,084.23	9.00% to 10.80%	2,056.57
Total at face value		**7,084.23**		**2,056.57**
Interest accrued		203.70		26.24
Total amortised cost		**7,287.93**		**2,082.81**

18 Borrowings (other than debt securities)

Particulars	As at March 31, 2026	As at March 31, 2025
Borrowings (at amortised cost)		
a) Term loans (Secured)		
- From banks	30,550.85	18,203.93
- From financial institutions	10,165.45	7,401.39
- Liability against securitised assets	10,118.46	21,951.98
b) Loan repayable on demand		
- Cash credit facilities	5,112.80	1,254.25
Total	**55,947.56**	**48,811.55**
Borrowings in India	55,947.56	48,811.55
Borrowings outside India	-	-
Total	**55,947.56**	**48,811.55**

* Refer Note 18.1 for terms of Borrowings (other than debt securities)

18.1 Terms of borrowings (other than debt securities)

a) From banks (Secured)

From the balance sheet date	As at March 31, 2026		As at March 31, 2025	
	Interest rate range	Amount	Interest rate range	Amount
Repayable in installments:				
i) Monthly				
Maturing within 1 year	9.05% to 11.25%	12,197.41	8.83% to 12.75%	9,257.62
Maturing between 1 years to 3 years	9.10% to 11.25%	9,028.18	9.42% to 11.45%	3,765.33
Maturing beyond 3 years to 5 years	10.85%	689.81	10.25% to 11.50%	280.16
Sub-total		**21,915.40**		**13,303.11**
ii) Quarterly				
Maturing within 1 year	8.00% to 11.05%	4,875.29	8.00% to 11.15%	2,383.01
Maturing between 1 years to 3 years	8.00% to 11.05%	3,897.58	9.95% to 10.50%	2,573.42
Sub-total		**8,772.87**		**4,956.43**
Total (i+ii)		**30,688.27**		**18,259.54**
Interest accrued		41.79		39.03
EIR Adjustments		(179.21)		(94.64)
Total amortised cost		**30,550.85**		**18,203.93**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

A. Nature of security

Secured by an exclusive charge by way of hypothecation of loan receivables.

B. Other information

i) The Company has not defaulted in the repayment of dues to its lenders.
ii) The Company has utilised the borrowings for the purpose for which it was obtained
iii) The rates mentioned above are applicable rates as at year end

b) From financial institutions (Secured)

From the balance sheet date	As at March 31, 2026		As at March 31, 2025	
	Interest rate range	Amount	Interest rate range	Amount
Repayable in installments:				
i) Monthly				
Maturing within 1 year	9.50% to 11.75%	5,455.48	9.75% to 11.90%	4,712.24
Maturing between 1 years to 3 years	9.50% to 11.75%	2,902.35	9.75% to 11.90%	2,609.25
Maturing beyond 3 years to 5 years	9.50%	411.58	11.70%	62.50
Sub-total		**8,769.41**		**7,383.99**
ii) Quarterly				
Maturing within 1 year	10.40% to 11.70%	581.39		-
Maturing between 1 years to 3 years	11.25% to 11.70%	247.22		-
Sub-total		**828.61**		**-**
iii) Half-yearly				
Maturing within 1 year	11.10%	220.00		-
Maturing between 1 years to 3 years	11.10%	330.00		-
Sub-total		**550.00**		**-**
Total (i+ii+iii)		**10,148.02**		**7,383.99**
Interest accrued		44.37		33.67
EIR Adjustments		(26.94)		(16.27)
Total amortised cost		**10,165.45**		**7,401.39**

A. Nature of security

Secured by an exclusive charge by way of hypothecation of loan receivables.

B. Other information

i) The Company has not defaulted in the repayment of dues to its lenders.
ii) The Company has utilised the borrowings for the purpose for which it was obtained
iii) The rates mentioned above are applicable rates as at the year end.

c) Liability against securitised assets

From the balance sheet date	As at March 31, 2026		As at March 31, 2025	
	Interest rate range	Amount	Interest rate range	Amount
Maturing within 1 year	9.45% to 10.35%	7,402.90	8.83% to 10.35%	11,363.97
Maturing between 1 year to 3 years	9.50% to 10.35%	2,698.45	9.45% to 10.35%	10,351.30
Maturing beyond 3 years to 5 years		-	9.90% to 10.10%	220.07
Total		**10,101.35**		**21,935.34**
Interest accrued		34.13		70.48
EIR Adjustments		(17.02)		(53.84)
Total amortised cost		**10,118.46**		**21,951.98**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

A. Nature of security

Secured by way of specific / pari passu charge on loan receivables of the Company.

B. Other information

i) The Company has not defaulted in the repayment of dues to its lenders.

ii) Liability against securitised assets represents the net outstanding value (Net of Investment in Pass- through Certificates) of the proceeds received by the Company from securitisation trust in respect of loan receivables transferred by the Company pursuant to the Deed of Assignment. The Company has provided Credit enhancement to the trust by way of cash collateral.

iii) The Company has utilised the borrowings for the purpose for which it was obtained.

d) Cash credit facilities

From the balance sheet date	As at March 31, 2026		As at March 31, 2025	
	Interest rate range	Amount	Interest rate range	Amount
Repayable on maturity:				
Maturing within 1 year	8.00% to 10.40%	5,099.02	8.00% to 10.30%	1,250.00
Total		**5,099.02**		**1,250.00**
Interest accrued		16.94		8.75
EIR Adjustments		(3.16)		(4.50)
Total amortised cost		**5,112.80**		**1,254.25**

A. Nature of security

Secured by an exclusive charge by way of hypothecation of loan assets receivables.

B. Other information

i) The Company has not defaulted in the repayment of dues to its lenders.

ii) The quarterly statements or returns filed by the Company with banks are in agreement with books of accounts.

19 Subordinated liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
At amortised cost Unsecured loan		
- Unsecured term loan from banks*	493.65	492.36
- Non convertible debentures*	1,921.47	-
Total	**2,415.12**	**492.36**
Subordinated liabilities in India	2,415.12	492.36
Subordinated liabilities outside India	-	-
Total	**2,415.12**	**492.36**

* Refer Note 19.1 for terms of subordinated liabilities

Notes forming part of the Standalone Financial Statements

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(All amount in INR millions, unless otherwise stated)

19.1 Details on subordinated liabilities

From the balance sheet date	As at March 31, 2026		As at March 31, 2025	
	Interest rate range	Amount	Interest rate range	Amount
Repayable on maturity:				
Maturing beyond 3 years to 5 years	11.90% to 13.60%	2,500.00	13.60%	500.00
Subtotal at face value		**2,500.00**		**500.00**
Interest accrued		5.86		-
EIR Adjustments		(90.74)		(7.64)
Total amortised cost		**2,415.12**		**492.36**

20 Other financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Payable on account of assignment	2,137.63	1,170.74
Payables under Co-lending Arrangements	590.01	136.75
Other payables^	133.54	780.61
Total	**2,861.18**	**2,088.10**

^ Includes payable to related parties. Refer note 42 for related parties disclosures

21 Current tax liabilities (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for tax (net of advance tax)	-	189.57
Total	**-**	**189.57**

22 Provisions

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits^	43.00	90.78
Provision for gratuity#	31.19	66.84
Provisions for compensated absences#	65.10	50.72
Provision for default loss guarantee arrangement*	177.48	268.30
Provision on loan commitment	18.31	11.60
Total	**335.08**	**488.24**

^ Includes payable to related parties. Refer note 42 for related parties disclosures

Refer note 40 for detailed disclosure.

* The Company has created provision against default loss guarantee arrangements based on default loss guarantee agreements entered with multiple co-lenders.

23 Other-non financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory dues payable	130.49	136.55
Service liabilities	189.30	134.20
Other payable	249.64	79.70
Total	**569.43**	**350.45**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

24 Equity share capital

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised share capital		
400,000,000 Equity shares of INR 10 each (Previous Year: 600,000,000 Equity shares of INR 10 each)	4,000.00	6,000.00
Total authorised capital	**4,000.00**	**6,000.00**
Issued, subscribed and fully paid up share capital		
285,240,353 Equity shares of INR 10 each (Previous Year: 285,240,353 Equity shares of INR 10 each)	2,852.40	2,852.40
Total	**2,852.40**	**2,852.40**

(i) Rights, preferences and restrictions attached to equity shares:

The Company has equity shares having a par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors in any financial year is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The equity shares shall be transferable subject to the provisions contained in the Articles of Association and in the agreements entered / to be entered into with the investors / shareholders from time to time.

(ii) Reconciliation of equity shares outstanding at the beginning and end of the year

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Amount	No. of shares	Amount
Equity share capital of INR 10 each fully paid up				
Balance at the beginning of the year	28,52,40,353	2,852.40	28,52,40,353	2,852.40
Add: Issued during the year	-	-	-	-
Balance at the end of the year	**28,52,40,353**	**2,852.40**	**28,52,40,353**	**2,852.40**

(iii) Shares held by the Holding Company

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	% holding	No. of shares	% holding
Navi Limited* (Holding Company)	28,52,40,353	100.00%	28,52,40,353	100.00%

*Out of the above, 6 shares are held by nominees on behalf of our promoter.

(iv) Details of shareholders holding more than 5% of shares of the Company

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	% holding	No. of shares	% holding
Navi Limited	28,52,40,353	100.00%	28,52,40,353	100.00%

(v) Details of shareholding of promoters

Name of the Promoters	As at March 31, 2026		As at March 31, 2025		% Change during the year
	No of shares	% of Total Shares	No of shares	% of Total Shares	
Navi Limited*	28,52,40,353	100%	28,52,40,353	100%	-

*Out of the above, 6 shares are held by nominees on behalf of our promoter.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026
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(vi) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

The Company has issued 2,50,88,994 equity shares for consideration other than cash and has not bought back any shares during the last 5 years.

25 Instruments entirely equity in nature

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised Convertible Preference Shares		
20,000 Preference shares of INR 1,00,000 each	2,000.00	-
Total authorised capital	**2,000.00**	**-**
Issued, subscribed and fully paid up Convetible Preference Shares		
5,000 Preference shares of INR 1,00,000 each	500.00	-
Total	**500.00**	**-**

(i) Rights, preferences and restrictions attached to Convertible Preference Shares ("CPS"):

The Company has convertible preference shares having a face value of INR 1,00,000 per share. Conversion ratio is 4041 equity shares for each convertible preference shares. The holders of CPS are not entitled to voting rights to the maximum extent permitted under Applicable Laws. In the event Applicable Laws require voting rights to be granted to the holders of CPS, then, every 10,000 CPS shall carry 1 vote. CPS carries a pre-determined non-cumulative dividend rate of 0.0001% per annum on an As-Converted Basis (CPS converted into Equity shares). If the holders of Equity Shares are paid dividend in excess of 0.0001% per annum, the holders of CPS shall be entitled to dividend at such higher rate. In the event of liquidation, CPS shall rank in priority to and above the Equity Shares, subject always to the rights of creditors and any mandatory provisions of Applicable Law, such that no payment or distribution shall be made in respect of the Equity Shares until an amount equal to the subscription price paid in respect of each CPS has been paid in full to the holders of the relevant CPS. The CPS are freely transferable.

(ii) Reconciliation of Convertible Preference Shares outstanding at the beginning and end of the year

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Amount	No. of shares	Amount
Convertible Preference Shares of INR 1,00,000 each fully paid up				
Balance at the beginning of the year	-	-	-	-
Add: Issued during the year	5,000	500.00	-	-
Balance at the end of the year	**5,000**	**500.00**	**-**	**-**

(iii) Details of Preference Shareholders holding more than 5% of Convertible Preference shares of the Company

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	% holding	No. of shares	% holding
Phillip Finance & Investment Services India Pvt Ltd	990	19.80%	-	-
Mosaic Asset Management Multiyield Fund -Series 1	500	10.00%	-	-
Phillip Services India Private Limited	380	7.60%	-	-
Total	**1,870**	**37.40%**	**-**	**-**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026
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(iv) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

The Company has not issued convertible preference shares for consideration other than cash and has not bought back any shares during the last 5 years.

26 Other equity

Particulars	As at March 31, 2026	As at March 31, 2025
Securities premium		
Opening balance	16,570.24	16,570.24
Add: Securities premium on issuance of CPS	4,500.00	-
Less: CPS issue expenses	(310.22)	-
Closing balance	**20,760.02**	**16,570.24**
Reserve fund u/s 45-IC of RBI Act 1934		
Opening balance	2,348.93	1,905.00
Add: Transfer from retained earnings	584.42	443.93
Closing balance	**2,933.35**	**2,348.93**
Retained earnings		
Opening balance	8,651.35	6,888.12
Add: Transferred from statement of profit and loss for the year	2,922.09	2,219.65
Add: Remeasurement of the net defined benefit plans, net of tax	9.74	(12.49)
Less: Transfer to statutory reserve as per Section 45-IC of the RBI Act, 1934	(584.42)	(443.93)
Closing balance	**10,998.76**	**8,651.35**
Other comprehensive income on fair value of loans		
Opening balance	30.75	(52.68)
Add: Net change in fair value of loans measured at fair value through other comprehensive income	220.75	83.43
Closing balance	**251.50**	**30.75**
Equity component of Compulsory Convertible Debentures (CCD)		
Opening Balance	1,129.22	1,129.22
Add: Issue during the year		-
Less: Changes in terms of Compulsory Convertible Debenture [Refer note - 26(f)]	(1,129.22)	
Closing balance	**-**	**1,129.22**
Capital redemption reserve		
Opening balance	44.05	44.05
Add: Created on buy back of equity shares	-	-
Closing balance	**44.05**	**44.05**
Total	**34,987.68**	**28,774.54**

Nature and purpose of reserves

(a) Securities premium

The amount received in excess of face value of the equity shares is recognised in Securities premium. The reserve can be utilised only in accordance with the provisions of the Companies Act, 2013 ("the Act").

(b) Statutory reserve

Statutory reserve represents the reserve created as per section 45IC of the RBI Act, 1934, pursuant to which a non-banking financial company shall create a reserve fund and transfer therein a sum not less than twenty percent of its net profit annually as disclosed in the statement of profit and loss, before any dividend is declared.

Notes forming part of the Standalone Financial Statements

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(c) Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to statutory reserve and dividend distributions paid to shareholders.

(d) Other comprehensive income on fair value of loans

Other comprehensive income represents the cumulative gains and losses arising on the fair valuation of loans measured at fair value through Other Comprehensive Income.

(e) Capital redemption reserve

Capital redemption reserve has been created in accordance with Section 69 of the Companies Act, 2013, being the nominal value of the shares brought back by the Company during the year ended March 31, 2020. The reserve can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

(f) Equity Component of Compulsory Convertible Debentures (CCD)

During the previous years, the Company had issued Compulsory Convertible Debentures ('the CCDs') amounting to INR1500 millions with mandatory conversion period of 3 years having maturity date as February 27, 2026 at a coupon interest rate of 9.50% . The conversion ratio was 1:1000 (i.e. each CCDs was to be converted into 1,000 Equity Shares). During the year ended March 31, 2026, pursuant to an agreement between the Debenture Holder and the Company, these CCDs have been converted into Optionally Convertible and Redeemable Debentures ('the OCRD') and then subsequently redeemed upon exercise of early redemption option by the Holder on September 25, 2025. This has resulted to an additional cost of INR 311.24 millions to the Company which has been classified under finance costs.

27 Interest income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
On financial assets measured at amortised cost		
Interest on loans	18,362.27	18,158.69
Interest income on deposits with banks	544.19	532.09
Interest income on investments	390.99	280.19
Sub-total	**19,297.45**	**18,970.97**
On financial assets measured at fair value through other comprehensive income		
Interest on loans	3,223.95	582.87
Sub-total	**3,223.95**	**582.87**
On financial assets measured at fair value through profit or loss		
Interest income on investments	363.24	273.93
Sub-total	**363.24**	**273.93**
Total	**22,884.64**	**19,827.77**

28 Fees and commission income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Fee received on collections	207.48	319.81
Service fees	273.97	465.39
Total	**481.45**	**785.20**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

29 Net gain on fair value changes

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(A) Net gain on financial instruments at fair value through profit or loss		
- Investments in:		
(i) Government Securities	125.02	315.23
(ii) Infrastructure Investment Trust	35.18	-
(iii) Bonds and debentures	211.80	89.84
(iv) Equity shares	335.62	792.17
(v) Others	21.93	(14.47)
Net gain on fair value changes	**729.55**	**1,182.77**
Fair value changes:		
- Realised	742.96	1,118.76
- Unrealised	(13.41)	64.01
Net gain on fair value changes	**729.55**	**1,182.77**

30 Net gain on derecognition of financial instruments

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Net gain on derecognition of financial instruments	514.39	915.80
Total	**514.39**	**915.80**

31 Other income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Gain on lease modification	-	93.75
Miscellaneous income ^	149.34	86.23
Total	**149.34**	**179.98**

^ Includes income from related parties. Refer note 42 for related party disclosures

32 Finance costs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
On financial liabilities measured at amortised cost		
Interest on debt securities	4,418.91	2,904.89
Interest on borrowings (other than debt securities)	5,495.25	4,651.74
Interest on subordinated liabilities	199.69	42.02
Interest on lease liabilities	138.28	156.24
Others [Refer note - 26(f)]	462.56	178.12
Total	**10,714.69**	**7,933.01**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026
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33 Fees and commission expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Fees to service provider	54.53	32.15
Others - collection cost	2.63	3.23
Total	**57.16**	**35.38**

34 Impairment on financial instruments

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Loans written off (net of recoveries)*	4,175.15	4,634.45
Impairment allowance on:		
- Loans	(288.00)	811.10
- Default loss guarantee arrangements (net of recoveries)	188.72	302.56
- Excess Interest Spread (EIS) Receivable	(6.24)	44.97
- Commitments	6.71	(12.71)
Total	**4,076.34**	**5,780.37**

*Write off recoveries for the year ended March 31, 2026, were INR 266.00 millions (March 31, 2025 INR 256.96 millions).

35 Employee benefits expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, wages and bonus	1,548.48	1,419.81
Contribution to provident and other funds	74.75	52.76
Employee share-based payment expense#	253.20	188.43
Staff welfare expenses	68.25	64.66
Total	**1,944.68**	**1,725.66**

#Refer note 42 for related party disclosures

36 Depreciation expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation on property, plant and equipment	20.86	23.09
Depreciation on right of use assets	124.41	167.16
Total	**145.27**	**190.25**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

37 Other expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Rent and electricity charges	28.63	22.18
Customer onboarding and verification	410.22	333.69
Traveling and conveyance	33.75	35.33
Communication costs	11.02	6.75
Repairs and maintenance	51.94	57.95
Software support charges*	1,571.80	2,409.80
Legal and professional charges	730.80	652.77
Debt Recovery Cost*	522.77	316.66
Auditors' remuneration (refer note 37.1)	19.60	14.44
Rates and taxes	4.42	4.27
Advertisement expenses	0.64	22.94
Director's sitting fees*	19.08	15.91
Office and general expenses	22.92	22.45
Corporate social responsibility (CSR) expenses (refer note 37.2)	37.51	12.49
Royalty Fees *	128.86	141.13
Loss on sale of property, plant and equiptment	-	24.84
Insurance	0.28	-
Miscellaneous expenses	118.03	122.95
Total	**3,712.27**	**4,216.55**

* Refer note 42 for related party disclosures

37.1 Payments to auditor (net of GST credit availed)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
As auditor:		
- Statutory audit and limited review fees	13.41	12.86
- Special purpose audit fees	3.27	-
- Out of pocket expenses	1.02	0.32
In any other manner:		
- Certification	1.90	1.26

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

37.2 Corporate social responsibility expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Gross amount required to be spent by the Company during the year	37.51	12.49
b) Amount spent during the year on :		
(i) Construction / acquisition of any asset	-	-
(ii) On purpose other than (i) above	37.51	12.49
In cash	-	-
Yet to be paid	-	-
c) Excess/(shortfall) at the end of the year	-	-
d) Total of previous years shortfall at the end of the year	-	-
e) Excess amount to be spent :		
Opening balance	-	-
Amount spent during the year	37.51	12.49
Amount required to be spent during the year	37.51	12.49
f) Closing balance	-	-
g) Nature of CSR activities: (activities as per Schedule VII)		
(i) Promotion of Sports as per clause (vii)	-	9.00
(ii) Promoting Education as per clause (ii)	-	2.12
(iii) Promotion of sanitation and making available safe drinking water as per Schedule VII	37.51	1.37
h) Details of related party transactions in relation to CSR expenditure	-	-
i) Where a provision is made with respect to a liability incurred by entering into a contractual obligation	-	-

38 Tax expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax	1,131.44	1,182.82
Tax relating to earlier years	9.68	82.34
Deferred tax	45.75	(474.51)
Total	**1,186.87**	**790.65**

The reconciliation of estimated income tax expense at statutory income tax rate to income tax expense reported in statement of profit and loss is as follows:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before tax	4,108.96	3,010.30
Enacted tax rate	25.17%	25.17%
Expected income tax expense	**1,034.14**	**757.63**
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Tax on expense not eligible for deduction	25.47	8.56
Tax relating to earlier years	9.68	82.34
Others	117.58	(57.88)
Total income tax expense	**1,186.87**	**790.65**

The Company has opted for the lower tax regime under Section 115BAA of the Income Tax Act, 1961.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026
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39 Earnings per equity share (EPS)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit for the year (A)	2,922.09	2,219.65
Weighted-average number of equity shares outstanding (B)	28,52,40,353	28,52,40,353
Weighted-average number of Convertible Preference Shares outstanding - Potential Equity Shares (C)	40,13,322	-
Weighted-average number of Compulsory Convertible Debentures (Later converted into Optionally Convertible and Redeemable Debentures) - Potential Equity Shares (D)	55,06,849	1,50,00,000
Weighted-average number of equity shares in calculating Basic and Diluted EPS (E = B+C+D)	**29,47,60,524**	**30,02,40,653**
Basic and Diluted EPS	**9.91**	**7.39**
Face Value of equity share	10.00	10.00

40 Retirement benefit plan

(i) Defined Contribution Plan

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund and other funds which are defined contribution plans. The Company has no obligations other than this to make the specified contributions. The contributions are charged to the Standalone Statement of Profit and Loss as they accrue. The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognized INR 35.90 millions (March 31, 2025: INR 35.45 millions) for Provident Fund contributions and INR 0.03 milions(March 31, 2025: INR 0.43 millions) for Employee State Insurance Scheme contributions in the Standalone Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes.

(ii) Defined Benefit Plan

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination will be on rendering of five years continuous service at the rate of 15 days wages for each completed year of service based on the last drawn wages. The liability of Gratuity is recognised on the basis of actuarial valuation. The Defined Benfit Plan of company is funded. Acturial liability is computed using Projected Unit Credit Method. The Government of India has consolidated multiple existing labour legislations into a unified framework comprising four labour codes collectively referred to as the "New Labour Codes". The Company has assessed the implications of the New Labour Codes and have recognised its impact as employee benefits expense in the financial year ended March 31, 2026. The Government is in the process of notifying related Central / State rules to the New Labour Codes and impact of these will be evaluated and accounted for, as needed, in accordance with applicable accounting standards in the period in which they are notified.

I. The amounts recognised in the balance sheet and the movements in the net defined benefit obligation (DBO) & Fair Value of plan assets over the years are as follows:

Particulars	Defined benefit obligation	Fair value of plan assets	Net defined benefit (assets) / liabilities
As at April 1, 2025	**66.84**	**-**	**66.84**
Current service cost	26.80	-	26.80
Interest expense	5.38	-	5.38
Past Service Cost	9.32	-	9.32
Return on Plan Asset	-	(2.69)	(2.69)
Total amount recognised in the statement of profit or loss	**41.50**	**(2.69)**	**38.81**

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Particulars	Defined benefit obligation	Fair value of plan assets	Net defined benefit (assets) / liabilities
Remeasurements :			
Loss on Plan Assets	-	3.67	3.67
Actuarial loss from change in financial assumption in DBO	0.62	-	0.62
Actuarial gain due to Experience on DBO	(6.93)	-	(6.93)
Actuarial gain from change in demographic assumptions in DBO	(10.39)	-	(10.39)
Total amount recognised in other comprehensive income	**(16.70)**	**3.67**	**(13.03)**
Payments from plan:			
(a) Contributions paid by the Company	-	(62.43)	(62.43)
(b) Benefit payments/transfers	(2.77)	3.76	0.99
As at March 31, 2026	**88.87**	**(57.69)**	**31.18**

The Company has incorporated gratuity trust during the previous year and required approval from Income Tax authorities is obtained. The fund is managed by HDFC Life Insurance.

Particulars	Present value of obligation	Fair value of plan assets	Total
As at April 1, 2024	**28.89**	**-**	**28.89**
Current service cost	16.30	-	16.30
Interest expense/(income)	2.09	-	2.09
Past Service Cost	6.63	-	6.63
Total amount recognised in profit or loss	**25.02**	**-**	**25.02**
Remeasurements :			
Actuarial (gain)/loss from change in financial assumption changes in DBO	10.39	-	10.39
Actuarial (gains)/losses due to Experience on DBO	6.30	-	6.30
Total amount recognised in other comprehensive income	**16.69**	**-**	**16.69**
Payments from plan:	-	-	-
(a) Benefit payments/transfer	(3.76)	-	(3.76)
As at March 31, 2025	**66.84**	**-**	**66.84**

II. The significant acturial assumptions were as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Discount rate	6.53%	6.66%
Salary growth rate	12.00%	12.00%
Attrition rate	30.00%	20.00%
Expected Rate of Return of Plan Assets	6.66%	-
Retirement age (in years)	60	60
Mortality rate	Indian Assured Lives Mortality (2012-2014) Ultimate	Indian Assured Lives Mortality (2012-2014) Ultimate

a) The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

b) The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

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III. The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	As at March 31, 2026	As at March 31, 2025
Discount Rate		
Increase by 100 basis points	(2.99)	(4.25)
Decrease by 100 basis points	3.19	4.76
Salary Growth Rate		
Increase by 100 basis points	1.69	4.79
Decrease by 100 basis points	(1.46)	(4.37)
Attrition Rate		
Increase by 100 basis points	(1.12)	(2.24)
Decrease by 100 basis points	1.12	2.40

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change as compared to prior year.

IV. Risk Exposure

Interest rates risk: The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits and vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Salary inflation risk: Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risks: This is the risk of volatility of results due to unexpected nature of decrements that include mortality attrition, disability and retirement. The effects of this decrement on the defined benefit obligation depend upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawal rate because the cost of retirement benefit of an employee serving a shorter tenor will be less compared to long service employees.

V. Defined benefit liability

The weighted average duration of the defined benefit obligation is 4.57 years. The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Year 1	11.47	2.49
Year 2	17.50	5.29
Year 3	18.83	8.07
Year 4	17.08	9.61
Year 5	13.58	9.63
Year 6-10	29.01	35.64
Year 10 and above	6.74	43.10

41 Share based payments

ESOP Plan under Navi Limited ("the Holding Company"): Under the Employee Share-option Plan (ESOP), introduced on December 19, 2019 i.e. Navi Stock Option Scheme 2019, the Holding Company, at its discretion, may grant share options, to any of the employees within the Group. The Holding Company introduced the Plan for the benefit of the employees of all companies under the Group. The options are to be granted to the eligible employees as per the eligibility criteria as

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determined by the Board/Compensation Committee at its sole discretion. Under the plan, employees have been granted options which will vest as follows:

Scheme	Vesting Conditions	Exercise year	Exercise Price / Ratio
Employee Share-option Plan ('ESOP'), 2019	Vested in a graded manner in not less than 1 year and not more than 5 years from the date of grant, subject to continuous employment with the company.	Options are exercisable in one or more tranches within a year of 10 years from the date of grant, after which the Exercise Period shall stand expired and the options shall lapse.	INR 10/- Options : Shares = 1:1

Details of ESOP plan

Pursuant to the plan, the Holding Company has granted ESOPs to the employees of the Company during the year March 31, 2026 . Outstanding options as on March 31, 2026 are 6,32,78,407(March 31, 2025 are 4,72,88,997)

The details for stock options granted and lapsed during the year, pursuant to the plan, has been provided below. The stock compensation cost is computed under the fair value method and has been recognised over the vesting period up to March 31, 2026.

For the year ended March 31, 2026, the Company has recorded stock compensation expenses of INR 253.20 (March 31, 2025 INR 188.43) millions which has been charged by the Holding Company.

Particulars	No. of options	
	March 31, 2026	March 31, 2025
Options outstanding at the beginning of the year	4,72,88,997	3,65,55,571
Granted during the year	1,63,96,077	1,54,21,129
Lapsed during the year	(50,76,623)	(1,30,81,972)
Transfer (to)/in during the year ended (net)	46,69,956	83,94,269
Options outstanding at the end of the year	**6,32,78,407**	**4,72,88,997**

The fair value of share options granted is estimated at the date of grant using a Black Scholes Merton model, taking into account the terms and conditions upon which the share options were granted. The expected life used in the model has been adjusted, based on management's best estimate for the effects of non-transferability, exercise restrictions and behavioral considerations. The contractual term of the share options is ten years and there are no cash settlement alternatives for the employees. The Holding Company does not have a policy of cash settlement for these awards.

Particulars	January 1, 2026-March 31, 2026	July 1, 2025 - December 31, 2025	April 1, 2025-June 30, 2025	April 1, 2024 - March 31, 2025
Fair value of the equity share as on grant date	INR 39.22	INR 38.95	INR 38.73	38.73
Fair value of option as on grant date	30.90	30.74	30.92	30.92
Expected life of share options (years)	2.0-5.0	2.0-5.0	2.5 - 5.5	2.50-5.50
Expected volatility (%)	29.9%-33.74%	28.06%-43.63%	27.03%-33.54%	28.5%-34.1%
Dividend yield (%)	0.00%	0.00%	0.00%	0.00%
Risk-free interest rate (%)	5.64%-6.02%	6.29% - 6.34%	6.75%-6.82%	6.67%-6.73%
Model used	Black Scholes Merton	Black Scholes Merton	Black Scholes Merton	Black Scholes Merton

Expected volatility during the expected life of the option can be estimated using historical volatility of the underlying asset observed during the year equivalent to the expected life of the option.

The above disclosure is based on the information provided by the Holding Company.

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42 Related party disclosures

42(1) Names of related parties

Table 1 (As per Ind AS 24–Related Party Disclosures)

Nature of relationship	Name of the related party
Holding Company	Navi Limited (formerly known as Navi Technologies Limited)
Subsidiary	Navi Fintech Private Limited (formerly known as Navi Payments Private Limited and BACQ Acquisitions Private Limited) ("NFPL") (w.e.f. December 26, 2025)
Fellow subsidiaries	Navi AMC Limited ("Navi AMC")
	Navi General Insurance Limited ("Navi GI")
	Navi Investment Advisors Private Limited
	Mavenhive Technologies Private Limited
	Navi MF Sponsor Private Limited (formerly Known as Anmol Como Broking Private Limited)
	Navi Trustee Limited
	Navi Securities Private Limited
	Navi Payment Technologies Private Limited (formerly known as Uniorbit Payment Solution Private Limited)
Post employment benefit plan	Navi Finserv Limited Employees Gratuity Trust
Nature of relationship	**Name of key managerial personnel**
Key Managerial Personnel	Mr. Sachin Bansal (Ultimate Controlling Person), Executive Chairman and Chief Executive Officer (upto February 14, 2025) Non Executive Chairman (w.e.f. February 14, 2025)
	Mr. Abhishek, Chief Executive Officer (w.e.f. February 14, 2025) Managing Director (w.e.f. May 14, 2025)
	Mr. Ankit Agarwal, Managing Director (up to May 14, 2025) Non-Executive Director (w.e.f. May 14, 2025)
	Mr. Thomas Joseph, Company Secretary (up to October 1, 2024)
	Ms. Prachi Mathur, Company Secretary (w.e.f. November 14, 2024 up to May 31, 2025)
	Mr. Chanchal Kumar, Company Secretary (w.e.f. June 1, 2025)
	Mr. Ankit Surana, Chief Financial Officer (up to June 10, 2025)
	Ms. Mahima Gautam, Chief Financial Officer (w.e.f. June 11, 2025)

Table 2 (In addition to Table 1, following are the related parties as per sec 2(76) of The Companies Act, 2013)

Nature of relationship	Name of the related party
Independent Director	Mr. Ranganathan Sridharan
	Mr. Arindam Haraprasad Ghosh
	Mr. Ashwani Kumar (w.e.f. May 28, 2025)
	Ms. Nilufer Panthaki (w.e.f. February 13, 2026)
	Mr. Anil Kumar Misra (w.e.f. August 23, 2024 upto January 23, 2025)
	Ms. Usha A Narayanan (upto February 13, 2026)

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42(2) Related Party Transactions

Related Party/Items	For the year ended March 31, 2026	For the year ended March 31, 2025
Transactions during the year		
Holding Company: Navi Limited		
Software support charges	1,526.74	2,375.59
Loan sourcing fee	-	1,128.17
Royalty Fees	128.86	141.13
ESOP expense	301.06	307.50
ESOP funding scheme	58.38	63.43
Employee cost (net) cross charged/(received) for transferred employees	(83.62)	(171.56)
Reimbursements expenses cross charge	7.82	0.45
Interest on Compulsory Convertible Debenture	69.10	142.50
Interest on Non-Convertible Debenture	-	214.77
Interest on Loan	-	25.51
Rent expense	140.74	140.74
Term loan availed	-	3,250.00
Term loan repaid	-	(3,250.00)
Non convertible debenture repaid	-	(3,000.56)
Maintenance charges	30.08	30.08
Reimbursements for group insurance policies	15.16	14.82
Investment in Subsidiary (NFPL)	(1,415.00)	-
Repayment of Optionally Convertible and Redeemable Debentures (previously, Compulsory Convertible Debentures)	(1,500.00)	-
Exercise Fee Income	(5.08)	-
Transactions during the year		
Subsidiary		
Navi Fintech Private Limited		
Software support charges	45.06	34.21
Loan sourcing fee	4,880.20	659.87
Employee cost (net) cross charged/(received) for transferred employees	12.80	17.46
Rental income	(133.51)	(66.85)
Reimbursement expenses cross charge	-	6.85
Maintenance charges	(24.47)	(12.25)
Debt recovery cost	522.77	316.66
Term Loan given	(750.00)	-
Interest on Term Loan received	(8.95)	-
Fellow subsidiaries		
Navi AMC limited		
Employee cost (net) cross charged/(received) for transferred employees	1.76	(0.03)
Rental income	-	(0.03)

Notes forming part of the Standalone Financial Statements

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Related Party/Items	For the year ended March 31, 2026	For the year ended March 31, 2025
Security Deposit Refund	-	(0.07)
Navi General Insurance Limited		
Net payments towards PL attachment business (EMI Shield)	(1,093.06)	-
Deposit paid towards PL attachment business (EMI Shield)	(2.00)	-
Employee cost (net) cross charged/(received) for transferred employees	5.19	1.50
Rental income	-	(0.07)
Security Deposit Refund	-	(0.07)
Navi Investment Advisors Private Limited		
Employee cost (net) cross charged/(received) for transferred employees	-	0.30
Employee receivable transfer	-	0.10
Post employment benefit plan		
Navi Finserv Limited Employees Gratuity Trust		
Contribution to plan assets	(62.43)	-
Key Managerial Personnel		
Loan advanced	(0.87)	(0.80)
Loan repaid	0.48	0.38
Interest Received	0.10	-
Remuneration (Refer Note - 1 & 4)	80.38	30.03
Sitting fees	19.08	15.90
Receivable/(Payable) as at the end of the year		
Holding Company: Navi Limited		
Software support charges#	(152.02)	(106.69)
Royalty Fees#	(17.65)	(10.48)
ESOP expense*	(30.46)	(37.82)
ESOP funding scheme*	(12.40)	(12.31)
Employee cost (net) cross charged for transferred employees#	8.70	2.48
Security deposit receivable	60.42	60.42
Reimbursement expenses cross charge#	(6.02)	-
Rent for sublease#	(11.73)	(11.73)
Maintenance#	(2.51)	(2.51)
Reimbursements for group insurance policies#	(1.80)	(0.80)
Advance	-	0.11
Equity component of Compulsory Convertible Debentures	-	(1,129.29)
Debt component of Compulsory Convertible Debentures	-	(124.07)
Subsidiary		
Navi Fintech Private Limited		
Investment in Equity Share Capital	1,415.00	-
Software support charges#	(4.41)	(3.62)
Loan sourcing fee#	(588.55)	(268.01)

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Related Party/Items	For the year ended March 31, 2026	For the year ended March 31, 2025
Employee cost (net) cross charged/(received) for transferred employees#	0.24	4.58
Rental income#	9.55	9.55
Maintenance charges#	1.75	1.75
Security deposit payable	(49.93)	(49.93)
Debt recovery cost#	(41.53)	(50.59)
Term Loan$	750.00	-
Interest on Term Loan$	8.95	-
Receivable/(Payable) as at the end of the year		
Fellow subsidiaries		
Navi AMC limited		
Employee cost (net) cross charged for transferred employees *	(0.06)	-
Navi General Insurance Limited		
Employee cost (net) cross charged for transferred employees *	(0.47)	(0.02)
Deposit paid towards PL attachment business (EMI Shield)^	2.00	-
Security deposit receivable *	(0.00)	(0.00)
Navi Investment Advisors Private Limited		
Employee cost (net) cross charged/(received) for transferred employees *	-	(0.40)
Key Managerial Personnel		
Loan advanced$	0.82	0.43

Note:

1. The above figures do not include the provision for gratuity and leave payable and ESOP funding scheme expense since the same are determined based on actuarial report
2. All transactions with related parties are on an arm's length basis in a manner similar to transactions with third parties.
3. Figures are including ineligible GST (wherever applicable).
4. The remuneration includes share-based payments charged to the statement of profit and loss.

* included in other payable

included in trade payable

^ included in other receivable

$ included in Loans

Loans to directors, senior officers and relatives of directors

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
	Principal outstanding amount	Principal outstanding amount
Directors and relatives	0.82	0.43
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	-	-

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43 Maturity analysis of assets and liabilities

The table below shows the maturity analysis of assets and liabilities according to when they are expected to be recovered or settled:

Particulars	As at March 31, 2026			As at March 31, 2025		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	7,770.73	-	7,770.73	4,486.60	-	4,486.60
Bank balances other than cash and cash equivalents	5,327.96	1,354.50	6,682.46	7,122.83	594.09	7,716.92
Receivables:						
(I) Trade Receivables	453.79	-	453.79	475.40	-	475.40
Loans	44,424.36	83,807.11	1,28,231.47	41,858.22	37,901.31	79,759.53
Investments	8,261.96	1,415.00	9,676.96	11,379.78	-	11,379.78
Other financial assets	2,758.35	831.98	3,590.33	1,056.42	703.42	1,759.84
Non-financial assets						
Current tax assets (net)	-	17.79	17.79	-	-	-
Deferred tax asset (net)	-	955.58	955.58	-	1,078.86	1,078.86
Property, plant and equipment	-	168.33	168.33	-	189.11	189.11
Right of use asset	-	776.89	776.89	-	920.56	920.56
Other non-financial assets	1,084.93	5.56	1,090.49	1,256.59	2.06	1,258.65
Total	**70,082.08**	**89,332.74**	**1,59,414.82**	**67,635.84**	**41,389.41**	**1,09,025.25**
Liabilities						
Financial liabilities						
Trade payables						
(i) total outstanding dues of micro enterprises and small enterprises	25.11	-	25.11	2.41	-	2.41
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1,097.66	-	1,097.66	803.62	-	803.62
Debt securities	21,308.26	35,130.60	56,438.86	11,037.04	11,607.97	22,645.01
Borrowings (other than debt securities)	35,836.96	20,110.60	55,947.56	33,954.06	14,857.49	48,811.55
Subordinated liabilities	5.86	2,409.26	2,415.12	-	492.36	492.36
Lease liabilities	145.11	1,239.63	1,384.74	115.36	1,411.64	1,527.00
Other financial liabilities	2,834.95	26.23	2,861.18	2,088.10	-	2,088.10
Non-financial liabilities						
Current tax liabilities (net)	-	-	-	189.57	-	189.57
Provisions	307.79	27.29	335.08	381.71	106.53	488.24
Other non financial liabilities	457.79	111.64	569.43	350.45	-	350.45
Total Liablities	**62,019.49**	**59,055.25**	**1,21,074.74**	**48,922.32**	**28,475.99**	**77,398.31**
Total Equity			**38,340.08**			**31,626.94**

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44 Contingent liabilities and commitments

(A) Contingent liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
In respect of tax demands where the Company has filed appeal before the relevant authority	35.00	11.00
Total	**35.00**	**11.00**

i) The Company is of the opinion that for the above demands, based on the management estimate no material liabilities are expected to arise.

ii) It is not practicable for the Company to estimate the timing of the cashflows, if any, in respect of the above pending resolution of the respective proceedings. The potential future cash outflows, if any, will become determinable only upon receipt of judgements/decisions currently pending before the respecitve forums and authorities.

(B) Commitments

Particulars	As at March 31, 2026	As at March 31, 2025
Housing loans sanctioned pending disbursements	4,576.86	4,617.33

45 Capital management

The Company's capital management strategy is to effectively determine, raise and deploy capital so as to create value for its shareholders. The same is done through a mix of either equity and/or convertible and/or combination of short term/ long term debt as may be appropriate.

The Company determines the amount of capital required on the basis of operations, capital expenditure and strategic investment plans. The capital structure is monitored on the basis of net debt to equity and maturity profile of overall debt portfolio. The Company is subject to the capital adequacy requirements of the Reserve Bank of India (RBI). Under RBI's capital adequacy guidelines, the Company is required to maintain a capital adequacy ratio consisting of Tier I and Tier II Capital. The total of Tier II Capital at any point of time, shall not exceed 100 percent of Tier I Capital. The minimum capital ratio as prescribed by RBI guidelines and applicable to the Company, consisting of Tier I and Tier II capital, shall not be less than 15 percent of its aggregate risk weighted assets on-balance sheet and of risk adjusted value of off-balance sheet.

46 Fair value measurement

46.1 Financial assets and liabilities

The financial instruments by category are as follows:

Particulars	As at March 31, 2026					As at March 31, 2025			
	FVTPL	FVOCI	Amortised cost	Cost	Total	FVTPL	FVOCI	Amortised cost	Total
Financial assets									
Cash and cash equivalents	-	-	7,770.73	-	7,770.73	-	-	4,486.60	4,486.60
Bank balances other than cash and cash equivalents	-	-	6,682.46	-	6,682.46	-	-	7,716.92	7,716.92
Receivables:									
(I) Trade Receivables	-	-	453.79	-	453.79	-	-	475.40	475.40
Loans [Gross]	-	40,755.16	92,904.64	-	1,33,659.80	-	2,660.78	82,815.08	85,475.86
Investments:									
Bonds and debentures	-	-	-	-	-	6,098.76	-	-	6,098.76
Government Securities	2,212.82	-	-	-	2,212.82	3,273.38	-	-	3,273.38
Equity Shares	-	-	-	-	-	556.85	-	-	556.85
Subsidiaries	-	-	-	1,415.00	1,415.00				
Repo Lending	-	-	-	-	-	-	-	1,450.79	1,450.79
Certificate of deposits	5,664.60	-	-	-	5,664.60	-	-	-	-
Infrastructure Investment Trust	384.54	-	-	-	384.54	-	-	-	-
Other financial assets	-	-	3,590.33	-	3,590.33	-	-	1,759.84	1,759.84
Total	**8,261.96**	**40,755.16**	**1,11,401.95**	**1,415.00**	**1,61,834.07**	**9,928.99**	**2,660.78**	**98,704.63**	**1,11,294.40**

Particulars	FVTPL	FVOCI	Amortised cost	Cost	Total	FVTPL	FVOCI	Amortised cost	Total
Financial liabilities									
Trade payables	-	-	1,122.77	-	1,122.77	-	-	806.03	806.03
Debt securities	-	-	56,438.86	-	56,438.86	-	-	22,645.01	22,645.01
Borrowings (other than debt securities)	-	-	55,947.56	-	55,947.56	-	-	48,811.55	48,811.55
Subordinated liabilities	-	-	2,415.12	-	2,415.12	-	-	492.36	492.36
Lease liabilities	-	-	1,384.74	-	1,384.74	-	-	1,527.00	1,527.00
Other financial liabilities	-	-	2,861.18	-	2,861.18	-	-	2,088.10	2,088.10
Total	**-**	**-**	**1,20,170.23**	**-**	**1,20,170.23**	**-**	**-**	**76,370.05**	**76,370.05**

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46.2 Fair value hierarchy

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation sale. Methods and assumptions used to estimate the fair values are consistent in all the years. Fair value of financial instruments referred to in note above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets and liabilities and lowest priority to unobservable entity specific inputs.

The categories used are as follows:

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The mutual funds are valued using the closing NAV. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) 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, contingent consideration and indemnification asset included in level 3.

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The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

As at March 31, 2026

Particulars	Notes	Level 1	Level 2	Level 3	Total
Financial assets and liabilities measured at fair value through profit or loss – recurring fair value measurements:					
1. Financial assets					
Investments					
Government Securities	9	2,212.82	-	-	2,212.82
Certificate of deposits	9	5,664.60	-	-	5,664.60
Infrastructure Investment Trust	9	384.54	-	-	384.54
Total		**8,261.96**	**-**	**-**	**8,261.96**
2. Financial liabilities			Nil		
Financial assets and liabilities which are measured at other comprehensive income:					
1. Financial assets					
Loans	8	-	-	40,755.16	40,755.16
Total		**-**	**-**	**40,755.16**	**40,755.16**
2. Financial liabilities			Nil		

As at March 31, 2025

Particulars	Notes	Level 1	Level 2	Level 3	Total
Financial assets and liabilities measured at fair value through profit or loss – recurring fair value measurements:					
1. Financial assets					
Investments					
Bonds and debentures	9	6,098.76	-	-	6,098.76
Government Securities	9	3,273.38	-	-	3,273.38
Equity Shares	9	556.85	-	-	556.85
Total		**9,928.99**	**-**	**-**	**9,928.99**
2. Financial liabilities			Nil		
Financial assets and liabilities which are measured at other comprehensive income:					
1. Financial assets					
Loans	8	-	-	2,660.78	2,660.78
Total		**-**	**-**	**2,660.78**	**2,660.78**
2. Financial liabilities			Nil		

Movement of loans measured at fair value through other comprehensive income

Particulars	As at March 31, 2026	As at March 31, 2025
Opening Balance	**2,660.78**	**8,271.17**
Purchase/origination	40,115.56	-
Sale/reversals	(2,316.18)	(8,271.17)
Issuances	-	-
Settlements	-	-
Transfers to level 3	-	2,549.29
Transfers from level 3	-	-
Net interest income, net trading income and other income	-	-
Other comprehensive income	295.00	111.49
Closing Balance	**40,755.16**	**2,660.78**

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46.3 Fair value of financial instruments measured at amortised cost

Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments measured at amortised cost.

Particulars	As at March 31, 2026		As at March 31, 2025	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets:				
Cash and cash equivalents	7,770.73	7,770.73	4,486.60	4,486.60
Bank balances other than cash and cash equivalents	6,682.46	6,682.46	7,716.92	7,716.92
Receivables:				
(I) Trade Receivables	453.79	453.79	475.40	475.40
Loans [Gross]	92,904.64	92,820.62	82,815.08	84,609.13
Investments	-	-	1,450.79	1,450.79
Other financial assets	3,590.33	3,590.33	1,759.84	1,759.84
Total financial assets	**1,11,401.95**	**1,11,317.93**	**98,704.63**	**1,00,498.68**
Financial liabilities:				
Trade payables	1,122.77	1,122.77	806.03	806.03
Debt securities	56,438.86	56,786.50	22,645.01	22,709.67
Borrowings (other than debt securities)	55,947.56	56,231.75	48,811.55	48,828.33
Subordinated liabilities	2,415.12	2,524.84	492.36	498.74
Lease liabilities	1,384.74	1,342.86	1,527.00	1,477.89
Other financial liabilities	2,861.18	2,861.18	2,088.10	2,088.10
Total financial liabilities	**1,20,170.23**	**1,20,869.90**	**76,370.05**	**76,408.76**

46.4 Valuation methodologies of financial instruments measured at amortised cost

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the standalone financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Financial assets at amortised cost

The fair value of loans given to customers are estimated using a discounted cash flow model based on contractual cash flows using actual or estimated yields. The fair value of investments are estimated using a cash flow model based on contractual cash flows using actual maturities.

Financial liability at amortised cost

The fair value of borrowings, debt securities, subordinate liabilities and lease liabilities are estimated using a discounted cash flow model based on contractual cash flows using actual or estimated yields.

Short term financial assets and laibilities

The fair value of cash and cash equivalents, bank balances, other financial assets and other financial liabilities approximate their carrying amount largely due to the short-term nature of these instruments.

47 Risk management

The Company is a Non-Banking Financial Company–Middle Layer (NBFC-ML) registered with the Reserve Bank of India in accordance with the Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025. On account of its business activities it is exposed to various

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financial risks associated with financial products such as credit or default risk, liquidity risk, market risk and interest rate risk. The Company has a robust risk management policies and frameworks in place to identify, evaluate, manage and mitigate various risks associated with its financial assets and financial liabilities to ensure that desired financial objectives are met. The Company's senior management is responsible for establishing and monitoring the risk management framework within its overall risk management objectives and strategies, as approved by the Board of Directors. Such risk management strategies and objectives are established to identify and analyse potential risks faced by the Company, set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and assess changes to the risk profile. Any change in the Company's risk management objectives and policies need prior approval of its Board of Directors. This note explains the sources of risk which the entity is exposed to and how the entity manages these risks and the related impact on Standalone financial statements for the year ended March 31, 2026

Risk	Exposure arising from	Measurement	Risk management
Credit risk	Loans, Investments and Excess Interest Spread (EIS) receivable	Ageing analysis, credit risk modelling, portfolio monitoring, exposure limit monitoring	Structured and standardized credit appraisal process, diversification of asset base, credit limits and collaterals taken for assets, wherever applicable
Liquidity risk	Financial liabilities	Asset Liability Management (ALM) monitoring, Liquidity Coverage Ratio (LCR), Stress Testing	Forecasting and stress testing of ALM, Projection of LCR values, diversification of funding sources, monitoring of ALM ratios.
Market risk - interest rate and security price	Investments, borrowings, debt securities, subordinated debt and derivative financial instruments	Sensitivity analysis - Earnings at Risk and Economic Value of Equity	Impact analysis of fluctuation in interest rates and review of fair value of investments.

The Company's Enterprise Risk Management (ERM) & ICAAP Policy provides a comprehensive framework that addresses all potential risks associated with its assets and liabilities. This overarching policy is complemented by specific policies and procedures designed to assess, monitor, and manage significant risks that the Company may face. These include material risks such as credit risk, liquidity risk, interest rate risk, model risk, fraud risk, technology risk, operational risk, regulatory risk, human capital risk and outsourcing risk. Moreover, the Company acknowledges the potential impact of non-financial risks and has implemented measures to address these as well. Additionally, a Board approved Risk Appetite Framework has been established by the Company to periodically monitor key risk appetite metrics. The Company recognizes that the risk landscape is constantly evolving due to shifts in both internal strategy and the external environment. Therefore, the risk management process is not static but rather subject to continuous review, improvement, and adaptation to ensure that it remains effective and aligned with the Company's strategic objectives and the prevailing market conditions.

The Company's Mid Office under Risk Department is responsible for managing its assets and liabilities and liquidity position. It is also primarily responsible for the funding and interest rate risks of the Company. This is done within the guidelines of the Asset Liability Management Policy and other related risk management guidances issued by the Risk Management department.

47.1 Credit risk

A. Loans

Credit risk is the risk that a customer or counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company's primary strategy is focused on lending to retail customers and therefore credit risk is the principal risk associated with the business.

The risk management framework of the Company seeks to have following controls objective and key metrics that allows risks to be identified, assessed, monitored and reported in a timely and efficient manner in compliance with regulatory requirements.

- Standardize the process of identifying new risks and designing appropriate controls for these risks
- Minimize losses due to defaults or untimely payments by borrowers
- Maintain an appropriate credit administration and loan review system
- Establish metrics for portfolio monitoring
- Design appropriate credit risk mitigation techniques

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B. Investments

This risk is common to all investors who invest in bonds and debt instruments and it refers to a situation where a particular bond issuer is unable to make the expected principal payments, interest rate payments, or both. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. The Company has set the limits in the Investment Policy.

C. Excess Interest Spread (EIS) receivable

Credit risk on EIS receivables arises from the possibility that customers may default on their scheduled repayments, which could result in a corresponding default in the contractual cash flows of the underlying EIS receivables (derived from the transfer of the loan assets).

47.1.1 Risk identification

Credit risk in loans may originate in one or multiple of following ways mentioned below:

- Adverse selection of target market for undertaking lending activity
- Gap in credit assessment of borrower's credit worthiness
- Inability to accurately map the underlying credit risk to the parameters of the sanctioned loan
- Over-borrowing by customers
- Over-concentration in any geography/zone/customer segment etc.

Credit risk in investments may originate in one or multiple of following ways mentioned below:

- Adverse economic environment / regulatory changes impacting the credit / liquidity profile of underlying issuers
- Financial stress due to internal factors (such as over-leveraging by underlying issuers) resulting in lower demand for the security in the secondary market or leading to an impact on the issuer's ability to service debt obligations
- Any financial stress in the group entities of the underlying issuer impacting its refinancing ability
- Deterioration in the value of underlying collateral
- Aggressive growth / policies affecting the asset quality and in turn profitability and refinancing options
- Material frauds by promoters / key management personnel / employees
- Breach of any covenants triggering cross-default / liquidity shocks

47.1.2 Risk assessment and measurement

The Company assesses and manages credit risk based on characteristics of underlying financial instruments.

47.1.3 Risk monitoring

Monitoring and follow up is an essential element in the overall risk management framework and is taken up at all levels within the organization. Monitoring and controlling risks is primarily performed based on limits established by the Company and reported to the Enterprise Risk Management Committee (ERMC) on a monthly basis and Risk Management Committee (RMC) on a quarterly basis.

Investments–Risk concentration is minimized by investing in highly rated, investment grade bonds and debt instruments which have a very low risk of default. These investments are reviewed by the Finance Committee on a regular basis.

Loans–Borrower risk categorization is an effective tool to flag potential problems in the loan accounts and identify if any corrective action plan are to be taken. The Company regularly monitors borrower repayments.

Key performance indicators are continuously generated through monitoring alerts in the loan origination flow and post disbursal flow to highlight areas requiring attention and action. Monitoring includes diagnostic studies of problem areas in collections performance and proactively taking actions.

The risk monitoring metrics have been defined to track performance at each stage of the loan life cycle:

- Disbursal quality monitoring: Once the loan is disbursed to the customer, it takes 1-1.5 month to see the earliest performance of the customers. Thus, it becomes important to monitor the customer attributes at time of underwriting; it includes (but not limited to):
- Customer type–Fresh, Repeat, and Top-Up
- Bureau score

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- Income
- Fixed Obligation to Income Ratio (FOIR)
- Age
- State
- Performance monitoring: This includes monitoring the repayment behavior of the customer based on customer attributes (mentioned) above on cohort level and AUM level.
- Cohort Level: We monitor early risk metrics such as First EMI (FEMI), FEMI D5, FEMI D30 and month on month vintage charts
- AUM Level: We monitor the D0 Bounce, Coincidental 30+/90+, write-offs and collection efficiency

47.1.4 Risk mitigation

Risk mitigation or risk reduction is defined as the process of reducing risk exposures and/or minimizing the likelihood of incident occurrence.

Loans

The Company has created mechanisms for underwriting credit for digital personal loans, housing loans and loan against property. The following risk mitigation measures are incorporated at each stage of the loan life cycle:

- loan origination–profile/income selection, document verification process, KYC checks, creditworthiness checks based on Bureau, fraud database checks, device data
- loan underwriting–risk rating tires, credit assessment, independent assessment of legal validity and value of property by experts etc.
- loan pre and post disbursement–disbursement in the verified bank account only
- loan collection and recovery–monitor repayments, days past due review, DPD stagewise collection framework
- Apropriate policy-driven loan origination and collection process.

Investments

With respect to investments, the Company maintains a well-diversified portfolio of investments in shares and securities which are saleable at any given point of time. A dedicated team of market experts are monitoring the markets on a continuous basis, which advises the management for timely purchase or sale of securities.

47.1.5 Impairment assessment

Investments

Investments are carried at fair value through profit and loss and amortised cost other than investments in subsidiary. Any mark to market movement in investments carried at fair value through profit and loss is directly recognised in Statement of Profit and Loss. Investments in subsidiary are carried at cost, any impairment loss on Investments in subsidiary is assessed based on the performance of the subsidiary, including the future projections, relevant economic and market conditions in which the company operates to identify if there is any indicator of impairment in the carrying value of the investments. In case indicators of impairment exist, the impairment loss is measured by estimating the recoverable amounts based on the higher of (i) 'fair value less cost of disposal' determined using market price information, where available, and (ii) 'value-in-use' estimates determined using discounted cash flow projections, where available. The recoverable amount estimates are based on judgments, estimates, assumptions and market data as on reporting date and ignore subsequent changes in the economic and market conditions.

EIS Receivable

The Company assesses & provides impairment on EIS receivables by applying the ECL methodology as approved by the Board for loans.

Loans

The Company is engaged in the business of providing personal loans, housing loans and loan against property to the customers. The tenure of which is upto 84 months for its personal loan product, upto 240 months for its loan against property and upto 360 months for its housing loan product

The Company's impairment assessment and measurement approach is set out in this note. It should be read in conjunction with the summary of material accounting policies Note 2.7.1 (Overview of the Expected Credit Loss, i.e., ECL).

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Definition of default

The Company considers a financial instrument defaulted, and therefore Stage 3 (credit-impaired), for ECL calculations in all cases when the borrower becomes more than 90 days past due from its contractual payments or has been classified as NPA as per regulatory classification. The Company considers probability of default upon initial recognition of asset and whether there has been any significant increase in credit risk (SICR) on an ongoing basis throughout each reporting period.

The Company's staging criteria for loans are as follows:

Stages	Days past due (DPD)
Stage 1	0-30 DPD
Stage 2	31-90 DPD
Stage 3	91 and above DPD

Additionally, the Company also considers loan accounts which have moved to 90 + Days Past Due during the period or in previous years and has not fully repaid the overdue interest and principal as credit impaired or Stage 3 assets.

Forward looking approach

ECL is determined using historical data on financial asset performance and a forward-looking macro overlay. These inputs include:

- Internal and off-book historical credit loss experience, at the most granular level possible that helps with discrimination of risk
- Credit loss history for similar assets with homogenous customer profiles, where internal data is limited
- Expectations of macroeconomic conditions as captured by the statistical relationships established between the credit performance and select macro economic variables (based on CMIE datasets).

Measurement of ECL

Expected Credit Loss or ECL is measured in the following manner.

The Company calculates ECL based on probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to the Company in accordance with the contract and the cash flows that the Company expects to receive.

ECL = PD*LGD*EAD

Each item is defined as follows: -

ECL–Expected credit loss

Present value of difference between contractual cash flows and actual cash flows expected to be received over a given time horizon.

PD–Probability of default

The Probability of default is an estimate of the likelihood of default over a given time horizon.

LGD–Loss given default

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 Company would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

EAD- Exposure at default

EAD represents the expected balance at default, taking into account the repayment of the principal and interest from the balance sheet date to the date of default.

i) Expected credit losses for financial assets other than loans

As at March 31, 2026	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	7,770.73	-	7,770.73
Bank balance other than cash and cash equivalents	6,682.46	-	6,682.46
Trade Receivables	453.79	-	453.79
Investments	9,676.96	-	9,676.96
Other financial assets	3,629.05	(38.72)	3,590.33

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As at March 31, 2025	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	4,486.60	-	4,486.60
Bank balance other than cash and cash equivalents	7,716.92	-	7,716.92
Trade Receivables	475.40	-	475.40
Investments	11,379.78	-	11,379.78
Other financial assets	1,804.81	(44.97)	1,759.84

Undrawn loan commitments

Expected credit loss on undrawn loan commitments is calculated basis the stage in which the particular customer already exists.

The Company has not provided ECL on cash and cash equivalents, bank balance other than cash and cash equivalents as these instruments are short term in nature and all the custodians are good rated entities and there has not been any changes in the credit rating of these custodians.

Credit quality of assets

(a) Loans

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to portfolio loans is, as follows:

Particulars	As at March 31, 2026				As at March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount -opening balance	**82,000.95**	**1,369.22**	**2,105.69**	**85,475.86**	**82,454.38**	**1,224.05**	**1,593.93**	**85,272.36**
New assets originated during the year	1,06,761.49	719.69	366.68	1,07,847.86	55,149.25	518.09	559.06	56,226.40
Movement between stages								
Transferring from Stage 1	(2,249.68)	909.32	1,340.36	-	(3,267.99)	1,235.13	2,032.86	-
Transferring from Stage 2	64.80	(274.95)	210.15	-	79.99	(204.93)	124.94	-
Transferring from Stage 3	31.14	5.05	(36.19)	-	81.06	13.66	(94.72)	-
Assets repaid, derecognized and written off	(55,946.26)	(1,403.79)	(2,313.87)	(59,663.92)	(52,495.74)	(1,416.78)	(2,110.38)	(56,022.90)
Gross carrying amount- closing balance	**1,30,662.44**	**1,324.54**	**1,672.82**	**1,33,659.80**	**82,000.95**	**1,369.22**	**2,105.69**	**85,475.86**

Note : New assets originated is presented net of collections made.

Overdue greater than 90 days as at March 31, 2026:

No. of cases	Principal outstanding as at March 31, 2026
44,700	1,461.03

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Reconciliation of impairment allowance on loans is given below:

Particulars	As at March 31, 2026				As at March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Impairment allowance - opening balance	**2,927.80**	**979.81**	**1,808.72**	**5,716.33**	**2,664.59**	**843.66**	**1,397.11**	**4,905.36**
New assets originated	2,614.74	514.29	332.77	3,461.80	2,099.57	372.40	488.85	2,960.82
Movement between stages								
Transferring from Stage 1	(86.61)	34.86	51.75	-	(114.65)	43.70	70.95	-
Transferring from Stage 2	46.77	(189.28)	142.51	-	55.66	(130.90)	75.24	-
Transferring from Stage 3	20.03	3.77	(23.80)	-	27.38	7.10	(34.48)	-
Additional provision created during the year/(Assets repaid, derecognized and written off)	(2,488.64)	(412.61)	(848.55)	(3,749.80)	(1,804.75)	(156.15)	(188.95)	(2,149.85)
Impairment allowance - closing balance	**3,034.09**	**930.84**	**1,463.40**	**5,428.33**	**2,927.80**	**979.81**	**1,808.72**	**5,716.33**

Note : New assets originated is presented net of collections made.

47.1.6 Credit Risk from Default Loss Guarantee (DLG)

(i) Nature and Terms of the Financial Guarantee Contract:

As part of its business arrangements, the Company provides Default Loss Guarantee (DLG) to multiple co-lenders pursuant to agreements entered into with such co-lenders. Under these arrangements, the Company undertakes to compensate the respective co-lenders for credit losses arising on the co-lenders' share of the co-lended loan portfolio, subject to a maximum cap of 5% of the disbursed amount. Such arrangements are accounted for as financial guarantee contracts in accordance with Ind AS 109 – Financial Instruments.

The Company is exposed to credit risk under these arrangements in the event borrowers fail to repay scheduled EMIs. In such cases, the Company is obligated to compensate the co-lenders for the resultant credit losses, up to the agreed contractual cap. Accordingly, the Company bears exposure to credit defaults in respect of such co-lended loans.

(ii) Risk Exposure and Provisioning Methodology

While the contractual exposure under DLG is strictly limited to 5% of the Disbusrsals, the Company recognises provision in its books based on the present value of expected payouts over the life of the underlying loan portfolio. Subsequently, at each reporting date, the DLG liability are re-measured based on revised estimates of expected payouts, such that the carrying value reflects the prevailing risk profile of the portfolio, subject to the overall cap stipulated under the relevant co-lending arrangements.

(iii) Reconciliation of financial guarantee liability:

Particulars	As at March 31, 2026	As at March 31, 2025
Opening default loss guarantee (DLG) Provision	268.30	157.01
Add: New credit issued (net of recoveries)	188.72	302.56
Less: Decrease in liability	(279.54)	(191.27)
Closing default loss guarantee (DLG) Provision	177.48	268.30

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a) The provision is presented under Provisions.

b) New credit issued is presented under "Impairment on financial instruments" in the Statement of Profit and Loss.

c) There are no significant concentration risks since DLG exposures are spread across a large, diversified retail customer base.

47.2 Liquidity risk and funding management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established Asset and Liability Management Committee (ALCO) for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Financing arrangements

Particulars	As at March 31, 2026	As at March 31, 2025
Financial liabilities		
Expiring within one year (bank overdraft and other facilities)	5,232.49	5,100.00
Expiring beyond one year (bank loans)	3,000.00	3,268.00

47.2.1. Analysis of financial liabilities by remaining contractual maturities

The amount disclosed in the tables have been drawn up based on the undiscounted contractual cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows

Contractual maturity of financial liabilities as at March 31, 2026:

Particulars	Less than 1 year	1-3 years	3-5 years	5 years and above	Total
Financial liabilities					
Trade payables	1,122.77	-	-	-	1,122.77
Debt securities	26,184.98	38,656.25	-	-	64,841.23
Borrowings (other than debt securities)	39,850.95	20,478.44	1,205.34	-	61,534.73
Subordinated liabilities	306.00	612.19	2,960.26	-	3,878.45
Lease liabilities	274.59	562.03	618.76	430.76	1,886.14
Other financial liabilities	2,861.18	-	-	-	2,861.18
Total financial liabilities	**70,600.47**	**60,308.91**	**4,784.36**	**430.76**	**1,36,124.50**

Contractual maturity of financial liabilities as on March 31, 2025:

Particulars	Less than 1 year	1-3 years	3-5 years	5 years and above	Total
Financial liabilities					
Trade payables	806.03	-	-	-	806.03
Debt securities	13,084.95	12,881.91	-	-	25,966.86
Borrowings (other than debt securities)	32,554.22	20,883.04	583.77	-	54,021.03
Subordinated liabilities	68.00	130.41	610.85	-	809.26
Lease liabilities	260.02	556.37	606.39	748.49	2,171.28
Other financial liabilities	2,088.10	-	-	-	2,088.10
Total financial liabilities	**48,861.32**	**34,451.73**	**1,801.01**	**748.49**	**85,862.56**

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47.3 Market risk

Market risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factors. It is a form of systematic risk associated with the day-to-day fluctuation in the market prices of shares and securities and such market risk affects all securities and investors in the same manner. Market risks majorly comprises of two types–interest rate risk and price risk, such as equity price risk and commodity risk. Financial instruments affected by market risks include borrowings, equity investments and debt investments.

(a) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. It is a type of systematic risk that particularly affects rate sensitive instruments like bonds and debentures. The value of the fixed-rate debt instruments generally decline due to rise in interest rates and vice versa. The rationale is that a bond is a promise of a future stream of payments; an investor will offer less for a bond that pays-out at a rate lower than the rates offered in the current market.A rising interest rate scenario also affects the Company's interest expenditure on borrowed funds.

The Company monitors the interest rate scenarios on a regular basis and accordingly takes investments decisions as whether to invest in fixed rate debt instruments, shares and securities at a particular point of time. Further, the Company's borrowings carry a fixed and floating rate of interest and the Company is in a position to pass on the rise in interest rates to its borrowers.

The Company's investments in debt instruments are all fixed interest bearing instruments. Refer the price sensitvity analysis given below.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the rate sensitive assets and liabilities. With all other variables held constant, the profit before taxes affected through the impact of rate change in rate sensitive assets and liabilities are as follows:

Particulars	Amount as at March 31, 2026	Amount as at March 31, 2025
Rate Sensitive Assets	1,01,028.40	71,932.46
Rate Sensitive Liabilities	75,448.52	54,252.89
Net Rate Sensitive assets	25,579.88	17,679.57

Particulars	Impact on profit before tax for the year ended March 31, 2026	Impact on profit before tax for the year ended March 31, 2025
0.50% increase	52.81	44.30
0.50% decrease	(52.81)	(44.30)

(b) Price risk

Price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. It arises from financial assets such as investments in equity instruments, bonds and debentures, government securities, etc. The Company is exposed to price risk arising from investments held by the company and classified in the balance sheet as fair value through profit and loss which are valued using quoted prices in active markets (level 1 investments). A sensitivity analysis demonstrating the impact of change in market prices of these instruments from the prices existing as at the reporting date is given below:

Particulars	As at March 31, 2026	As at March 31, 2025
Investments carried at FVTPL valued using quoted prices in active market	8,261.96	9,928.99

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Particulars	Impact on profit before tax for the year ended March 31, 2026	Impact on profit before tax for the year ended March 31, 2025
1% increase	82.62	99.29
1% decrease	(82.62)	(99.29)

48 Segment reporting

There is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company.The Company operates in single segment only. There are no operations outside India and hence there is no external revenue or assets which require disclosure. No revenue from transactions with a single external customer amounted to 10% or more of the Company's total revenue in year ended March 31, 2026.

49 Transferred financial assets that are not derecognised in their entirety

The Company has transferred certain pools of fixed rate loan receivables by entering into securitisation transactions with the Special Purpose Vehicle Trusts ("SPV Trust") for consideration received in cash at the inception of the transaction. The Company, being Originator of these loan receivables, also acts as Servicer with a responsibility of collection of receivables from its borrowers and depositing the same in Collection and Pay-out Account maintained by the SPV Trust for making scheduled pay-outs to the investors in Pass Though Certificates (PTCs) issued by the SPV Trust. These securitisation transactions also requires the Company to provide for first loss credit enhancement in various forms, such as, Excess Interest Spread, Over collateral and cash collateral as credit support in the event of shortfall in collections from underlying loan contracts. By virtue of existence of credit enhancement, the Company is exposed to credit risk, being the expected losses that will be incurred on the transferred loan receivables to the extent of the credit enhancement provided.

In view of the above, the Company has retained substantially all the risks and rewards of ownership of the financial asset and thereby does not meet the de-recognition criteria as set out in Ind AS 109. Consideration received in this transaction is presented as "Liability against Securitised assets" under Note no.18.

The following table provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for de-recognition, together with the associated liabilities:

A. The value of Financial assets and liabilities as on :

Particulars	As at March 31, 2026	As at March 31, 2025
Carrying amount of transferred assets measured at amortised cost	14,501.41	27,274.43
Carrying amount of Associated liabilities	10,118.46	21,951.98
Fair value of assets (A)	14,343.34	27,422.96
Fair value of associated liabilities (B)	10,180.24	21,967.37
Net Positions (A - B)	4,163.10	5,455.59

B. The Company has transferred certain loans by way of direct bilateral assignment, as a source of finance. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been de-recognised from the Company's balance sheet.The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognition, per type of asset.

Particulars	As at March 31, 2026	As at March 31, 2025
Carrying amount of Retained Assets at amortised cost	4,026.09	2,272.33

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Net gain on derecognition of financial instruments	514.39	915.80

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50 Reconciliation of Liabilities from financing activities

Particulars	As at April 1, 2025	Cash flow		Others	As at March 31, 2026
		Additions	Payment		
Debt securities*	22,645.01	54,461.18	(21,802.36)	1,135.03	56,438.86
Borrowings (other than debt securities)	48,811.55	47,113.83	(39,888.92)	(88.90)	55,947.56
Subordinated liabilities	492.36	2,000.00	-	(77.24)	2,415.12
Lease liabilities	1,527.00	-	(260.08)	117.82	1,384.74
Total liabilities from financial activities	**73,475.92**	**1,03,575.01**	**(61,951.36)**	**1,086.71**	**1,16,186.28**

* Others of debt securities includes impact of change in terms of Compulsory Convertible Debenture. For detail, refer note 26(f).

Particulars	As at April 1, 2024	Cash flow		Others	As at March 31, 2025
		Additions	Payment		
Debt securities	20,937.36	22,321.70	(20,751.13)	137.08	22,645.01
Borrowings (other than debt securities)	43,403.73	47,722.22	(42,578.00)	263.60	48,811.55
Subordinated liabilities	99.84	490.83	(100.00)	1.69	492.36
Lease liabilities	1,712.01	-	(255.76)	70.75	1,527.00
Total liabilities from financial activities	**66,152.94**	**72,284.75**	**(65,434.89)**	**473.12**	**73,475.92**

51 During the year ended March 31, 2026, the Company acquired 100% equity stake in Navi Fintech Private Limited ("NFPL"), an entity primarily engaged in providing support and facilitation services for financial products, from its holding company, Navi Limited, for a consideration of INR 1,415 millions.

52 Additional regulatory information for current year

52.1 Title deeds of immovable properties not held in name of the Company

The Company does not have immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), which are not held in the name of the Company.

52.2 Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

52.3 Borrowing secured against current assets

The Company has borrowings from banks and financial institutions on the basis of security of loan receivables. The quarterly returns or statements filed by the Company with banks and financial institutions are in agreement with the books of accounts.

52.4 Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

52.5 Relationship with struck off companies

The Company has no transactions with the Companies struck off under Companies Act, 2013.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

52.6 Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

52.7 Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013, read with the Companies (Restriction on number of Layers) Rules, 2017.

52.8 Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on the current year.

52.9 Utilisation of borrowed funds and share premium

i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

52.10 Undisclosed income

There is no income surrendered or disclosed as income during the current year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of accounts.

52.11 There are no loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are:

(a) repayable on demand or

(b) without specifying any terms or period of repayment

52.12 The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

52.13 Valuation of PP&E, right-of-use assets and intangible asset

The Company has not revalued its property, plant and equipment (including right-of-use assets) during the current year.

52.14 Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which it was taken.

52.15 There are no investment properties.

Notes forming part of the Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

53. Disclosure pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025

(A) Disclosure on ratios

Particulars	As at March 31, 2026	As at March 31, 2025
CRAR (%)	23.76%	30.54%
CRAR – Tier I capital (%)	22.33%	30.54%
CRAR – Tier II capital (%)	1.43%	0.00%
Amount of subordinated debt raised as Tier- 2 capital	2,500.00	500.00
Amount raised by issue of Perpetual Debt Instruments ("PDI")	-	-
Discounted Value of Tier- II subordinated debt	1,832.20	400.00

Since the Company has not raised funds through PDI during the current year and pervious year, hence, the additional disclosure relating to PDI has not been presented.

(B) Asset Liability Management Maturity pattern of certain items of assets and liabilities*

As at March 31, 2026

Particulars	1 to 7 days	8 to 14 days	15 to 30 / 31 days	Over one month upto 2 months	Over 2 months upto 3 months	Over 3 months and upto 6 months	Over 6 months and up to 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
Assets											
Loans	1,908.62	1,896.59	6,279.99	7,090.28	6,556.25	17,231.62	25,541.74	42,925.82	6,739.47	12,061.09	1,28,231.47
Investments	8,261.96	-	-	-	-	-	-	-	-	1,415.00	9,676.96
Liabilities											
Borrowings	722.78	480.23	3,301.02	4,607.12	7,268.45	12,749.34	29,362.10	52,805.13	3,505.37	-	1,14,801.54

As at March 31, 2025

Particulars	1 to 7 days	8 to 14 days	15 to 30 / 31 days	Over one month upto 2 months	Over 2 months upto 3 months	Over 3 months and upto 6 months	Over 6 months and up to 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
Assets											
Loans	1,234.25	1,228.10	3,108.00	4,535.73	4,194.63	11,098.46	16,459.04	25,150.91	5,126.07	7,624.33	79,759.53
Investments	10,785.05	-	507.19	-	87.54	-	-	-	-	-	11,379.78
Liabilities											
Borrowings	481.71	55.42	3,391.91	3,924.63	3,952.11	13,367.61	19,817.72	26,014.85	942.96	-	71,948.92

*Amounts disclosed as per the behaviouralised pattern for unsecured loan portfolio and liability against securitised assets

The Asset Liability Management Maturity pattern has been calculated as per the Reserve Bank of India (Non-Banking Financial Companies – Asset Liability Management) Directions, 2025.

Notes forming part of the Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

53. Disclosure pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 (Contd.)

(C) Liquidity Coverage Ratio

As on March 31, 2026

	Particulars	Q1 FY26		Q2 FY26		Q3 FY26		Q4 FY26	
		Total Unweighed Value (Average)	Total Weighed Value (Average)	Total Unweighed Value (Average)	Total Weighed Value (Average)	Total Unweighed Value (Average)	Total Weighed Value (Average)	Total Unweighed Value (Average)	Total Weighed Value (Average)
High Quality Liquid Assets									
1	Total High Quality Liquid Assets (HQLA)^	11,071.49	10,706.93	12,855.57	12,617.99	12,824.80	12,812.16	12,698.56	12,635.33
Cash Outflows									
2	Deposits(for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured whole sale funding	1,283.05	1,475.51	2,371.97	2,727.77	3,434.47	3,949.64	3,627.80	4,171.97
4	Secured whole sale funding	4,358.62	5,012.41	5,367.01	6,172.07	4,481.13	5,153.30	5,594.18	6,433.31
5	Additional requirements, of which:								
(i)	Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
(ii)	Outflows related to loss of funding on Debt products	-	-	-	-	-	-	-	-
(iii)	Credit and liquidity facilities	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	687.52	790.64	1,883.06	2,165.52	1,372.07	1,577.87	1,782.74	2,050.15
7	Other contingent funding obligations	-	-	-	-	-	-	-	-
8	**Total Cash Outflows**	**6,329.19**	**7,278.56**	**9,622.04**	**11,065.36**	**9,287.67**	**10,680.81**	**11,004.72**	**12,655.43**
Cash Inflows									
9	Secured lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	5,992.75	4,494.56	5,294.42	3,970.81	6,046.09	4,534.57	7,141.17	5,355.88
11	Other cash inflows	214.20	160.65	3,312.90	2,484.67	2,236.56	1,677.42	1,900.51	1,425.38
12	**Total Cash Inflows**	**6,206.95**	**4,655.21**	**8,607.32**	**6,455.48**	**8,282.65**	**6,211.99**	**9,041.68**	**6,781.26**
		Total Adjusted Value							
13	**Total HQLA**	-	10,706.93	-	12,617.99	-	12,812.16	-	12,635.33
14	Total Net Cash Outflows	-	2,623.35	-	4,609.88	-	4,468.82	-	5,874.17
15	**Liquidity Coverage Ratio (%)**	-	**408.14%**	-	**273.72%**	-	**286.70%**	-	**215.10%**

^HQLA includes balances with banks (includes fixed deposits), Repo Investments and Liquid Bonds.

Notes forming part of the Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

53. Disclosure pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 (Contd.)

Components of HQLA

	Particulars	Q1 FY26		Q2 FY26		Q3 FY26		Q4 FY26	
		Total Unweighed Value (Average)	Total Weighed Value (Average)	Total Unweighed Value (Average)	Total Weighed Value (Average)	Total Unweighed Value (Average)	Total Weighed Value (Average)	Total Unweighed Value (Average)	Total Weighed Value (Average)
1)	Assets to be included as HQLA without any haircut	8,620.18	8,623.32	11,271.66	11,271.66	12,740.56	12,740.56	12,050.23	12,084.25
2)	Assets to be considered for HQLA with a minimum haircut of 15%	2,451.31	2,083.61	1,583.91	1,346.33	84.24	71.60	648.33	551.08
3)	Assets to be considered for HQLA with a minimum haircut of 50%	-	-	-	-	-	-	-	-
4)	Approved securities held as per the provisions of section 45 IB of RBI Act - Government Securities	-	-	-	-	-	-	-	-
Total HQLA		**11,071.49**	**10,706.93**	**12,855.57**	**12,617.99**	**12,824.80**	**12,812.16**	**12,698.56**	**12,635.33**

As on March 31, 2025

	Particulars	Q1 FY25		Q2 FY25		Q3 FY25		Q4 FY25	
		Total Unweighed Value (Average)	Total Weighed Value (Average)	Total Unweighed Value (Average)	Total Weighed Value (Average)	Total Unweighed Value (Average)	Total Weighed Value (Average)	Total Unweighed Value (Average)	Total Weighed Value (Average)
High Quality Liquid Assets									
1	Total High Quality Liquid Assets (HQLA)^	5,942.27	5,942.26	10,062.86	10,062.86	14,130.33	13,974.94	10,195.88	9,976.58
Cash Outflows									
2	Deposits(for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured whole sale funding	1,721.43	1,979.64	2,224.55	2,558.23	2,436.41	2,801.87	1,961.28	2,255.48
4	Secured whole sale funding	4,145.87	4,767.75	4,681.76	5,384.02	5,750.51	6,613.09	4,059.10	4,667.96
5	Additional requirements, of which								
(i)	Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
(ii)	Outflows related to loss of funding on Debt products	-	-	-	-	-	-	-	-
(iii)	Credit and liquidity facilities	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	956.66	1,100.16	832.17	957.00	1,135.67	1,306.02	1,024.23	1,177.86
7	Other contingent funding obligations	-	-	-	-	-	-	-	-
8	**Total Cash Outflows**	**6,823.96**	**7,847.55**	**7,738.48**	**8,899.25**	**9,322.59**	**10,720.98**	**7,044.61**	**8,101.30**

Notes forming part of the Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

53. Disclosure pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 (Contd.)

	Particulars	Q1 FY25		Q2 FY25		Q3 FY25		Q4 FY25	
		Total Unweighed Value (Average)	Total Weighed Value (Average)	Total Unweighed Value (Average)	Total Weighed Value (Average)	Total Unweighed Value (Average)	Total Weighed Value (Average)	Total Unweighed Value (Average)	Total Weighed Value (Average)
Cash Inflows									
9	Secured lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	5,298.55	3,973.91	5,537.72	4,153.29	5,348.59	4,011.44	6,267.67	4,700.75
11	Other cash inflows	-	-	-	-	-	-	664.20	498.15
12	**Total Cash Inflows**	**5,298.55**	**3,973.91**	**5,537.72**	**4,153.29**	**5,348.59**	**4,011.44**	**6,931.87**	**5,198.90**
	Total Adjusted Value								
13	Total HQLA		5,942.26		10,062.86		13,974.94		9,976.58
14	Total Net Cash Outflows		3,873.64		4,745.96		6,709.54		2,902.40
15	**Liquidity Coverage Ratio (%)**		**153.40%**		**212.03%**		**208.28%**		**343.74%**

^HQLA includes balances with banks (includes fixed deposits), Repo Investments and Liquid Bonds.

Components of HQLA

	Particulars	Q1 FY25		Q2 FY25		Q3 FY25		Q4 FY25	
		Total Unweighed Value (Average)	Total Weighed Value (Average)	Total Unweighed Value (Average)	Total Weighed Value (Average)	Total Unweighed Value (Average)	Total Weighed Value (Average)	Total Unweighed Value (Average)	Total Weighed Value (Average)
1)	Assets to be included as HQLA without any haircut	5,942.27	5,942.26	10,062.86	10,062.86	13,094.72	13,094.67	8,717.64	8,720.08
2)	Assets to be considered for HQLA with a minimum haircut of 15%	-	-	-	-	1,035.61	880.27	1,478.24	1,256.50
3)	Assets to be considered for HQLA with a minimum haircut of 50%	-	-	-	-	-	-	-	-
4)	Approved securities held as per the provisions of section 45 IB of RBI Act - Government Securities	-	-	-	-	-	-	-	-
Total HQLA		**5,942.27**	**5,942.26**	**10,062.86**	**10,062.86**	**14,130.33**	**13,974.94**	**10,195.88**	**9,976.58**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

53. Disclosure pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 (Contd.)

Qualitative information:

The Company has implemented the directions on Asset Liability Management prescribed by the Reserve Bank of India requiring maintenance of Liquidity Coverage Ratio (LCR), which aim to ensure that an NBFC maintains an adequate level of unencumbered HQLAs that can be converted into cash to meet its liquidity needs for a 30 calendar day time horizon under a significantly severe liquidity stress scenario.

The LCR disclosure for Financial Year ended March 31, 2026 is in accordance with Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025. The LCR has been calculated as per the Reserve Bank of India (Non-Banking Financial Companies – Asset Liability Management) Directions, 2025.

LCR = Stock of High-Quality Liquid Assets (HQLAs)/Total Net Cash Outflows over the next 30 calendar days HQLAs comprise of balances with banks (includes fixed deposits), Repo Investments and Liquid Bonds, as adjusted after assigning the haircuts as prescribed by RBI.

Total net cash outflows are arrived after taking into consideration total expected cash outflows minus total expected cash inflows for the subsequent 30 calendar days. As prescribed by RBI, total net cash outflows over the next 30 days = Stressed Outflows–[Min (stressed inflows; 75% of stressed outflows)]. Total expected cash outflows (stressed outflows) are calculated by multiplying the outstanding balances of various categories or types of liabilities and off-balance sheet commitments by 115% (15% being the rate at which they are expected to run off further or be drawn down). Total expected cash inflows (stressed inflows) are calculated by multiplying the outstanding balances of various categories of contractual receivables by 75% (25% being the rate at which they are expected to under-flow)

The Liquidity Risk Management framework of the Company is governed by its Liquidity Risk Management Policy and Procedures approved by the Board. The Asset Liability Committee of the Board (ALCO) oversee the implementation of liquidity risk management strategy of the Company and ensure adherence to the risk tolerance/limits set by the Board.

The Company maintains a robust funding profile with no undue concentration of funding sources. In order to ensure a diversified borrowing mix, concentration of borrowing through various sources is monitored. Further, the Company has prudential limits on investments in different instruments to maintain a healthy investment profile. The above is periodically monitored and reviewed by ALCO.

(D) Exposure

(i) Exposure to Real Estate Sector:-

Particulars	As at March 31, 2026	As at March 31, 2025
A. Direct exposure		
i) Residential mortgages	19,785.37	13,500.25
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits.		
ii) Commercial real estate:		
Lending secured by mortgages on commercial real estates office buildings, retails 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	325.08	Nil
iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a) Residential	Nil	Nil
b) Commercial Real Estate	Nil	Nil
B. Indirect Exposure		
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	Nil	Nil
Total Exposure to Real Estate Sector	**20,110.45**	**13,500.25**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

53. Disclosure pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 (Contd.)

ii) Exposure to capital market

The exposure to capital market as at March 31, 2026: Nil (March 31, 2025: INR 556.85 millions).

	Particulars	As at March 31, 2026	As at March 31, 2025
i)	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	-	556.85
ii)	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	-	-
iii)	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	-	-
iv)	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	-	-
v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-
vi)	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	-	-
vii)	Bridge loans to companies against expected equity flows / issue	-	-
viii)	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	-	-
ix)	Financing to stockbrokers for margin trading	-	-
x)	All exposures to Alternative Investment Funds: (i) Category I (ii) Category II (iii) Category III	-	-
Total exposure to capital market		**-**	**556.85**

iii) Unhedged foreign currency exposure

The Company does not have any foreign currency exposures that are hedged by derivative instruments or otherwise during the current year and previous year.

iv) Details of financing of parent company products

The Company has not financed any products of parent company during the year ended March 31, 2026 and March 31, 2025.

v) Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the Company

The Company does not have single or group borrower exceeding the limits during the year ended March 31, 2026 and March 31, 2025.

vi) Unsecured advances

The Company has not extended any advances where the collateral is an intangible asset such as a charge over rights, licenses, authorisations, etc. The gross unsecured advances of INR 1,18,126.21 millions (March 31, 2025: INR 76,592.94 millions.) disclosed in Note 8 are without any collateral or security.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

53. Disclosure pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 (Contd.)

vii) Intra group exposure

Particulars	As at March 31, 2026	As at March 31, 2025
Total amount of intra-group exposures	758.95	-
Total amount of top 20 intra group exposures	758.95	-
Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	0.57%	-

(E) Registration obtained from other financial sector regulators:-

The Company has no registration with any other finance sector regulators.

(F) Draw down from reserves

There has been no draw down from reserves during the year ended March 31, 2026 and March 31, 2025.

(G) Concentration of advances, exposures and NPAs:-

i) Concentration of advances

Particulars	As at March 31, 2026	As at March 31, 2025
Concentration of advances		
Total advances to twenty largest borrowers	520.60	384.64
Percentage of Advances to twenty largest borrowers to total advances of the Company	0.39%	0.45%

ii) Concentration of exposures

Particulars	As at March 31, 2026	As at March 31, 2025
Total exposure to twenty largest borrowers / customers	545.68	431.45
Percentage of exposures to twenty largest borrowers/customers to total exposure	0.40%	0.48%

iii) Concentration of NPAs

Particulars	As at March 31, 2026	As at March 31, 2025
Total exposure to top four NPA accounts**	36.38	29.02

** NPA accounts refer to stage 3 assets.

iv) Sectoral exposure-

Particulars	As at March 31, 2026			As at March 31, 2025		
Sector	Total exposure*	Gross NPAs	Percentage of Gross NPAs to total exposure	Total exposure*	Gross NPAs	Percentage of Gross NPAs to total exposure
1. Agriculture & allied activities	-	-	-	-	-	-
2. MSME	-	-	-	-	-	-
3. Corporate borrowers	-	-	-	-	-	-
4. Services	-	-	-	-	-	-
5. Unsecured personal loans	1,17,367.26	1,567.84	1.34%	76,592.94	2,022.31	2.64%
6. Others	20,869.40	104.98	0.50%	13,500.25	83.39	0.62%

* Total exposure includes on balance sheet and off balance sheet exposure

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

53. Disclosure pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 (Contd.)

(H) Movement of NPAs

	Particulars	As at March 31, 2026	As at March 31, 2025
i)	**Net NPAs to net advances (%)**	0.16%	0.35%
ii)	**Movement of NPAs (Gross)**		
	A) Opening balance	2,105.69	1,593.93
	B) Additions during the year	1,917.19	2,716.86
	C) Reductions during the year	(2,350.06)	(2,205.10)
	D) Closing balance	**1,672.82**	**2,105.69**
iii)	**Movement of Net NPAs**		
	A) Opening balance	296.97	196.82
	B) Additions during the year	1,390.16	2,081.82
	C) Reductions during the year	(1,477.71)	(1,981.67)
	D) Closing balance	**209.42**	**296.97**
iv)	**Movement of provisions for NPAs (excluding provisions on standard assets)**		
	A) Opening balance	1,808.72	1,397.11
	B)Provisions made during the year	527.03	635.04
	C) Write-off/write-back of excess provisions	(872.35)	(223.43)
	D) Closing balance	1,463.40	1,808.72

(I) Investments

	Particulars	As at March 31, 2026	As at March 31, 2025
(1)	**Value of investments**		
(i)	**Gross value of investments**	**9,676.96**	**11,379.78**
	(a) In India	9,676.96	11,379.78
	(b) Outside India	-	-
(ii)	**Provisions for Depreciation**	-	-
	(a) In India	-	-
	(b) Outside India	-	-
(iii)	**Net value of investments**	**9,676.96**	**11,379.78**
	(a) In India	9,676.96	11,379.78
	(b) Outside India	-	-
(2)	**Movement of provisions held towards depreciation on investments**		
(i)	Opening balance	-	-
(ii)	Add : Provisions made during the year	-	-
(iii)	Less : Write-off/write-back of excess provisions during the year	-	-
(iv)	Closing balance	-	-

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

53. Disclosure pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 (Contd.)

(J) Derivatives

i) Forward Rate Agreement/Interest Rate Swap

	Particulars	As at March 31, 2026	As at March 31, 2025
i)	The notional principal of swap agreements	NA	NA
ii)	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	NA	NA
iii)	Collateral required by the NBFC upon entering into swaps	NA	NA
iv)	Concentration of credit risk arising from the swaps[$]	NA	NA
v)	The fair value of the swap book[@]	NA	NA

[$]Examples of concentration could be exposures to particular industries or swaps with highly geared companies.

[@]If the swaps are linked to specific assets, liabilities, or commitments, the fair value would be the estimated amount that the NBFC would receive or pay to terminate the swap agreements as on the balance sheet date

ii) Exchange Traded Interest Rate (IR) Derivatives

	Particulars	As at March 31, 2026	As at March 31, 2025
i)	Notional principal amount of exchange traded IR derivatives undertaken during the year	NA	NA
ii)	Notional principal amount of exchange traded IR derivatives outstanding as on March 31, 2026 and March 31, 2025.	NA	NA
iii)	Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	NA	NA
iv)	Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	NA	NA

iii) Disclosures on risk exposure in derivatives

a) Qualitative disclosures : Refer note 3.4 & 47 for Qualitative Disclosures

b) Quantitative disclosures:

Sl. No.	Particulars	As at March 31, 2026	
		Currency Derivatives	Interest Rate Derivatives
i)	Derivatives (Notional Principal Amount)	NA	NA
	For Hedging		
ii)	Marked to Market Positions		
	(a) Assets (+)	NA	NA
	(b) Liability (-)	NA	NA
iii)	Credit Exposure	NA	NA
iv)	Unhedged Exposures	NA	NA

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

53. Disclosure pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 (Contd.)

Sl. No.	Particulars	As at March 31, 2025	
		Currency Derivatives	Interest Rate Derivatives
i)	Derivatives (Notional Principal Amount)	NA	NA
	For Hedging		
ii)	Marked to Market Positions		
	(a) Assets (+)	NA	NA
	(b) Liability (-)	NA	NA
iii)	Credit Exposure	NA	NA
iv)	Unhedged Exposures	NA	NA

(K) Comparison between provisions required under IRACP (Income Recognition, Asset Classification and Provisioning) and impairment allowances made under Ind AS 109

As at March 31, 2026

Asset classification as per norms of the Reserve Bank	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	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	1,30,662.44	3,034.09	1,27,628.35	504.11	2,529.98
	Stage 2	1,324.54	930.84	393.70	5.28	925.56
Subtotal		**1,31,986.98**	**3,964.93**	**1,28,022.05**	**509.39**	**3,455.54**
Non-Performing Assets (NPA)						
Substandard	Stage 3	1,532.32	1,329.83	202.49	152.65	1,177.18
Doubtful - up to 1 year	Stage 3	79.50	75.63	3.87	74.06	1.57
- 1 to 3 years	Stage 3	46.56	43.50	3.06	42.77	0.73
-More than 3 years	Stage 3	14.42	14.42	-	14.42	-
Subtotal for doubtful		**140.48**	**133.55**	**6.93**	**131.25**	**2.30**
Loss		0.02	0.02	-	0.02	-
Subtotal for NPA		**1,672.82**	**1,463.40**	**209.42**	**283.92**	**1,179.48**
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	4,576.86	18.31	4,558.55	18.31	-
Total	**Stage 1**	**1,30,662.44**	**3,034.09**	**1,27,628.35**	**504.11**	**2,529.98**
	Stage 2	**1,324.54**	**930.84**	**393.70**	**5.28**	**925.56**
	Stage 3	**1,672.82**	**1,463.40**	**209.42**	**283.92**	**1,179.48**
	Total	**1,33,659.80**	**5,428.33**	**1,28,231.47**	**793.31**	**4,635.02**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

53. Disclosure pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 (Contd.)

As at March 31, 2025

Asset classification as per norms of the Reserve Bank	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	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	82,000.95	2,927.80	79,073.15	313.23	2,614.57
	Stage 2	1,369.22	979.81	389.41	5.39	974.42
Subtotal		**83,370.17**	**3,907.61**	**79,462.56**	**318.62**	**3,588.99**
Non-Performing Assets (NPA)						
Substandard	Stage 3	2,035.04	1,743.50	291.54	201.77	1,541.73
Doubtful - up to 1 year	Stage 3	54.51	49.10	5.41	47.43	1.67
- 1 to 3 years	Stage 3	15.39	15.39	-	15.39	-
-More than 3 years	Stage 3	0.44	0.44	-	0.44	-
Subtotal for doubtful		**70.34**	**64.93**	**5.41**	**63.26**	**1.67**
Loss		0.31	0.29	0.02	0.29	-
Subtotal for NPA		**2,105.69**	**1,808.72**	**296.97**	**265.32**	**1,543.40**
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	4,617.33	11.60	4,605.73	11.54	0.06
Total	**Stage 1**	**82,000.95**	**2,927.80**	**79,073.15**	**313.23**	**2,614.57**
	Stage 2	**1,369.22**	**979.81**	**389.41**	**5.39**	**974.42**
	Stage 3	**2,105.69**	**1,808.72**	**296.97**	**265.32**	**1,543.40**
	Total	**85,475.86**	**5,716.33**	**79,759.53**	**583.94**	**5,132.39**

i) Provisions and contingencies

Break up of provisions shown as expenditure in statement of profit and loss	For the year ended March 31, 2026	For the year ended March 31, 2025
Provision towards Non Peforming Assets (NPA)	(345.32)	411.61
Provision towards standard assets	57.32	399.49
Provision against default guarantee	188.72	302.56
Provision against commitments	6.71	(12.71)
Provision made towards Income Tax	1,141.12	1,265.16
Provision for Gratuity	38.82	16.88
Provision for Compensated absences	14.69	20.32

Notes forming part of the Financial Statements

for the year ended March 31, 2026

(All amount in INR millions, unless otherwise stated)

53. Disclosure pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 (Contd.)

(L) Related Party Disclosure

For the year ended March 31, 2026

Items/ Related Party	Holding Company			Subsidiary Company			Entities under common control			Key managerial person			Directors			Others		
	Transaction Value	Outstanding Year end	Maximum O/s during the year	Transaction Value	Outstanding Year end	Maximum O/s during the year	Transaction Value	Outstanding Year end	Maximum O/s during the year	Transaction Value	Outstanding Year end	Maximum O/s during the year	Transaction Value	Outstanding Year end	Maximum O/s during the year	Transaction Value	Outstanding Year end	Maximum O/s during the year
Borrowings	(1,500.00)	-	(1,500.00)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	(750.00)	750.00	750.00	-	-	-	-	-	-	(0.28)	0.82	0.87	-	-	-
Investments	(1,415.00)	-	(1,415.00)	-	1,415.00	1,415.00	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of Property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid	69.10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest received	-	-	-	(8.95)	8.95	-	-	-	-	-	-	-	-	-	-	-	-	-
Others:																		
Software support charges	1,526.74	(152.02)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan sourcing fee	-	-	-	4,880.20	(588.55)	-	-	-	-	-	-	-	-	-	-	-	-	-
ESOP Expense	301.06	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt recovery cross charge	-	-	-	522.77	(41.53)	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity component of Compulsory Convertible Debentures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent expense	140.74	(11.73)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net payments towards PL attachment business (EMI Shield)	-	-	-	-	-	-	(1,093.06)	-	-	-	-	-	-	-	-	-	-	-
Other transactions	151.60	(1.72)	60.42	(100.11)	(42.80)	(49.93)	4.95	1.47	2.00	14.38	-	-	85.07	-	-	(62.43)	-	-
Total	**(725.76)**	**(165.47)**	**(2,854.58)**	**4,543.91**	**1,501.07**	**2,115.07**	**(1,088.11)**	**1.47**	**2.00**	**14.38**	**-**	**-**	**84.79**	**0.82**	**0.87**	**(62.43)**	**-**	**-**

Notes forming part of the Financial Statements

for the year ended March 31, 2026

(All amount in INR millions, unless otherwise stated)

53. Disclosure pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 (Contd.)

For the year ended March 31, 2025

Items/ Related Party	Holding Company			Subsidiary Company			Entities under common control			Key managerial person			Directors			Others		
	Transaction Value	Outstanding Year end	Maximum O/s during the year	Transaction Value	Outstanding Year end	Maximum O/s during the year	Transaction Value	Outstanding Year end	Maximum O/s during the year	Transaction Value	Outstanding Year end	Maximum O/s during the year	Transaction Value	Outstanding Year end	Maximum O/s during the year	Transaction Value	Outstanding Year end	Maximum O/s during the year
Borrowings	(3,000.56)	(124.07)	(5,218.10)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	0.11	0.11	-	-	-	-	-	-	-	-	-	(0.41)	0.43	0.81	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of Property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid	382.78	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others																		
Software support charges	2,375.59	(106.69)	-	-	-	-	34.21	(3.62)	-	-	-	-	-	-	-	-	-	-
Loan sourcing fee	1,128.17	-	-	-	-	-	659.87	(268.01)	-	-	-	-	-	-	-	-	-	-
ESOP expense	307.50	(37.82)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Royalty Fees	141.13	(10.48)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Employee cost (net) cross charged/(received) for transferred employees	(171.56)	2.48	-	-	-	-	19.33	4.16	-	-	-	-	-	-	-	-	-	-
Rent expense	140.74	(11.73)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt recovery cross charge	-	-	-	-	-	-	316.66	(50.59)	-	-	-	-	-	-	-	-	-	-
Equity component of Compulsory Convertible Debentures	-	(1,129.29)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other transactions	108.79	44.80	60.42	-	-	-	(72.49)	(38.63)	(50.00)	30.04	-	-	15.90	-	-	-	-	-
Total	**1,412.58**	**(1,372.69)**	**(5,157.57)**	**-**	**-**	**-**	**957.58**	**(356.69)**	**(50.00)**	**30.04**	**-**	**-**	**15.49**	**0.43**	**0.81**	**-**	**-**	**-**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

53. Disclosure pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 (Contd.)

(M) Overseas assets

The Company does not have any joint venture or subsidiary abroad as on March 31, 2026 and March 31, 2025.

(N) Off-balance sheet SPVs sponsored

The Company has not sponsored any off-balance sheet SPVs which are required to be consolidated as per accounting norms for the year ended March 31, 2026 and March 31, 2025.

(O) Disclosure on Restructured Accounts

As at March 31, 2026:

Type of restructuing:		Others				
Asset Classification		Standard	Substandard	Doubtful	Loss	Total
Details						
Restructured Accounts as on April 1, 2025 (opening figures)	No. of borrowers	10.00	28.00	-	-	38.00
	Amount outstanding	1.80	19.05	-	-	20.85
	Provision thereon	0.11	4.18	-	-	4.29
Fresh restructuring during the year	No. of borrowers	-	7.00	-	-	7.00
	Amount outstanding	-	4.74	-	-	4.74
	Provision thereon	-	2.48	-	-	2.48
Upgradations to restructured standard category during the FY	No. of borrowers	4.00	(4.00)	-	-	-
	Amount outstanding	1.83	(1.83)	-	-	-
	Provision thereon	0.18	(0.18)	-	-	-
Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers	-	-	-	-	-
	Amount outstanding	-	-	-	-	-
	Provision thereon	-	-	-	-	-
Down gradation of restructured accounts during the FY	No. of borrowers	(2.00)	2.00	-	-	-
	Amount outstanding	(0.35)	0.35	-	-	-
	Provision thereon	(0.01)	0.01	-	-	-
Write-offs/Settlements/ Recoveries of restructured accounts during the FY	No. of borrowers	(8.00)	(10.00)	-	-	(18.00)
	Amount outstanding	(1.76)	(5.92)	-	-	(7.68)
	Provision thereon	(0.24)	2.64	-	-	2.40
Restructured Accounts as on March 31, 2026 (closing figures)	No. of borrowers	4.00	23.00	-	-	27.00
	Amount outstanding	1.52	16.39	-	-	17.91
	Provision thereon	0.04	9.14	-	-	9.18

No restructing has been done against Types: "Under CDR Mechanism" and "Under SME Debt Restructuring Mechanism" during the year.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

53. Disclosure pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 (Contd.)

As at March 31, 2025:

Type of restructuing:		Others				
Asset Classification		Standard	Substandard	Doubtful	Loss	Total
Details						
Restructured Accounts as on April 1, 2025 (opening figures)	No. of borrowers	27.00	-	-	-	27.00
	Amount outstanding	8.20	-	-	-	8.20
	Provision thereon	3.87	-	-	-	3.87
Fresh restructuring during the year	No. of borrowers	-	28.00	-	-	28.00
	Amount outstanding	-	20.81	-	-	20.81
	Provision thereon	-	4.00	-	-	4.00
Upgradations to restructured standard category during the FY	No. of borrowers	-	-	-	-	-
	Amount outstanding	-	-	-	-	-
	Provision thereon	-	-	-	-	-
Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers	-	-	-	-	-
	Amount outstanding	-	-	-	-	-
	Provision thereon	-	-	-	-	-
Down gradation of restructured accounts during the FY	No. of borrowers	-	-	-	-	-
	Amount outstanding	-	-	-	-	-
	Provision thereon	-	-	-	-	-
Write-offs/Settlements/ Recoveries of restructured accounts during the FY	No. of borrowers	(17.00)	-	-	-	(17.00)
	Amount outstanding	(6.40)	(1.76)	-	-	(8.16)
	Provision thereon	(3.76)	0.18	-	-	(3.58)
Restructured Accounts as on March 31, 2026 (closing figures)	No. of borrowers	10.00	28.00	-	-	38.00
	Amount outstanding	1.80	19.05	-	-	20.85
	Provision thereon	0.11	4.18	-	-	4.29

No restructing has been done against Types: "Under CDR Mechanism" and "Under SME Debt Restructuring Mechanism" during the year.

(P) Disclosure of Customer complaints

i) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

	Particulars	As at March 31, 2026	As at March 31, 2025
	Complaints received by the NBFCs from customers		
a)	Number of complaints pending at the beginning of the year (Nos)	42	164
b)	Number of complaints received during the year (Nos)	2,457	3,888
c)	Number of complaints disposed during the year (Nos)	2,400	4,010
	c)i) Of which, Number of complaints rejected by the NBFC	844	2,156
d)	Number of complaints pending at the end of the year (Nos)	99	42

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

53. Disclosure pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 (Contd.)

	Maintainable complaints received by the NBFC from Office of Ombudsman		
e)	Number of maintainable complaints received by the NBFC from Office of Ombudsman	505	603
	Of e), number of complaints resolved in favour of the NBFC by Office of Ombudsman	401	566
	Of e), number of complaints resolved through conciliation/mediation/ advisories issued by Office of Ombudsman	19	37
	Of e), number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	37
f)	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

ii) Top five grounds of customer complaints received by the Company from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	
Current Year 2025-2026					
Collections Related	24	1369	-36%	73	9
Credit Bureau Related	12	661	-41%	11	3
EMI Payment Related	2	107	-40%	0	0
Fraud Related	1	60	58%	5	0
Disbursals Related	1	212	55%	6	1
Others	2	48	-83%	4	0
Total	**42**	**2457**	**-37%**	**99**	**13**
Previous Year 2024-2025					
Collections Related	107	2125	30%	24	0
Credit Bureau Related	20	1121	96%	12	0
EMI Payment Related	7	177	39%	2	0
Fraud Related	4	38	19%	1	0
Disbursals Related	3	137	23%	1	0
Others	23	290	-7%	2	0
Total	**164**	**3888**	**39%**	**42**	**0**

(Q) Disclosure of penalties imposed by the RBI and other regulators

The company has been levied penalty by RBI during the year ended March 31, 2026 is INR 0.38 millions for non-compliance with certain provisions of the directions issued by RBI (March 31, 2025 INR Nil).

No fines were imposed by BSE Limited and National Stock Exchange of India Limited during the year ended March 31, 2026 (March 31, 2025: INR 0.02 millions).

(R) 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.

(S) Breach of Covenant

There is no breach of covenant of any borrowings undertaken by the Company during the year ended March 31, 2026 and March 31, 2025.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

53. Disclosure pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 (Contd.)

(T) Consolidated financial statement (CFS)

The Company has prepared the consolidated financial statements for the financial year ended March 31, 2026 by consolidating its subsidiary, Navi Fintech Private Limited. Since, the transaction involved entities under common control, the acquisition has been accounted for in accordance with Appendix C to Ind AS 103 using the pooling of interest method. Accordingly, the comparative financial information presented in the consolidated financial statements includes the financial position and performance of NFPL as if the acquisition had occurred from the beginning of the previous year presented.

(U) Divergence in asset classification and provisioning

No disclosure on divergence in asset classification and provisioning for NPAs is required with respect to RBI's supervisory inspection for the year ended March 31, 2024 as per the requirement of the Reserve Bank of India (Non-Banking Financial Companies – Income Recognition, Asset Classification and Provisioning) Directions, 2025 as amended from time to time.

(V) Postponement of revenue recognition

There are no such circumstances in which revenue has been postponed pending the resolution of significant uncertainties.

(W) Details of non-compliance with requirements of Companies Act, 2013

There are no instances of non-compliance with requirements of Companies Act, 2013

(X) Credit rating

Instruments	Credit rating agency	As at March 31, 2026	As at March 31, 2025
Bank facilities	CRISIL	CRISIL A/Stable, CRISIL A1	CRISIL A/Stable
Non-convertible debentures	India Ratings, CRISIL	IND A/Stable, CRISIL A/Stable	IND A/Stable, CRISIL A/Stable
Principal protected market linked debentures	India Ratings	NA	IND PP-MLD A emr/Stable
Commercial papers	India Ratings, CARE	IND A1, CARE A1	IND A1, CARE A1

(Y) Disclosure relating to securitisation

The information on securitisation of the Company as an originator in respect of outstanding amount of securitised assets is given below:

S. No.	Particulars	As at March 31, 2026	As at March 31, 2025
i)	No of SPVs sponsored by the NBFC for securitisation transactions (in No.)	26	40
ii)	Total amount of securitized assets as per books of the SPVs sponsored by the NBFC	10,101.35	21,935.34
iii)	Total amount of exposures retained by the NBFC to comply with Minimum Retention Ratio (MRR) as on the date of balance sheet	-	-
a	Off-Balance Sheet exposures	-	-
	First loss	-	-
	Others	-	-
b	On-Balance Sheet exposures	-	-
	First loss (cash collateral)	2,339.25	3,994.59
	Others(MRR)	3,995.99	5,740.95

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

53. Disclosure pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 (Contd.)

S. No.	Particulars	As at March 31, 2026	As at March 31, 2025
iv)	Amount of exposures to securitisation transactions other than MRR	-	-
a	Off-Balance Sheet exposures	-	-
	i) Exposure to own securitisations		
	First loss	-	-
	Others	-	-
	ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-
b	On-Balance Sheet exposures		
	i) Exposure to own securitisations		
	First loss	-	-
	Others	-	-
	ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-
v)	Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation	6,319.81	24,577.03
vi)	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc. (first loss - FD balance)	380.61	2,071.08
vii)	Performance of facility provided		
	(a) Amount paid	380.61	2,071.08
	(b) Repayment received	-	111.02
	(c) Outstanding amount	380.61	1,960.06
viii)	Average default rate of portfolios observed in the past.	3.61%	2.75%
ix)	Amount and number of additional/top up loan given on same underlying asset.		
	(a) Amount of Top Up	-	-
	(b) Count of Top Up	-	-
x)	Investor complaints (a) Directly/Indirectly received and; (b) Complaints outstanding	-	-

(Z) Disclosure of transfer of loan exposure

i) Detail of transfer through assignment in respect of loans not in default:

Mode of Transfer	As at March 31, 2026	As at March 31, 2025
Aggregate amount of loans transferred through assignment (in millions)	31,959.40	16,071.54
Weighted average residual maturity (in years)	2.04	8.44
Weighted average holding period (in years)	0.62	0.89
Retention of beneficial economic interest	10%	12%
Tangible security coverage	0%	35%
Rating-wise distribution of rated loans	unrated	unrated

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

53. Disclosure pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 (Contd.)

ii) The company has acquired loans (not in default) through assignment:

Mode of Transfer	As at March 31, 2026	As at March 31, 2025
Aggregate amount of loans acquired through assignment (in millions)	3,453.62	-
Weighted average residual maturity (in years) [Note-1]	10.11	-
Weighted average holding period (in years) [Note-2]	1.13	-
Retention of beneficial economic interest	90%	-
Tangible security coverage	100%	-
Rating-wise distribution of rated loans	unrated	Nil

Note:

1. Weighted average residual maturity is calculated from transfer date to last EMI date
2. Weighted average holding period is calculated from disbursement date to transfer date

iii) Details of stressed loans transferred during the year*

Particulars	As at March 31, 2026	As at March 31, 2025
No: of accounts	4,101	51,696
Aggregate principal outstanding of loans transferred (in millions)	574.48	1,882.96
Weighted average residual tenor of the loans transferred (in years)	0.80	1.90
Net book value of loans transferred (at the time of transfer)	-	-
Aggregate consideration (in millions)	26.50	140.88
Additional consideration realized in respect of accounts transferred in earlier years	-	-

* Includes sale of written off loans amounting to INR 574.48 millions for the year ended March 31, 2026 (INR 1,735.07 millions for the year ended March 31, 2025). These loan accounts were already written off in the books before such sale transactions.

iv) Ratings of security receipts outstanding is not applicable.

v) The company has not acquired any stressed loans during the year ended March 31, 2026 and March 31, 2025

(AA) Disclosures on Co-Lending Arrangements

Particulars	As at March 31, 2026
Quantum of CLAs:	
i) Number of CLA Partners	9
ii) Amount of Gross Outstanding (in millions)	9,573.15
iii) Net NPA (in millions)	9.03
Weighted average rate of interest	23.43%
Fees charged / (paid) [for the year ended March 31, 2026]	273.97
Broad Sectors in which CLA was made	Personal Loan, Housing Loan
Performance of loans under CLA:	
i) Stage 1	9,426.62
ii) Stage 2	73.41
iii) Stage 3	73.12
Details related to default loss guarantee	Default loss guarantee have been provided with the specific Co-lenders upto 5% on disbursements.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

53. Disclosure pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 (Contd.)

The above disclosure covers both existing co-lending arrangements entered into under the extant guidelines and new co-lending arrangements undertaken pursuant to the revised co lending guidelines.

(AB) Public disclosure on liquidity risk

i) Funding based on significant counter party (for borrowings)

As at March 31, 2026			As at March 31, 2025		
Number of the significant counter parties*	Amount	% of Total borrowings	Number of the significant counter parties*	Amount	% of Total borrowings
20	43,965.36	38.30%	24	44,126.50	61.33%

*A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the total liabilities.

ii) Top 20 large deposits:

The company is a non-deposit taking NBFC, hence this disclosure is not applicable.

iii) Top 10 borrowings

As at March 31, 2026		As at March 31, 2025	
Amount	% of Total borrowings	Amount	% of Total borrowings
29,003.38	25.26%	29,275.54	40.69%

iv) Funding Concentration based on significant instrument/product

Name of the instrument/product	As at March 31, 2026		As at March 31, 2025	
	Amount	% of Total borrowings	Amount	% of Total borrowings
Non-convertible debentures	49,150.93	42.81%	20,438.13	28.41%
Term loan*	45,829.10	39.92%	26,859.57	37.33%
Commercial papers	7,287.93	6.35%	2,082.81	2.89%
Liability against securitised assets	10,118.46	8.81%	21,951.98	30.51%
Subordinated liabilities	2,415.12	2.10%	492.36	0.68%

Note:

1. A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs

* Term loan includes Cash Credit facilities

v) Stock ratios:

a) Commercial papers as a % of total public funds, total liabilities and total assets:

As at March 31, 2026			As at March 31, 2025		
Total Public funds	Total Liabilities	Total Assets	Total Public funds	Total Liabilities	Total Assets
6.35%	6.02%	4.57%	2.90%	2.69%	1.91%

b) Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities and total assets: Nil

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

53. Disclosure pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 (Contd.)

c) Other short-term liabilities, if any as a % of total public funds, total liabilities and total assets:

As at March 31, 2026			As at March 31, 2025		
Total Public funds	Total Liabilities	Total Assets	Total Public funds	Total Liabilities	Total Assets
43.43%	41.18%	31.28%	59.74%	55.44%	39.36%

vi) Institutional set-up for liquidity risk management

Board of Directors:

The Board has the overall responsibility for management of liquidity risk. The Board shall decide the strategy, policies and procedures to manage liquidity risk in accordance with the liquidity risk tolerance/limits decided by it from time to time.

The Board of Directors approves the constitution of the Risk Management Committee (RMC) for the effective supervision and management of various aspects including liquidity risks faced by the company. The meetings of RMC are held quarterly.

The Board of Directors also approves the constitution of the Asset Liability Committee (ALCO), consisting of the NBFC's top management shall be responsible for ensuring adherence to the risk tolerance/limits set by the Board as well as implementing the liquidity risk management strategy of the NBFC. The role of the ALCO with respect to liquidity risk include, inter alia, decision on desired maturity profile and mix of incremental assets and liabilities, sale of assets as a source of funding, the structure, responsibilities and controls for managing liquidity risk, and overseeing the liquidity positions of the Company.

ALCO meetings are held once in a quarter or more frequently as warranted from time to time. The minutes of ALCO meetings are placed before the Board of Directors in its next meeting for its perusal/approval/ratification.

Risk Management Committee:

The Risk Management Committee is responsible for evaluating the overall risks faced by the NBFC including liquidity risk.

Asset-Liability Management Committee (ALCO):

The ALCO ensures adherence to the risk tolerance/limits set by the Board as well as implements the liquidity risk management strategy of the NBFC.

(AC) The Company does not have exposure relating to project finance, hence, the relevant disclosure is not required.

(AD) The Company does not have exposure relating to Non-Fund Based Credit Facilities, hence, the relevant disclosure relating is not required.

(AE) The Company does not have exposure relating to Loans against eligible gold and silver, hence, the relevant disclosure for Loans extended against eligible gold and silver collateral is not required.

(AF) The Company has not undertaken Credit Default Swaps transactions, hence, the relevant disclosure is not required.

(AG) The Company has not entered into any transaction in the designated currency options exchanges, hence, the relevant disclosure is not required.

(AH) Off-balance sheet exposures and structured products:

Particulars	As at March 31, 2026	As at March 31, 2025
Off-balance sheet exposure	4,576.86	4,617.33

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

54 Disclosure of frauds reported Vide DNBR (PD) CC.No.075/03.10.001/2015-16 Dated February 18, 2016

Information on instances of fraud

Instances of fraud for the year ended March 31, 2026

Nature of fraud	No of cases	Amounts of fraud	Recovery	Amounts written off/ provided for
Fraud Committed	23	2.76	0.73	2.03

Instances of fraud for the year ended March 31, 2025

Nature of fraud	No of cases	Amounts of fraud	Recovery	Amounts written off/ provided for
Fraud Committed	29	1.29	0.13	1.16

55 There are no subsequent events after the reporting date that require disclosure in these standalone financial statements.

56 Figures of previous year have been regrouped/reclassified, wherever necessary, to make them comparable with the current year and the impact of such regrouping reclassification are not material to the standalone financial statements.

As per our report of even date
For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
Firm Registration No.: 105047W/W101187

Vikram Dhanania
Partner
Membership No. 060568

Place: Bengaluru
Date: May 27, 2026

For and on behalf of the Board of Directors of
Navi Finserv Limited

Abhishek
Managing Director & Chief Executive Officer
(DIN: 07843369)

Ankit Agarwal
Director
(DIN: 08299808)

Mahima Gautam
Chief Financial Officer

Chanchal Kumar
Company Secretary
(M.No. A50952)

Place: Bengaluru
Date: May 27, 2026

Place: Bengaluru
Date: May 27, 2026

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026

Schedule annexed to the Balance Sheet

(All amount in INR millions, unless otherwise stated)

Disclosure pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025

Sl. No	Particulars	As at 31 March 2026	As at 31 March 2025
	Liabilities side		
1	**Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:**		
	a) Debentures		
	Secured	49,150.93	20,438.13
	Unsecured	-	124.07
	(other than falling within the meaning of public deposits)		
	b) Deferred credits	-	-
	c) Term loans including accrued interest but not paid	50,834.76	47,557.30
	d) Inter-corporate loans and borrowings	-	-
	e) Commercial paper	7,287.93	2,082.81
	f) Public Deposits	-	-
	g) Other loans:		
	Other unsecured loans against assets of the Company	2,415.12	492.36
	Secured loans against assets of the Company	-	-
	Overdraft facility	5,112.80	1,254.25
2	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):**		
	a) In the form of unsecured debentures	-	-
	b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
	c) Other public deposits	-	-
	Assets side		
3	**Breakup of loans and advances including bills receivables**		
	a) Secured	15,533.59	8,882.92
	b) Unsecured	1,18,126.21	76,592.94
4	**Breakup of leased assets and stock on hire and other assets counting towards AFC activities**		
	i Lease assets including lease rentals under sundry debtors		
	a) Financial lease	499.45	540.64
	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 forming part of the Standalone Financial Statements

for the year ended March 31, 2026

Schedule annexed to the Balance Sheet

(All amount in INR millions, unless otherwise stated)

Disclosure pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 (Contd.)

Sl. No	Particulars	As at 31 March 2026	As at 31 March 2025
5	**Breakup of investments**		
	Current investments		
	I Quoted		
	i Shares		
	a) Equity	-	556.85
	b) Preference	-	-
	ii Debentures and bonds	-	6,098.76
	iii Units of mutual funds	-	-
	iv Government securities	2,212.82	3,273.38
	v Others	6,049.14	1,450.79
	II Unquoted		-
	i Shares		-
	a) Equity	-	-
	b) Preference	-	-
	ii Debentures and bonds	-	-
	iii Units of mutual funds	-	-
	iv Government securities	-	-
	v Others	-	-
	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	-	-
	2 Unquoted		
	i Shares		
	a) Equity	1,415.00	-
	b) Preference	-	-
	ii Debentures and bonds	-	-
	iii Units of mutual funds	-	-
	iv Government securities	-	-
	v Others	-	-

Note -There are no overdue amounts as at 31 March 2026 and 31 March 2025

i) Borrower group–wise classification of assets financed

As at March 31, 2026

Category	Net of provisions Secured	Unsecured	Provisions	Total
1 **Related parties**				
a) Subsidiaries	-	758.95	-	758.95
b) Companies in the same group	-	-	-	-
c) Other related parties	-			-
2 **Other than related parties**	15,533.59	1,17,367.26	(5,428.33)	1,27,472.52
Total	**15,533.59**	**1,18,126.21**	**(5,428.33)**	**1,28,231.47**

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2026

Schedule annexed to the Balance Sheet

(All amount in INR millions, unless otherwise stated)

Disclosure pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 (Contd.)

As at March 31, 2025

Category	Net of provisions Secured	Unsecured	Provisions	Total
1 **Related parties**				
a) Subsidiaries	-	-	-	-
b) Companies in the same group	-	-	-	-
c) Other related parties	-	0.43	(0.02)	0.41
2 **Other than related parties**	8,882.92	76,592.51	(5,716.31)	79,759.12
Total	**8,882.92**	**76,592.94**	**(5,716.33)**	**79,759.53**

ii) Investor group - wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :

Category	As at March 31, 2026 Market value / break up or fair value or NAV	As at March 31, 2026 Book value (Net of provision)	As at March 31, 2025 Market value / break up or fair value or NAV	As at March 31, 2025 Book value (Net of provision)
1 **Related parties**				
a) Subsidiaries	1,415.00	1,415.00	-	-
b) Companies in the same group	-	-	-	-
c) Other related parties	-	-	-	-
2 **Other than related parties**	8,261.96	8,261.96	11,379.78	11,379.78
Total	**9,676.96**	**9,676.96**	**11,379.78**	**11,379.78**

iii) Other information

	Particulars	As at 31 March 2026	As at 31 March 2025
i	**Gross non-performing assets**		
	a) Related parties	-	-
	b) Other than related parties	1,672.82	2,105.69
ii	**Net non-performing assets**		
	a) Related parties	-	-
	b) Other than related parties	209.42	296.97
iii	**Assets acquired in satisfaction of debt**	-	-

For and on behalf of the Board of Directors of
Navi Finserv Limited

Abhishek
Managing Director & Chief Executive Officer
(DIN: 07843369)

Ankit Agarwal
Director
(DIN: 08299808)

Mahima Gautam
Chief Financial Officer

Chanchal Kumar
Company Secretary
(M.No. A50952)

Place: Bengaluru
Date: May 27, 2026

Place: Bengaluru
Date: May 27, 2026

Independent Auditor's Report

To the Members of Navi Finserv Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Navi Finserv Limited (hereinafter referred to as the "Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2026, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated 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, 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, its 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 ("the 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 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 for the year ended March 31, 2026. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Key audit matters	How our audit addressed the key audit matter
Allowance on Expected credit losses (ECL) on loan assets Indian Accounting Standard 109–Financial Instruments ('Ind AS 109') requires the Group to provide for impairment of its financial assets using the expected credit loss ('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 Holding 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. As at March 31, 2026, the Group has reported outstanding balances towards Personal loans and Home loans granted by the Holding Company and measured at amortised cost and fair value through other comprehensive income aggregate to INR 89,588.93 million and INR 40,755.16 million respectively against which provision for expected credit loss of INR 5,428.33 million has been recorded as at reporting date in accordance with Ind AS 109. The Group has written off (net of recoveries) INR 4,175.15 million during the current year. The Expected Credit Loss (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; • varied statistical model are used to determine probability of default, loss given default and exposure at default, based on the default history of loans, subsequent recoveries made and other relevant factors using probability-weighted scenarios, including management overlays and related Reserve Bank of India ('RBI') guidelines to the extent applicable. The 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 the personal loan portfolio, the Holding Company has internally developed a statistical model with the help of management experts and using historical and industry observable data inputs, including macroeconomic factors, to estimate PD and LGD. • For home loans portfolio, the Holding Company does not have sufficient historical data to estimate PD and LGD and has therefore relied on the external benchmarking report obtained from a reputed external firm. Refer Note 2 of material accounting policies, Note 8 for the details of provision and Note 48 for credit risk disclosures. Considering the significance of the above matter to the consolidated financial statements, significant level of estimates and judgements involved in determination of ECL and write offs, this matter required our significant attention. Accordingly, we have determined Provision for ECL on Loan assets as Key Audit Matter.	Our audit procedures in respect of this matter included the following, but not limited to: • Examined policies approved by the Board of Directors of the Holding Company for computation of ECL that addresses procedures and controls for assessing and measuring credit risk on all lending exposures commensurate with the size, complexity and risk profile specific to the Holding Company. • Tested the design and operating effectiveness of key controls over completeness and accuracy of the key inputs and assumptions considered for calculations, validation of data and monitoring of impairment loss recognised based on historical and external data. • Tested the modelling assumptions and parameters based on historical data, including tracing the PD and LGD rates to external benchmarking reports, and assessed whether historical experience was representative of current circumstances and relevant considering the recent impairment losses incurred within the portfolios. • Tested the completeness of loan assets included in the Expected Credit Loss calculations as at March 31, 2026 by reconciling it with the balance as per loan book. We tested the data used in the PD and LGD model for ECL calculation by reconciling it to the source system. • 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 of the Holding Company. • Verified the appropriateness of the Holding Company's methodology and statistical models and assessed the reasonableness of the assumptions used in the computation of the impairment allowance, with the assistance of the auditor's expert. • Evaluated the appropriateness of the Holding 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 Holding Company's categorization across various stages; • We also verified that loan write-offs were carried out in accordance with the Board approved policy for write offs. • Assessed the appropriateness and adequacy of the related presentation and disclosures of Note 48 "Risk management" disclosed in the accompanying consolidated financial statements in accordance with the applicable Ind AS and related Reserve Bank of India ('RBI') circulars.
Information Technology ("IT") Systems and Controls for accounting and financial reporting process: The Holding Company is dependent on its information technology ('IT') systems due to the significant number of transactions processed daily across multiple and discrete systems. IT application controls are therefore critical to ensure that changes to applications and underlying data are made in an appropriate and controlled environment.	Our audit procedures in respect of this matter included the following, but not limited to: • Involved IT specialists as part of the audit to test the IT general controls and application controls to assess the accuracy of information produced by the Holding Company's IT systems.

Key audit matters	How our audit addressed the key audit matter
Appropriate IT controls help mitigate the risk of potential fraud or errors arising from unauthorized or inappropriate changes to applications and data. Given the pervasive use of IT systems across varied stages of business, testing of general controls relevant to financial reporting was identified as a Key Audit Matter. The Holding Company operates a complex IT architecture to support its day-to-day business operations, with high volumes of transactions processed and recorded across single or multiple applications. The reliability and security of these IT systems are fundamental to the continuity of operations and IT controls are necessary to ensure that systems process data as intended and that changes are appropriately authorized and controlled. In addition, the Holding Company's accounting and financial reporting processes rely significantly on automated controls embedded within IT systems impacting key financial reporting areas such as loans, interest income, impairment on loans, among others. As the Holding Company's financial accounting and reporting processes are highly dependent on information systems and automated controls, there is an inherent risk that deficiencies in the IT control environment could result in material misstatement of financial records. The Holding Company uses multiple systems for financial reporting, and given the high level of automation, significant number of systems in use, large transaction volumes and the increasing challenges in safeguarding system integrity and data, we have identified 'IT systems and automated controls' as Key Audit Matter.	• Obtained an understanding of the Holding Company's IT applications, databases and operating systems relevant to financial reporting including the control environment, process flow, applications mapping and financial risks arising from people, process and technology. • Tested IT general controls including the logical access, change management and aspects of IT operational controls. Tested that request for access to systems were appropriately reviewed and authorized; tested controls around Holding Company's periodic review of access rights; inspected requests of changes to systems for appropriate approval and authorization; • Performed procedures over selected key controls within the financial reporting system to assess whether such controls remained unchanged during the year or were modified in accordance with the standard change management process. • Tested key automated and manual business cycle controls including alternate procedures where applicable, to assess whether any unaddressed IT risks could have a material impact on the consolidated financial statements. • Tested the design and operating effectiveness of the Holding Company's IT controls across the identified IT applications.

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 Report, 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 the date of this auditor's report.

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 when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Board of Directors of the companies 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 Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of 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.

We give in "Annexure A", a detailed description of Auditor's Responsibilities for Audit of the Consolidated Financial Statements.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, 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 the 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 modification 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 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 45 to the consolidated financial statements.

      ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      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. The respective Managements of the Holding Company and its subsidiary have represented to us that:

         a. To the best of their knowledge and belief, as disclosed in the note 52 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 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 the subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b. To the best of their knowledge and belief, as disclosed in the note 52 to consolidated financial statements, no funds have been received by the Holding Company or the 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 the 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 according to the information and explanations provided to us by the Company's 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) contain any material mis-statement.

v. 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, the Holding Company has used multiple accounting software's for maintaining its books of account and the Subsidiary Company has used an accounting software which have a feature of recording audit trail (edit log) facility. In our opinion, the audit trial feature has operated throughout the year for all relevant transactions recorded in the software's. Further, during the course of our audit, 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 Group as per the statutory requirements for record retention except for one accounting software used by the Holding Company wherein the audit trail logs have been preserved effective September 17, 2024.

2. In our opinion, according to information, explanations given to us the remuneration paid or provided by the Holding Company and its subsidiary company to its respective Directors is in accordance with the provisions of this section 197 to the Act.

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 for the Holding Company and its subsidiary, we report that there are no qualifications or adverse remarks in the CARO report of the said companies included in the consolidated financial statements except the following:

Sr. No.	Name of the Company	CIN	Type of Company (Holding/ Subsidiary/ Associate)	Clause number of CARO Report which is qualified or adverse
1	Navi Finserv Limited	U65923KA2012PLC062537	Holding Company	Clause iii(c) and (d) Clause xi(a)

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Vikram Dhanania
Partner
Membership No.: 060568
UDIN: 26060568HMIUBE2382

Place: Bengaluru
Date: May 27, 2026

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF NAVI FINSERV LIMITED

Auditor's Responsibilities for the Audit of the 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 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.

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 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.

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Vikram Dhanania
Partner
Membership No.: 060568
UDIN: 26060568HMIUBE2382

Place: Bengaluru
Date: May 27, 2026

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF NAVI FINSERV LIMITED

Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of Navi Finserv 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 Navi Finserv 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 company, 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, the Holding Company and its subsidiary company, which are companies incorporated in India, 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 consolidated 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 Holding Company and its subsidiary company, which are companies incorporated in India, 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 the Holding Company and its subsidiary company, which are companies incorporated in India, 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, 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 Holding Company and its subsidiary company, which are companies incorporated in India.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A Company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 consolidated financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Vikram Dhanania
Partner
Membership No.: 060568
UDIN: 26060568HMIUBE2382

Place: Bengaluru
Date: May 27, 2026

Consolidated Balance Sheet as at March 31, 2026

(All amount in INR millions, unless otherwise stated)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
I Assets			
1 Financial Assets			
Cash and cash equivalents	5	7,784.78	4,488.84
Bank balances other than cash and cash equivalents	6	6,830.67	8,027.77
Receivables:			
(I) Trade Receivables	7	453.79	475.41
(II) Other Receivables		-	-
Loans	8	1,24,915.76	79,374.60
Investments	9	8,984.20	11,379.77
Other financial assets	10	3,094.18	1,210.31
2 Non-financial Assets			
Current tax assets (net)	11	109.44	-
Deferred tax assets (net)	12	1,610.84	1,192.09
Property, plant and equipment	13	168.33	189.11
Other intangible assets	14	2.07	2.07
Right of use assets	15	1,166.28	1,371.56
Other non-financial assets	16	1,104.51	1,287.46
Total Assets		**1,56,224.85**	**1,08,998.99**
II Liabilities and Equity			
1 Financial Liabilities			
Payables			
A. Trade payables	17		
(i) total outstanding dues of micro enterprises and small enterprises		25.34	4.04
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,269.76	794.69
B. Other payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
Debt securities	18	56,438.87	22,645.01
Borrowings (other than debt securities)	19	55,947.53	48,811.55
Subordinated liabilities	20	2,415.12	1,025.34
Lease liabilities	15	1,384.73	1,527.00
Other financial liabilities	21	2,811.54	3,446.50
2 Non-financial Liabilities			
Current tax liabilities (net)	22	-	173.68
Provisions	23	372.43	526.35
Other non-financial liabilities	24	547.14	327.92
Total Liabilities		**1,21,212.46**	**79,282.08**
3 Equity			
Equity share capital	25	2,852.40	2,852.40
Instruments entirely equity in nature	26	500.00	-
Other equity	27	31,659.99	26,864.51
Total Equity		**35,012.39**	**29,716.91**
Total Liabilities and Equity		**1,56,224.85**	**1,08,998.99**

Summary of material accounting policies 1-4

The accompanying notes are integral part of these consolidated financial statements

This is the Consolidated Balance Sheet referred to in our report of even date

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
Firm Registration No.: 105047W/W101187

Vikram Dhanania
Partner
Membership No. 060568

Place: Bengaluru
Date: May 27, 2026

For and on behalf of the Board of Directors of
Navi Finserv Limited

Abhishek
Managing Director & Chief Executive Officer
(DIN: 07843369)

Ankit Agarwal
Director
(DIN: 08299808)

Mahima Gautam
Chief Financial Officer

Chanchal Kumar
Company Secretary
(M.No. A50952)

Place: Bengaluru
Date: May 27, 2026

Place: Bengaluru
Date: May 27, 2026

Consolidated Statement of Profit and Loss for the year ended March 31, 2026

(All amount in INR millions, unless otherwise stated)

Sl. No.	Particulars	Notes	Year ended March 31, 2026	Year ended March 31, 2025
1	**Income**			
	(a) Revenue from operations			
	(i) Interest income	28	24,801.91	20,058.80
	(ii) Fees and commission income	29	482.00	785.20
	(iii) Net gain on fair value changes	30	732.59	1,182.77
	(iv) Net gain on derecognition of financial instruments	31	898.58	915.80
	Total revenue from operations		**26,915.08**	**22,942.57**
	(b) Other income	32	53.31	45.90
	Total Income		**26,968.39**	**22,988.47**
2	**Expenses**			
	(a) Finance costs	33	10,748.43	7,968.28
	(b) Fees and commission expenses	34	57.16	35.38
	(c) Impairment on financial instruments	35	4,078.57	5,782.44
	(d) Employee benefits expenses	36	2,549.15	2,053.38
	(e) Depreciation expenses	37	207.49	226.31
	(f) Other expenses	38	7,751.02	4,522.21
	Total Expenses		**25,391.82**	**20,588.00**
3	**Profit before tax (1-2)**		**1,576.57**	**2,400.47**
4	**Tax expense**	39		
	Current tax		1,131.44	1,182.76
	Tax relating to earlier years		9.68	82.34
	Deferred tax (credit)		(497.74)	(587.33)
	Total tax expense		**643.38**	**677.77**
5	**Profit for the year (3-4)**		**933.19**	**1,722.70**
6	**Other Comprehensive Income**			
	(a) Items that will not be reclassified to profit or loss			
	Remeasurement of the net defined benefit plans		18.86	(18.38)
	Income tax relating to the above		(4.75)	4.63
	(b) Items that will be reclassified to profit or loss			
	Net change in fair value of loans measured at fair value through other comprehensive income		295.00	111.49
	Income tax relating to the above		(74.25)	(28.06)
	Total other comprehensive income/(loss) for the year net of tax		**234.86**	**69.68**
7	**Total comprehensive income for the year (5+6)**		**1,168.05**	**1,792.38**
8	**Earnings per equity share (Face value of INR 10 each)**	40		
	Basic (INR)		3.17	5.74
	Diluted (INR)		3.17	5.74

Summary of material accounting policies 1-4

The accompanying notes are integral part of these consolidated financial statements

This is the Consolidated Statement of Profit and Loss referred to in our report of even date

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
Firm Registration No.: 105047W/W101187

Vikram Dhanania
Partner
Membership No. 060568

Place: Bengaluru
Date: May 27, 2026

For and on behalf of the Board of Directors of
Navi Finserv Limited

Abhishek
Managing Director & Chief Executive Officer
(DIN: 07843369)

Ankit Agarwal
Director
(DIN: 08299808)

Mahima Gautam
Chief Financial Officer

Chanchal Kumar
Company Secretary
(M.No. A50952)

Place: Bengaluru
Date: May 27, 2026

Place: Bengaluru
Date: May 27, 2026

Consolidated Statement of Cash Flows for the year ended March 31, 2026

(All amount in INR millions, unless otherwise stated)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
A. Cash flow from Operating activities		
Profit before tax for the year	1,576.57	2,400.47
Adjustments		
Depreciation expenses	207.49	226.31
Interest income	(24,801.91)	(20,058.80)
Interest income on Security Deposits receipt/ Unwinding of discount on security deposit	(7.29)	(11.83)
Income on lease modification	-	(16.92)
Impairment on financial instruments	4,078.57	5,782.44
Loss on sale of property, plant and equipment	-	24.84
Net gain on derecognition of financial instruments	(947.31)	(915.80)
Unreaslised gain/loss on Investments	11.89	(64.01)
Finance costs	10,748.43	7,968.28
Operational cash flows from interest:		
Interest received on loans	25,409.83	21,200.54
Interest received on investments	868.26	498.70
Interest received in bank deposits	671.84	471.62
Interest paid	(10,673.28)	(7,374.41)
Operating profit before working capital changes	**7,143.09**	**10,131.43**
Movements in Working capital:		
Adjustment for (increase)/decrease in assets		
Receivables	21.61	-
Loans	(51,044.64)	(7,698.95)
Bank balances other than cash and cash equivalents	1,075.69	(1,432.70)
Other financial assets	(870.84)	1,432.99
Other non-financial assets	183.00	(393.48)
Investments	2,269.65	(5,268.07)
Adjustment for increase/(decrease) in liabilities		
Payables	496.38	(973.46)
Other financial liabilities	725.98	(1,505.73)
Non-financial liabilities	219.24	49.69
Provisions	(332.74)	156.25
Net cash (used in) operations	**(40,113.58)**	**(5,502.02)**
Income tax paid (net of refunds)	(1,487.73)	(960.34)
Net cash flows (used in) operating activities (A)	**(41,601.31)**	**(6,462.36)**
B. Cash flow from Investing activities		
Purchase of property, plant and equipment	(1.19)	(3.74)
Sale of property, plant and equipment	-	8.90
Purchase of intangible assets	-	(2.07)
Investment in Subsidiary	(1,415.00)	-
Net cash flows (used in)/generated from investing activities (B)	**(1,416.19)**	**3.09**

Consolidated Statement of Cash Flows for the year ended March 31, 2026

(All amount in INR millions, unless otherwise stated)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
C. Cash flow from Financing activities		
Proceeds from issue of debt securities	54,461.18	22,321.70
Repayment of debt securities	(21,802.36)	(20,751.13)
Proceeds from borrowings (other than debt securities)	43,264.81	47,522.23
Repayment of borrowings (other than debt securities)	(39,888.91)	(42,578.00)
Loans repayable on Demand (net)	3,849.02	700.00
Proceeds from Subordinated liabilities	2,000.00	490.83
Repayment of Subordinated liabilities	-	(100.00)
Proceeds from Issuance of CPS	4,689.78	-
Principal payment of lease liabilities	(121.80)	(99.52)
Interest on lease liabilities	(138.28)	(156.24)
Net cash flows generated from financing activities (C)	**46,313.44**	**7,349.87**
Net increase in cash and cash equivalents (A+B+C)	3,295.94	890.60
Cash and cash equivalents at the beginning of the year	4,488.84	3,598.24
Cash and cash equivalents at the end of the year	**7,784.78**	**4,488.84**

The above Consolidated Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS-7 on 'Statement of Cash Flows'.
The accompanying notes are integral part of these consolidated financial statements
This is the Consolidated Statement of Cash Flows referred to in our report of even date

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
Firm Registration No.: 105047W/W101187

Vikram Dhanania
Partner
Membership No. 060568

Place: Bengaluru
Date: May 27, 2026

For and on behalf of the Board of Directors of
Navi Finserv Limited

Abhishek
Managing Director & Chief Executive Officer
(DIN: 07843369)

Ankit Agarwal
Director
(DIN: 08299808)

Mahima Gautam
Chief Financial Officer

Place: Bengaluru
Date: May 27, 2026

Chanchal Kumar
Company Secretary
(M.No. A50952)

Place: Bengaluru
Date: May 27, 2026

Consolidated Statement of Changes in Equity for the year ended March 31, 2026

(All amount in INR millions, unless otherwise stated)

A. Equity Share Capital

For the year ended March 31, 2026

Balance as at April 1, 2025	Changes in equity share capital during the year	Balance as at March 31, 2026
2,852.40	-	2,852.40

For the year ended March 31, 2025

Balance as at April 1, 2024	Changes in equity share capital during the year	Balance as at March 31, 2025
2,852.40	-	2,852.40

B. Instruments entirely equity in nature

For the year ended March 31, 2026

Balance as at April 1, 2025	Changes in equity share capital during the year	Balance as at March 31, 2026
-	500.00	500.00

For the year ended March 31, 2025

Balance as at April 1, 2024	Changes in equity share capital during the year	Balance as at March 31, 2025
-	-	-

C. Other equity

For the year ended March 31, 2026

Particulars	Reserves and surplus					Other comprehensive income on fair value of loans	Equity Component of Debt Instrument	Total
	Securities premium	Reserve fund u/s 45-IC of RBI Act 1934	Capital redemption reserve	Retained earnings	Capital Reserve			
Balance as at April 1, 2025	16,570.24	2,348.93	44.05	8,153.14	(1,411.82)	30.75	1,129.22	26,864.51
Profit for the year	-	-	-	933.19	-	-	-	933.19
Other comprehensive income for the year	-	-	-	14.11	-	220.75	-	234.86
Transferred from retained earnings to reserve fund u/s 45-IC of RBI Act 1934 [Refer note - 25(b)]	-	584.42	-	(584.42)	-	-	-	-
Changes in terms of Compulsory Convertible Debenture [Refer note - 25(f)]	-	-	-	-		-	(1,129.22)	(1,129.22)
Adjustments on account of consolidation					566.87			566.87
Securities premium on issuance of Convertible Preference Shares ("CPS")	4,500.00	-	-	-	-	-	-	4,500.00
CPS issue expenses	(310.22)	-	-	-	-	-	-	(310.22)
Balance as at March 31, 2026	**20,760.02**	**2,933.35**	**44.05**	**8,516.02**	**(844.95)**	**251.50**	**-**	**31,659.99**

Consolidated Statement of Changes in Equity for the year ended March 31, 2026

(All amount in INR millions, unless otherwise stated)

For the year ended March 31, 2025

Particulars	Reserves and surplus					Other comprehensive income on fair value of loans	Equity Component of Debt Instrument	Total
	Securities premium	Reserve fund u/s 45-IC of RBI Act 1934	Capital redemption reserve	Retained earnings	Capital Reserve			
Balance as at April 1, 2024	16,570.24	1,905.00	44.05	6,888.12	(1,411.82)	(52.68)	1,129.22	25,072.13
Profit for the year	-	-	-	1,722.70	-	-	-	1,722.70
Other comprehensive income/(loss)	-	-	-	(13.75)	-	83.43	-	69.68
Transferred from retained earnings to reserve fund u/s 45-IC of RBI Act 1934	-	443.93	-	(443.93)	-	-	-	-
Balance as at March 31, 2025	**16,570.24**	**2,348.93**	**44.05**	**8,153.14**	**(1,411.82)**	**30.75**	**1,129.22**	**26,864.51**

The accompanying notes are integral part of these consolidated financial statements
This is the Consolidated Statement of Changes in Equity referred to in our report of even date

For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
Firm Registration No.: 105047W/W101187

Vikram Dhanania
Partner
Membership No. 060568

Place: Bengaluru
Date: May 27, 2026

For and on behalf of the Board of Directors of
Navi Finserv Limited

Abhishek
Managing Director & Chief Executive Officer
(DIN: 07843369)

Ankit Agarwal
Director
(DIN: 08299808)

Mahima Gautam
Chief Financial Officer

Place: Bengaluru
Date: May 27, 2026

Chanchal Kumar
Company Secretary
(M.No. A50952)

Place: Bengaluru
Date: May 27, 2026

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2026

1. Corporate Information

Navi Finserv Limited ('the Holding Company' or 'NFL'), incorporated on February 14, 2012 and domiciled in India, is a public limited company, headquartered in Bengaluru, India. The Company is a Non-Banking Finance Company, primarily engaged in financing Personal loan, Home loans, and Loan against property. The Holding Company is a wholly owned subsidiary of Navi Limited (formerly, "Navi Technologies Limited") ('the Ultimate Holding Company') .

The Holding Company is a Non-Banking Financial Group – Investment and Credit Group (NBFC-ICC) registered with the Reserve Bank of India, placed under the Middle Layer (NBFC-ML) in accordance with the Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025. The Holding Company holds RBI Registration No. N-02.00270.

The consolidated financial statements of NFL include the financial statements of Navi Fintech Private Limited ("NFPL" or "the Subsidiary"), a wholly owned subsidiary consolidated in accordance with Indian Accounting Standard (Ind AS) 103, Business Combinations. NFPL was originally incorporated as BACQ Acquisitions Private Limited on October 17, 2019 in Bengaluru. Its name was subsequently changed to Navi Payments Private Limited on October 6, 2023 and later to Navi Fintech Private Limited on June 27, 2024. NFPL is primarily engaged in facilitation and support services for financial products such as customer acquisition, servicing, recovery, and credit line facilitation on behalf of RBI-regulated entities.

2. Material Accounting Policies

2.1 Basis of preparation

These consolidated financial statements comprises Consolidated Balance Sheet as on March 31, 2026, the Consolidated statement of profit and loss (including other comprehensive income), the Consolidated statement of changes in equity and Consolidated statement of cash flows for the year ended March 31, 2026, and notes to these Consolidated financial statements (the Holding Company and the Subsidiary referred to as "the Group."), including a summary of material accounting policy information and other explanatory information (hereinafter collectively referred to as "consolidated financial statements") that have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('Act'), read with relevant rules issued thereunder along with the circulars, guidelines and directions issued by the Reserve Bank of India ("the RBI") from time to time ("RBI Guidelines") and other accounting principles generally accepted in India.

The Group has prepared the consolidated financial statements on the basis that it will continue to operate as a going concern. The Management is satisfied that the Group shall be able to continue its business for the foreseeable future, and no material uncertainty exists that may cast significant doubt on the going concern assumption. 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.

The Group generally reports financial assets and financial liabilities on a gross basis on the Balance Sheet. They are offset and reported net only where it has legally enforceable right to offset the recognised amounts and the Group intends to either settle on a net basis or to realise the asset and settle the liability simultaneously as permitted by Indian Accounting Standards ("Ind AS"). Similarly, the Group offsets incomes and expenses and reports the same on a net basis where the netting off reflects the substance of the transaction or other events as permitted by Ind AS.

These consolidated financial statements have been prepared on the historical cost basis, except for the following:

- certain financial assets and liabilities that are measured at fair value as required by relevant Ind AS.
- defined benefit plans and other long term employee benefit plans measured at fair value.
- share-based payments.

These consolidated financial statements have been approved by the Group's Board of Directors and authorized for issue on May 27, 2026.

2.2 Basis of consolidation

a) The consolidated financial statements incorporate the financial statements of the Holding Company and its Subsidiary. For this purpose, an entity which is, directly or indirectly, controlled by the Holding Company is treated as subsidiary.

b) The Group reassesses 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 listed above.

c) Profit or loss and each component of other comprehensive income are attributed to the owners of the Holding Company and have been shown separately in the financial statements.

d) Where necessary, adjustments are made to the financial statements of subsidiary to bring their accounting policies in line with the Group's accounting policies.

e) All intragroup assets and liabilities, equity, income, expenses, unrealised profits/losses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

f) The consolidated financial statements of the Group combine financial statements of the Holding Company and its subsidiary line-by-line by adding together the like items of assets, liabilities, income and expenses.

2.3 Business Combination

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method in accordance with Appendix C to Ind AS 103 – Business Combinations.

Under the pooling of interest method:

a) the assets and liabilities of the combining entities are reflected at their existing carrying amounts as appearing in the consolidated financial statements of the common controlling party on the date of the business combination;

b) no adjustments are made to reflect fair values, or recognise any new assets or liabilities, except to harmonise accounting policies;

c) the identity of reserves of the transferor entity is preserved and they appear in the financial statements of the transferee entity in the same form in which they appeared in the financial statements of the transferor entity;

d) the difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor shall be transferred to capital reserve forming part of equity;

e) comparative financial information in the consolidated financial statements is restated as if the business combination had occurred from the beginning of the preceding reporting period, irrespective of the actual date of the combination; and

f) the financial statements of the combining entities are combined line-by-line by adding together like items of assets, liabilities, equity, income, expenses and cash flows after eliminating intra-group balances, transactions and unrealised gains or losses.

2.4 Functional and presentation currency

The consolidated financial statements are presented in Indian Rupee (INR), which is also the functional currency of the Group, in denomination of Millions with rounding off to two decimals as permitted by Schedule III to the Act except where otherwise indicated.

2.5 Use of estimates, judgements and assumptions:

The preparation of consolidated financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the consolidated financial statements and notes thereto. These estimates, judgements and assumptions affect the application of accounting policies, the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities as at the reporting date and the reported amount of revenues and expenses during the year. Accounting estimates could change from period to period. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from the Management's estimates and judgements. Revisions to accounting estimates are recognised prospectively.

Material accounting estimates and judgements used in various line items in the consolidated financial statements

(a) Impairment of financial assets

The measurement of impairment losses across all categories of financial assets requires judgement of the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by several factors, changes which can result in different levels of allowance.

It has been the Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

(b) Business model assessment

Refer note 2.8 for detailed explanation on Business model assessment.

(c) Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2026

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2026

values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

(d) Provisions and other contingent liabilities

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

(e) Defined employee benefit plans

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(f) Recognition of deferred tax assets

A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses, if any, can be utilised. Accordingly, the Group exercises its judgment to reassess the carrying amount of deferred tax assets at the end of each reporting period.

(g) Lease–Estimating the incremental borrowing rate.

The Group uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay for its borrowings.

2.6 Revenue recognition

i. Recognition of interest income

Interest income is recognized by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial assets measured at amortised cost or fair value through other comprehensive income other than credit-impaired assets.

The EIR in case of a financial asset is computed.

a. As the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

b. By considering all the contractual terms of the financial instrument in estimating the cash flows.

c. Including all fees received/ paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows are recognized in interest income with the corresponding adjustment to the carrying amount of the assets.

Interest income and impairment loss on financial assets measured at fair value through other comprehensive income (FVOCI) are recognized in the consolidated statement of profit and loss. Any gain or loss on subsequent measurement is recognised in OCI and on derecognition the cumulative gain or loss recognised in OCI will be recycled to the consolidated statement of profit and loss.

Interest income on fixed deposits is recognized on time proportion basis taking into account the outstanding amount and rate applicable.

Interest on financial assets measured at fair value through profit or loss (FVTPL) is presented under interest income on investments.

ii. Recognition of interest on securitised loans

The Group securitises certain pools of loan receivables in accordance with applicable RBI guidelines. The Group, being Originator of these loan receivables, also acts as Servicer with a responsibility of collection of receivables from its borrowers and depositing the same in Collection and Pay-out Account maintained by the Special Purpose Vehicle (SPV) Trust for making scheduled pay-outs to the investors in Pass Though Certificates (PTCs) issued by the SPV Trust. These securitisation transactions also require the Group to provide for first loss credit enhancement in various forms, such as (EIS), over collateral and cash collateral in the event of shortfall in collections from underlying loan contracts. By virtue of existence of credit enhancement, the Group is exposed to credit risk, being the expected losses that will be incurred on the transferred loan receivables to the extent of the credit enhancement provided.

In view of the above, the Group has retained substantially all the risks and rewards of ownership of the financial asset and thereby does not meet the de-recognition criteria as set out in Ind AS 109. Consideration received in this transaction is presented as "Liability against Securitised assets" and the loan receivables securitised are continued to be reflected as loan assets. These loan assets are carried at amortised cost, and the interest income is recognised by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

iii. Fee and Commission Income

The Group recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial Instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'.

The Group recognizes:

a. Service Fee income on co-lending arrangements on completion of service

b. Penalty charges on realisation from customer at the time of default

iv. Net gain/loss on derecognition of financial instruments

In direct assignment transactions or transfer of loan assets, net gain on derecognition i.e. present value of Excess Interest Spread (EIS) on de-recognized assets is computed by discounting net cash flows from such derecognised loan assets on the date of transaction including all fees received/paid & collection costs arising from direct assignments

v. Net gain/loss on fair value changes

The Group records any differences in the fair values of financial assets classified as fair value through profit or loss (FVTPL) on the balance sheet date as unrealised gains or losses. If the aggregate results in a net gain, this is reported under "Net Gains on Fair Value Changes" within Revenue from Operations. Conversely, if there is a net loss, it is disclosed under "Net Loss on Fair Value Changes" within Expenses in the consolidated statement of Profit and Loss.

Additionally, any realised gains or losses from the sale of financial instruments measured at FVTPL are recognised within net gain/loss on fair value changes.

2.7 Finance costs

Finance costs include interest expense computed by applying the EIR on respective financial instruments measured at Amortised cost (Financial liability'). Financial instruments include non-convertible debentures, commercial papers, subordinated debts, term loans from banks/financial institutions, working capital demand loan, Liability against securitisation transactions. Finance costs are charged to the Statement of profit and loss.

The EIR in case of financial liability is computed as below:

a. As the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability.

b. By considering all the contractual terms of the financial instrument in estimating the cash flows.

c. Including all fees paid/ received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Interest expense on lease liabilities computed by applying the Group's incremental borrowing rate has been included under finance costs.

2.8 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Financial assets:

Initial recognition and measurement

All financial assets are recognized initially at fair value adjusted for transaction costs that are attributable to the acquisition of the financial asset except for financial assets measured at Fair Value Through Profit and Loss wherein transaction cost is charged to statement of profit and loss.

Financial assets – Classification

On initial recognition, depending on the Group's business model for managing the financial assets

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2026

and its contractual cash flow characteristics, a financial asset is classified as measured at:

- Amortised cost
- Fair value through other comprehensive income (FVTOCI)
- Fair value through profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Business model assessment

Classification and measurement of financial assets depend on the results of the Solely Payments of Principle and Interest (SPPI') and the business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated.

The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Financial assets at Amortized Cost:

A financial asset is measured at amortized cost only if both of the following conditions are met:

- It is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- The contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Financial assets at Fair value through other comprehensive income('FVTOCI'):

A financial asset is measured at FVTOCI only if both of the following conditions are met:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- The contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Financial assets at Fair Value through Profit and Loss (FVTPL):

Items at fair value through profit or loss comprise:

- Investments (including Government securities, mutual funds & equity shares) held for trading.
- Debt instruments with contractual terms that do not represent solely payments of principal and interest.
- Any financial instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.

Equity Investments:

All equity investments other than equity investments in subsidiaries / associates / joint ventures are measured at FVTPL. These include all equity investments in scope of Ind AS 109. The Group accounts for its investments in subsidiaries, associates and joint ventures at cost less accumulated impairment, if any.

Subsequent measurement:

- **Amortized cost:** After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

  The Group measures investments in repo lending at amortised cost, as it meets both of the conditions mentioned above.
- **FVTPL:** These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in the consolidated statement of profit and loss. The transaction costs and fees are also recorded related to these instruments in the consolidated statement of profit and loss.

  In accordance with Ind AS 109, the Group applies trade-date accounting for the purchase and sale of investments measured at FVTPL. Consequently, investments are recognised or derecognised on the trade date, with a corresponding increase in receivable and payable under settlement.
- **FVTOCI:** Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognized in the statement of profit and loss. On derecognition, cumulative gain or loss (if any) previously recognized in OCI is reclassified from the equity to 'other income' in the consolidated statement of profit and loss.

Modification and Derecognition of Financial Assets

(a) Modification 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 the 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. The Group renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. Modification of loan terms is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a 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). When a financial asset is modified the Group assesses whether this modification results in derecognition of financial asset.

In accordance with the Group's policy, a modification results in derecognition when it gives rise to substantially different terms. Where a modification does not lead to derecognition, the Group calculates the modification gain/loss comparing the gross carrying amount before and after the modification and accounts for the same in the consolidated statement of profit and loss.

(b) Derecognition of financial assets

The Group derecognises a financial asset (or, where applicable, a part of a financial asset) when:

- The right to receive cash flows from the asset has expired such as repayments in the financial asset, sale of the financial asset etc.; or
- The Group has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under an assignment arrangement and the Group has transferred substantially all the risks and rewards of the asset. Once the asset is derecognised, the Group does not have any continuing involvement in the same. A write-off of a financial asset constitutes a de-recognition event.

The Group transfers its financial assets through the partial assignment route and accordingly derecognises the transferred portion as it neither has any continuing involvement in the same nor does it retain any control. If the Group retains the right to service the financial asset, it recognises either a service asset or a service liability for that service contract. A service liability in respect of a service is recognised if the present value of fee to be received is not expected to compensate the Group adequately for performing the service. If the present value of fees to be received is expected to be more than adequate compensation for the servicing, a service asset is recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

Write-offs

Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. The Group reduces the gross carrying amount of a financial asset. However, financial

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2026

assets that are written off could still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any subsequent recoveries made are recognized in the consolidated statement of profit and loss.

2.8.1. Impairment of financial assets

In accordance with Ind AS 109, the Group applies Expected Credit Loss (ECL) (general approach) model for measurement and recognition of impairment loss on loan assets. For other financial assets, the Group follows a simplified approach to the ECL model.

a. Overview of the ECL Model

ECL are recognised as applicable for loan assets and other financial assets.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss).

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is the portion of Lifetime ECL that represents the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both Lifetime ECLs and 12-month ECLs are calculated either on individual basis or as collective basis, depending on the nature of the underlying portfolio of financial instruments.

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 perform an assessment of significant increase in credit risk at a customer level. If a customer has various facilities having different past due status, then the highest days past due (DPD) is considered to be applicable for all the facilities of that customer.

Based on the above, the Group categorizes its loans into Stage 1, Stage 2 and Stage 3 as described 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 loans / investments up to 30 days by due under this category. Stage 1 financial instruments also include facilities where the credit risk has improved, and the loan has been reclassified from Stage 2. The Group considers ECL for 12 months for those assets.

Stage 2

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. The Group classifies all loans over 30 Days Past Due (other than over 90 Days Past Due cases) is considered a significant increase in credit risk. The Group considers lifetime ECL for those assets.

Stage 3

Financial instruments are classified as stage 3 when there is objective evidence of impairment as a result of one or more loss events that have occurred after initial recognition with a negative impact on the estimated future cash flows of a financial instrument. The Group classifies all financial assets over 90 Days Past Due as credit impaired assets. The Group considers lifetime ECL for those assets.

The Group also considers loan accounts which have moved to 90 + Days Past Due during the period or in previous years and has not fully repaid the overdue interest and principal as credit impaired or Stage 3 assets.

b. Estimation of Expected Credit loss

The mechanics of the ECL calculations are outlined below and the key elements are as follows:

- **Probability of Default (PD)–**The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously de-recognized and is still in the portfolio.
- **Exposure at Default (EAD)-**The Exposure at Default is an estimate of the exposure at a future default date (in case of Stage 1 and Stage 2), taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise. In case of Stage 3 loans EAD represents gross exposure as on the reporting date.
- **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 Group would expect to receive, including the realisation of any collateral and the time value of money determined based on appropriate discount rate. It is usually expressed as a percentage of the EAD.

Forward looking information

While estimating the expected credit losses, the Group reviews macro-economic developments occurring in the economy and the market it operates in. On a periodic basis, the Group analyses if there is any relationship between key economic trends like GDP, adequate external benchmark rates, inflation etc. with the estimate of PD, LGD determined by the Group based on its internal data. Forecast future macroeconomic indicators that demonstrate high correlation to performance of Group's portfolio are factored in computation of probability of default.

Collateral valuation

To mitigate its credit risks on financial assets, the Group seeks to use collateral, where possible. Collateral comes in various forms, such as immovable assets, However, the fair value of collateral affects the calculation of ECL and the fair value is based on data provided by third party or management judgements.

Collateral repossession

The Group provides secured loans to individuals. In the ordinary course of business, upon borrower default, the Group may take possession of underlying collateral. Such repossessed assets are typically disposed of through auctions to recover outstanding dues or may be released back to customers upon settlement. Any surplus funds are returned to the customers/obligors. Repossessed assets are not recognized in the balance sheet unless legal title is transferred to the Group and the asset satisfies the recognition criteria under Ind AS 105 as a non-current asset held for sale.

ii. Financial liabilities and Equity classification:

Classification as debt or equity –

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments –

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received. Transaction costs of an equity transaction are recognised as a deduction from equity.

Financial liabilities –

Financial liabilities are measured at amortised cost or FVTPL. A financial liability is measured as at FVTPL if it is classified as held-for-trading or it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expenses are recognised in consolidated statement of profit and loss. Any gain or loss on derecognition of financial liabilities are also recognised in consolidated statement of profit and loss.

De-recognition-

A Financial Liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When 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 the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the consolidated statement of profit or loss.

Convertible Instruments-

The fair value of the liability portion of compulsory convertible debentures (CCD) is determined using an interest rate for an equivalent non-convertible bond. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or redemption of the CCD. The remainder of the proceeds is attributable to the equity portion of the compound instrument. This is recognised and included in shareholders' equity, net of income tax effects, and not subsequently remeasured.

2.9 Fair value measurement

The Group measures financial instruments at fair value which 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 liability takes place either:

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- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1–**Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- **Level 2–**Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- **Level 3–**Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. For assets and liabilities that are recognized in the balance sheet on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.10 Income Tax

i. Current Tax

Current Tax expense (part of Tax expense for the period), are included in the determination of the net profit or loss for the period.

Current tax comprises amount of tax payable in respect to the taxable income or loss for the year determined in accordance with Income Tax Act,1961 and any adjustment to tax payable or receivable in respect of prior years.

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 where the Group operates and generates taxable income.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and is intended to realise the asset and settle the liability on a net basis or simultaneously.

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 expense (part of Tax expense for the period), are included in the determination of the net profit or loss for the period.

Deferred tax is recognised using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

Unrecognised deferred tax assets, if any, are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets 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 either in other comprehensive income or in other equity.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2026

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.

2.11 Leases

a) As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate as on the date of lease commencement date. Subsequently, it is re-measured to reflect any reassessment or modification, or if there are changes in the in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right of use asset or is recorded in consolidated statement of profit and loss if the carrying amount of the right of use asset has been reduced to zero.

Identification of lease:

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.

Short-term leases and leases of low-value assets

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases of assets that have a lease term of 12 months or less and leases of low-value assets. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

b) As a lessor

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. Amount due from lessees under finance lease are recognized as receivable at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease.

3. Summary of other accounting Policies

3.1 Property, Plant and Equipment:

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost includes all expenses, direct and indirect, specifically attributable to its acquisition and bringing it to its working condition for its intended use. Incidental expenditure pending allocation and attributable to the acquisition of fixed assets is allocated / capitalised with the related assets. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

Depreciation

Depreciation on property, plant and equipment has been provided on the straight-line method over the life of the asset. All individual assets (other than furniture and fixtures and office equipment) valued less than INR 5,000 are depreciated in full in the year of acquisition. The useful life of the assets is as follows:

Asset class	Useful life adopted by the Group
Electrical Installations and Equipment	10 years
Office equipment	5 years
Furniture and fixtures	10 years
Leasehold Improvement	5 to 15 years
Plant and Machinery	15 Years

Depreciation is calculated on a pro rata basis from the date on which the asset is ready for use till the date the asset is sold or disposed off.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2026

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

De-recognition

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the consolidated statement of profit and loss when the asset is derecognized.

3.2 Intangible assets and amortisation

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the tax authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. 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. Subsequently, they are carried at cost less accumulated amortisation and impairment losses if any and are amortised over their estimated useful life on the straight-line basis over a 3-year period or the license period whichever is lower.

Any gain or loss on disposal of an item of intangible assets is recognized in statement of profit or loss.

The carrying amount of the assets is reviewed at each Balance sheet date to ascertain impairment based on internal or external factors. Impairment is recognised, if the carrying value exceeds the higher of the net selling price of the assets and its value in use.

For amortisation of intangibles, the amortisation amount is allocated on a systematic basis over the best estimate of its useful life.

3.3 Employee benefits:

The Group provides employment benefits through various defined contributions and defined benefit plans. Employee benefits include Provident Fund, Leave Encashment, Gratuity and Bonus.

Defined contribution plans

A defined contribution plan is a plan under which the Group pays fixed contributions into an independent fund administered by the government. The Group has no legal or constructive obligations to pay further contributions after its payment of the fixed contribution, which are recognized as an expense in the year in which the related employee services are received.

Defined benefit plans

The defined benefit plans sponsored by the Group define the amount of benefit that an employee will receive on completion of services by reference to length of service and last drawn salary. The legal obligation for any benefit remains with the Group.

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognized in the consolidated financial statements in respect of gratuity is the present value of the defined benefit obligation at the reporting date, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the consolidated statement of Other Comprehensive Income (OCI) in the year in which such gains or losses are determined.

Short-term employee benefits

Expense in respect of other short-term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

3.4 Derivative financial instruments

The Company enters into derivative financial instruments, such as interest rate swap to manage exposures to interest rate risk.Such derivative financial instruments are initially recognized 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. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.Any gains or losses arising from changes in the fair value of derivatives are taken directly to the consolidated statement of profit and loss.

3.5 Share based payments

a) The fair value of options granted under the Employee Option Plan (provided by the Ultimate Holding Company) is recognised as an employee benefits expense. The fair value is determined by using an appropriate valuation model at each reporting date. The total amount to be expensed

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2026

is determined by reference to the fair value of the options granted:

a. including any market performance conditions

b. excluding the impact of any service and non-market performance vesting conditions

c. including the impact of any non-vesting conditions

If the options vest in installments (i.e. the options vest pro rata over the service period), then each instalment is treated as a separate share option grant because each instalment has a different vesting period.

As the Group is awarding its Ultimate Holding Company's equity instruments against services received and has an obligation to settle the share based payment transaction, the Group settles the amount in cash to Ultimate Holding Company.

b) The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to payable to the Ultimate Holding Company.

3.6 Other expenses

Expenses are recognised on accrual basis inclusive of goods and services tax for which input credit is not statutorily permitted.

3.7 Earnings per equity share

Basic earnings per equity share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. To calculate diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.8 Impairment of non-financial assets

An assessment is done at each balance sheet date as to whether there are any indications that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit (CGU) is made. Where the carrying value of the asset/CGU exceeds the recoverable amount, the carrying value is written down to the recoverable amount.

3.9 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.10 Dividend

Proposed dividends and interim dividends payable to the shareholders are recognized as changes in equity in the period in which they are approved by the shareholder's meeting and the Board of Directors respectively

3.11 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Group. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Group.

3.12 Trade and Other Payable

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the reporting period, remaining unpaid. These amounts are unsecured and are usually paid in accordance with the payment terms agreed with vendors.

3.13 Other Income

All other income is recognized on accrual basis when no significant uncertainty exists on their receipt.

3.14 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the consolidated financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

4 Recent Accounting Pronouncements

The Ministry of Corporate Affairs (MCA), through the Companies (Indian Accounting Standards) Amendment Rules, 2025 and Companies (Indian Accounting Standards) Second Amendment Rules, 2025, has issued amendments to various Ind AS, which are effective from April 1, 2025 and which will be effective from April 1, 2026.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2026

A. Amendments effective from April 1, 2025:

i. Ind AS 21 – Effects of Changes in Foreign Exchange Rates (Lack of Exchangeability)

These amendments aim to provide clear guidance on assessing currency exchangeability and estimating exchange rates when currencies are not readily exchangeable.

ii. Ind AS 7 – Statement of Cash Flows and Ind AS 107 – Financial Instruments: Disclosures (Supplier Finance Arrangements)

The amendments introduce additional disclosure requirements for supplier finance arrangements to enhance transparency regarding their effect on liabilities and cash flows.

iii. Ind AS 12 – Income Taxes (Pillar Two Model Rules)

International Tax Reform: Pillar Two Models Rules applicable immediately–The amendments provide temporary mandatory relief from deferred tax accounting for top-up tax and require companies to disclose that they have applied the relief. This relief is immediate and applies retrospectively. The amendments also require companies to provide new disclosures to compensate for potential loss of information resulting from the relief. Such disclosures are to be provided for annual reporting periods beginning on or after April 1, 2025.

Further, the amendment also require companies to disclose that it has applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes The disclosure should be made separately its current tax expense (income) related to Pillar Two income taxes. The Group should disclose qualitative and quantitative information about its exposure to Pillar Two income taxes at the end of the reporting period.

iv. Ind AS 1, Presentation of Financial Statements

The amendment relates to classification of liabilities as current or non-current and non-current liabilities. 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.

v. Ind AS 101, First-time Adoption of Indian Accounting Standards

The amendment introduces transitional relief for leases under Ind AS 116 and includes the provisions from IFRS 11. These changes aim to ease the transition for first-time adopters and align with the international standards.

The Group has assessed and there is no material impact of the above amendments on these consolidated financial statements.

B. Amendments notified but not yet effective (effective from April 1, 2026)

i. Ind AS 1, Presentation of Financial Statements

This amendment removes the carve-outs in Ind AS 1 from IAS 1 when there is a breach of a material covenant that transforms the liability from non-current to current.

The Group will evaluate the requirements and apply these amendments from the effective date. However, presently the Group does not see any impact on the consolidated financial statements.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2026

(All amount in INR millions, unless otherwise stated)

5 Cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Balance with banks:		
- In current accounts	7,784.78	4,488.84
Total	**7,784.78**	**4,488.84**

(i) There are no restrictions with regard to cash and cash equivalents as at the end of the reporting year.

(ii) Cash and cash equivalents exclude co-lenders' share of scheduled EMI payments received by the Group on behalf of respective co-lenders under co-lending arrangements.

6 Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Balance with banks to the extent held as margin money deposits*	5,528.15	7,646.64
Balance in current account- lien marked	38.50	1.24
Deposits with original maturity for more than three months	1,264.02	379.89
Total	**6,830.67**	**8,027.77**

* The term deposits with banks (exluding the interest accrued on term deposits) have been placed under lien for the following purposes:

Particulars	As at March 31, 2026	As at March 31, 2025
Margin money against government securities	-	500.00
Margin money against equity and derivatives	-	79.97
Working capital loans/overdraft facilities	2,400.22	947.58
Securitisation liabilities	2,353.85	5,639.18
Default loss guarantee arrangements	476.29	187.56
Total	**5,230.36**	**7,354.29**

7 Trade Receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Receivables considered good - Unsecured	453.79	475.41
Less: Impairment loss allowance	-	-
Total	**453.79**	**475.41**

Trade Receivables aging schedule

Particulars	As at March 31, 2026						
	Outstanding for following periods from due date of payment						
	Unbilled dues	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables -							
- considered good	367.13	73.73	12.93	-	-	-	**453.79**
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
(ii) Disputed Trade Receivables -							
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

Trade Receivables aging schedule

Particulars	As at March 31, 2025						
	Outstanding for following periods from due date of payment						
	Unbilled dues	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables -							
- considered good	86.61	388.80	-	-	-	-	475.41
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
(ii) Disputed Trade Receivables -							
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-

8 Loans#

Particulars	As at March 31, 2026	As at March 31, 2025
A) Loans (at amortised cost)		
Term loans^	89,588.93	82,430.15
Less : Impairment loss allowance	(4,185.75)	(5,480.43)
	85,403.18	**76,949.72**
Loans (Fair value through other comprehensive income)		
Term loans	40,755.16	2,660.78
Less : Impairment loss allowance	(1,242.58)	(235.90)
	39,512.58	**2,424.88**
Total (gross)	**1,30,344.09**	**85,090.93**
Less : Impairment loss allowance	(5,428.33)	(5,716.33)
Total (net)	**1,24,915.76**	**79,374.60**
B) i) Secured by tangible assets (refer note (i))		
Amortised cost	15,533.59	8,882.92
Less : Impairment loss allowance	(108.73)	(65.32)
	15,424.86	**8,817.60**
Fair value through other comprehensive income	-	-
Less : Impairment loss allowance	-	-
	-	**-**
ii) Unsecured		
Amortised cost	74,055.34	73,547.23
Less : Impairment loss allowance	(4,077.02)	(5,415.11)
	69,978.32	**68,132.12**
Fair value through other comprehensive income	40,755.16	2,660.78
Less : Impairment loss allowance	(1,242.58)	(235.90)
	39,512.58	**2,424.88**
Total (gross)	**1,30,344.09**	**85,090.93**
Less : Impairment loss allowance	(5,428.33)	(5,716.33)
Total (net)	**1,24,915.76**	**79,374.60**

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

Particulars	As at March 31, 2026	As at March 31, 2025
C) Loans in India		
i) Public sector	-	-
ii) Retail loans:		
Total (gross)	1,30,344.09	85,090.93
Less : Impairment loss allowance	(5,428.33)	(5,716.33)
Total (net)	**1,24,915.76**	**79,374.60**
Gross	**1,30,344.09**	**85,090.93**
Less : Impairment loss allowance	(5,428.33)	(5,716.33)
Total (net)	**1,24,915.76**	**79,374.60**

^ includes receivable from related parties INR 0.82 millions as on March 31, 2026 (INR 0.43 million as on March 31, 2025)

(i) Loans secured by way of hypothecation of residential property.

#The Group has not granted loans and advances in the nature of loans to promoters, directors, key managerial personnel or related parties u/s 2(76) either repayable on demand or without specifying terms.

Refer Note 48, for movement in the gross carrying amount in respect of loans and corresponding ECL allowances.

9 Investments

Particulars	At Amortised Cost	At fair value through profit and loss	As at March 31, 2026 Total
Investments in -			
(i) Mutual funds	-	722.24	722.24
(ii) Government Securities	-	2,212.82	2,212.82
(iii) Certificate of deposits	-	5,664.60	5,664.60
(iv) Infrastructure Investment Trust	-	384.54	384.54
Total (gross) (A)	**-**	**8,984.20**	**8,984.20**
Allowance for impairment loss (B)	-	-	-
Total (net) (C) = (A - B)	**-**	**8,984.20**	**8,984.20**
Investments in India	-	8,984.20	8,984.20
Investments outside India	-	-	-
Total (gross) (D)	**-**	**8,984.20**	**8,984.20**

Particulars	At Amortised Cost	At fair value through profit and loss	As at March 31, 2025 Total
Investments in -			
(i) Bonds and debentures	-	6,098.75	6,098.75
(ii) Government Securities	-	3,273.37	3,273.37
(iii) Equity shares	-	556.85	556.85
(iv) Others - Repo Lending	1,450.80	-	1,450.80
Total (gross) (A)	**1,450.80**	**9,928.97**	**11,379.77**
Allowance for impairment loss (B)	-	-	-
Total (net) (C) = (A - B)	**1,450.80**	**9,928.97**	**11,379.77**
Investments outside India	-	-	-
Investments in India	1,450.80	9,928.97	11,379.77
Total (gross) (D)	**1,450.80**	**9,928.97**	**11,379.77**

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

10 Other financial assets

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured-considered good		
Security deposits	84.02	76.35
Other receivable^#	2,297.77	662.54
Excess Interest Spread (EIS) receivable (gross)	751.11	516.39
Less : Impairment loss allowance on EIS	(38.72)	(44.97)
Total	**3,094.18**	**1,210.31**

^ Includes receivable from payment aggregators.

#Includes receivables from related parties. Refer note 43 for related party disclosures

11 Current tax assets (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Current tax assets (net of provision)	109.44	-
Total	**109.44**	**-**

12 Deferred tax assets (net)

Movement in deferred tax assets

Particulars	As at April 1, 2025	(Charged)/ credited to statement of profit and loss	(Charged)/ credited to other comprehensive income	As at March 31, 2026
Tax effect of items constituting deferred tax assets:				
Impairment allowance for loans and other receivables	1,510.20	(139.93)	-	1,370.27
Financial assets measured at fair value through profit and loss	-	3.38	-	3.38
Provision for employee benefits	32.62	(0.21)	(4.75)	27.66
Lease liabilities	276.18	(34.54)	-	241.64
On written down value of property, plant and equipment	20.59	(2.12)	-	18.47
Deferred tax assets	**1,839.59**	**(173.42)**	**(4.75)**	**1,661.42**

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(All amount in INR millions, unless otherwise stated)

Movement in deferred tax liabilities

Particulars	As at April 1, 2025	Charged/ (credited) to statement of profit and loss	(Charged)/ credited to other comprehensive income	As at March 31, 2026
Tax effect of items constituting deferred tax liabilities:				
Financial liabilities measured at amortised cost	151.52	53.98	-	205.50
Financial assets measured at amortised cost	184.38	(775.09)	-	(590.71)
Financial assets measured at fair value through other comprehensive income	10.34	-	74.25	84.59
EIS receivable and service liability on assigned loans	101.77	45.48	-	147.25
Right of use assets (including lease receivable on sub-lease)	183.33	20.84	-	204.17
Financial assets measured at fair value through profit and loss	16.28	(16.28)	-	-
Others	(0.13)	(0.09)		(0.22)
Deferred tax liabilities	**647.49**	**(671.16)**	**74.25**	**50.58**
Total deferred tax asset (net)	**1,192.09**	**497.74**	**(79.00)**	**1,610.84**

Movement in deferred tax assets

Particulars	As at April 1, 2024	(Charged)/ credited to statement of profit and loss	(Charged)/ credited to other comprehensive income	As at March 31, 2025
Tax effect of items constituting deferred tax assets:				
Impairment allowance for loans and other receivables	1,179.47	330.73	-	1,510.20
Provision for employee benefits	33.85	(5.86)	4.63	32.62
Lease liabilities	658.17	(381.99)	-	276.18
On written down value of property, plant and equipment	17.91	2.68	-	20.59
Deferred tax assets	**1,889.40**	**(54.44)**	**4.63**	**1,839.59**

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(All amount in INR millions, unless otherwise stated)

Movement in deferred tax liabilities

Particulars	As at April 1, 2024	Charged/ (credited) to statement of profit and loss	(Charged)/ credited to other comprehensive income	As at March 31, 2025
Tax effect of items constituting deferred tax liabilities:				
Financial liabilities measured at amortised cost	181.11	(29.59)	-	151.52
Financial assets measured at amortised cost	369.41	(185.03)	-	184.38
Financial assets measured at fair value through other comprehensive income	(19.62)	1.90	28.06	10.34
EIS receivable and service liability on assigned loans	124.19	(22.42)	-	101.77
Right of use assets (including lease receivable on sub-lease)	602.62	(419.29)	-	183.33
Financial assets measured at fair value through profit and loss	3.49	12.79	-	16.28
Others	-	(0.13)	-	(0.13)
Deferred tax liabilities	**1,261.20**	**(641.77)**	**28.06**	**647.49**
Total deferred tax asset (net)	**628.20**	**587.33**	**(23.43)**	**1,192.09**

13 Property, plant and equipment

Particulars	Furniture and fixtures	Office equiments	Leasehold improvement	Electrical equipment	Plant and Machinery	Total
Gross carrying amount						
Balance as at April 1, 2024	**71.21**	**17.57**	**157.11**	**50.98**	**76.63**	**373.50**
Additions	1.07	1.26	1.41	-	-	3.74
Disposals/ Adjustments	-	-	(93.47)	-	-	(93.47)
Balance as at March 31, 2025	**72.28**	**18.83**	**65.05**	**50.98**	**76.63**	**283.77**
Additions	1.19	-	-	-	-	1.19
Disposals/ Adjustments	(0.09)	1.20	(0.05)	(1.21)	-	(0.15)
Balance as at March 31, 2026	**73.38**	**20.03**	**65.00**	**49.77**	**76.63**	**284.81**
Accumulated depreciation						
Balance as at April 1, 2024	**21.52**	**9.03**	**73.74**	**13.14**	**13.87**	**131.30**
Depreciation	5.29	2.16	7.61	3.82	4.21	23.09
Disposals/ Adjustments	-	-	(59.73)	-	-	(59.73)
Balance as at March 31, 2025	**26.81**	**11.19**	**21.62**	**16.96**	**18.08**	**94.66**
Depreciation	5.36	2.12	5.36	3.82	4.20	20.86
Disposals/ Adjustments	(0.07)	0.27	1.01	(0.25)	-	0.96
Balance as at March 31, 2026	**32.10**	**13.58**	**27.99**	**20.53**	**22.28**	**116.48**
Net carrying amount						
Balance as at March 31, 2025	**45.47**	**7.64**	**43.43**	**34.02**	**58.55**	**189.11**
Balance as at March 31, 2026	**41.28**	**6.45**	**37.01**	**29.24**	**54.35**	**168.33**

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

14 Other intangible assets

Particulars	Trademark	Total
Gross carrying amount		
Balance as at April 1, 2024	**-**	**-**
Additions	2.07	2.07
Disposals	-	-
Balance as at March 31, 2025	**2.07**	**2.07**
Additions	-	-
Disposals	-	-
Balance as at March 31, 2026	**2.07**	**2.07**
Accumulated amortisation		
Balance as at April 1, 2024	**-**	**-**
Amortisation	-	-
Disposals	-	-
Balance as at March 31, 2025	**-**	**-**
Amortisation	-	-
Disposals	-	-
Balance as at March 31, 2026	**-**	**-**
Net carrying amount		
Balance as at March 31, 2025	**2.07**	**2.07**
Balance as at March 31, 2026	**2.07**	**2.07**

15 Leases

Company as a lessee

The Group has leases for office premises used in its business operations. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liabilities.

(i) Amounts recognised in balance sheet

a) Right-of-use assets

Office Premises

Gross carrying value	As at March 31, 2026	As at March 31, 2025
Opening Balance	1,749.27	1,821.70
Additions during the year	-	81.07
Modifications/retirement during the year	(18.64)	(153.49)
Closing Balance	**1,730.63**	**1,749.28**

Accumulated Depreciation	As at March 31, 2026	As at March 31, 2025
Opening Balance	377.72	254.18
Depreciation charge for the year	186.63	203.22
Modifications/retirement during the year	-	(79.68)
Closing Balance	564.35	377.72
Net carrying value	**1,166.28**	**1,371.56**

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

b) Lease liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	1,527.00	1,712.01
Additions	-	7.87
Accretion of interest	138.28	156.23
Payments	(260.08)	(255.76)
Adjustments on modification	(20.47)	(93.35)
Closing balance	**1,384.73**	**1,527.00**

(ii) Amounts recognised in the statement of profit and loss

The consolidated statement of profit and loss shows the following amounts relating to leases

Particulars	As at March 31, 2026	As at March 31, 2025
Depreciation charge of right-of-use assets	186.63	203.22
Interest expense (included in finance costs)	138.28	156.23
Total	**324.91**	**359.45**

(iii) The total cash outflow for leases for the year ended March 31, 2026 was INR 260.08 million (March 31, 2025: INR 255.76 million).

(iv) Critical judgements in determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

Extension options in certain office lease have not been included in the lease liability, because the Group could replace the assets without significant cost or business disruption.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

16 Other non-financial assets

Particulars	As at March 31, 2026	As at March 31, 2025
Advances to suppliers and others	124.61	114.96
Balance with government authorities	954.72	1,165.69
Tax paid under dispute	5.56	2.06
Prepaid expenses	19.07	4.42
Others	0.55	0.33
Total	**1,104.51**	**1,287.46**

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

17 Trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises	25.34	4.04
Total outstanding dues of creditors other than micro enterprises and small enterprises*	1,269.76	794.69
Total	**1,295.10**	**798.73**

* Includes payable to related parties. Refer note 43 for related party disclosures

17.1 Trade payables ageing schedule

As at March 31, 2026:

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 years	
Undisputed:					
(i) MSME	24.64	0.33	0.27	0.10	25.34
(ii) Others	1,202.76	66.51	0.49	0.00	1,269.76

There are no disputed trade payables

As at March 31, 2025:

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 years	
Undisputed:					
(i) MSME	3.92	0.09	0.03	-	4.04
(ii) Others	736.47	58.22	-	-	794.69

There are no disputed trade payables

17.2 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	As at March 31, 2026	As at March 31, 2025
(a) (i) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	25.34	4.04
(ii) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
(b) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(c) (i) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(ii) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(d) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed date during the year) but without adding the interest specified under the MSMED Act	-	-
(e) The amount of interest accrued and remaining unpaid at the end of the year	-	-
(f) Amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to small enterprise for purpose of disallowance as deductible expenditure under Section 23 of the MSMED Act	-	-

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

18 Debt securities

Particulars	As at March 31, 2026	As at March 31, 2025
At amortised cost		
Secured Redeemable non-convertible debentures#	49,150.93	20,438.13
Liability component of compulsory convertible debentures #^	-	124.07
Commercial papers - unsecured	7,287.94	2,082.81
Total	**56,438.87**	**22,645.01**
Debt securities in India	56,438.87	22,645.01
Debt securities outside India	-	-
Total	**56,438.87**	**22,645.01**

Refer Note 18.1 for terms of debt securities

^Refer Note 43 for related party disclosures.

18.1 Terms of Securities

a) Terms of Non-convertible debentures (Secured):

From the balance sheet date	As at March 31, 2026		As at March 31, 2025	
	Interest rate range	Amount	Interest rate range	Amount
Repayable on maturity:				
Maturing within 1 year	10.00% to 11.19%	13,785.30	9.25% to 11.19%	8,295.91
Maturing between 1 year to 3 years	10.20% to 10.75%	35,480.00	10.25% to 11.19%	11,465.30
Sub–total at face value		**49,265.30**		**19,761.21**
Repayable in yearly instalments:				
Maturing within 1 year	-	-	10.50%	175.00
Maturing between 1 year to 3 years	-	-	-	-
Sub-total at face value		**-**		**175.00**
Repayable in quarterly instalments:				
Maturing within 1 year	11.16%	133.33	11.16%	133.33
Maturing between 1 year to 3 years	11.16%	33.33	11.16%	166.67
Sub-total at face value		**166.66**		**300.00**
Total at face value (A)		**49,431.96**		**20,236.21**
Interest accrued		222.04		457.55
EIR Adjustments		(503.07)		(255.63)
Total amortised cost		**49,150.93**		**20,438.13**

A. Nature of security

Secured by an exclusive charge by way of hypothecation of loans receivables.

B. Other information

i) The Group has not defaulted in the repayment of dues to its lenders.

ii) The Group has utilised the debt securities for the purpose for which it was obtained.

iii) Market Linked Debentures are carrying variable interest rate which is linked to performance of specified indices over the tenure of the debentures. The embedded value of the derivative is negligible and is likely to remain negligible throughout the tenure of debentures. Therefore, the market linked debentures have been classified at amortised cost and have exercisable call/put option.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

b) Terms of Commercial papers (Unsecured)

From the balance sheet date	As at March 31, 2026		As at March 31, 2025	
	Interest rate range	Amount	Interest rate range	Amount
Repayable on maturity:				
Maturing within 1 year	8.50% to 10.50%	7,084.23	9.00% to 10.80%	2,056.57
Total at face value		**7,084.23**		**2,056.57**
Interest accrued		203.71		26.24
Total amortised cost		**7,287.94**		**2,082.81**

19 Borrowings (other than debt securities)

Particulars	As at March 31, 2026	As at March 31, 2025
Borrowings (at amortised cost)		
a) Term loans (Secured)		
- From banks	30,550.84	18,203.93
- From financial institutions	10,165.43	7,401.39
- Liability against securitised assets	10,118.47	21,951.98
b) Loan repayable on demand		
- Cash credit facilities	5,112.79	1,254.25
Total	**55,947.53**	**48,811.55**
Borrowings in India	55,947.53	48,811.55
Borrowings outside India	-	-
Total	**55,947.53**	**48,811.55**

* Refer Note 19.1 for terms of Borrowings (other than debt securities)

19.1 Terms of borrowings (other than debt securities)

a) From banks (Secured)

From the balance sheet date	As at March 31, 2026		As at March 31, 2025	
	Interest rate range	Amount	Interest rate range	Amount
Repayable in installments:				
i) Monthly				
Maturing within 1 year	9.05% to 11.20%	12,197.41	8.83% to 12.75%	9,257.62
Maturing between 1 years to 3 years	9.10% to 11.20%	9,028.18	9.42% to 11.45%	3,765.33
Maturing beyond 3 years to 5 years	10.85%	689.81	10.25% to 11.50%	280.16
Sub-total		**21,915.40**		**13,303.11**
ii) Quarterly				
Maturing within 1 year	8.00% to 11.05%	4,875.29	8.00% to 11.15%	2,383.01
Maturing between 1 years to 3 years	8.00% to 11.05%	3,897.58	9.95% to 10.50%	2,573.42
Maturing beyond 3 years to 5 years		-		-
Sub-total		**8,772.87**		**4,956.43**
Total (i+ii)		**30,688.27**		**18,259.54**
Interest accrued		43.79		39.03
EIR Adjustment		(181.22)		(94.64)
Total amortised cost		**30,550.84**		**18,203.93**

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2026
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A. Nature of security

Secured by an exclusive charge by way of hypothecation of loan receivables.

B. Other information

i) The Group has not defaulted in the repayment of dues to its lenders.
ii) The Group has utilised the borrowings for the purpose for which it was obtained
iii) The rates mentioned above are applicatibe rates as at year end

b) From financial institutions (Secured)

From the balance sheet date	As at March 31, 2026		As at March 31, 2025	
	Interest rate range	Amount	Interest rate range	Amount
Repayable in installments:				
i) Monthly				
Maturing within 1 year	9.50% to 11.75%	5,455.48	9.75% to 11.90%	4,712.24
Maturing between 1 years to 3 years	9.50% to 11.75%	2,902.35	9.75% to 11.90%	2,609.25
Maturing beyond 3 years to 5 years	9.50%	411.58	11.70%	62.50
Sub-total		**8,769.41**		**7,383.99**
ii) Quarterly				
Maturing within 1 year	10.40% to 11.70%	581.39	-	-
Maturing between 1 years to 3 years	11.25% to 11.70%	247.22	-	-
Sub-total		**828.61**		**-**
iii) Half-yearly				
Maturing within 1 year	11.10%	220.00	-	-
Maturing between 1 years to 3 years	11.10%	330.00	-	-
Sub-total		**550.00**		**-**
Total (i+ii+iii)		**10,148.02**		**7,383.99**
Interest accrued		44.37		33.67
EIR Adjustment		(26.96)		(16.27)
Total amortised cost		**10,165.43**		**7,401.39**

A. Nature of security

Secured by an exclusive charge by way of hypothecation of loan receivables.

B. Other information

i) The Group has not defaulted in the repayment of dues to its lenders.
ii) The Group has utilised the borrowings for the purpose for which it was obtained
iii) The rates mentioned above are applicable rates as at the year end.

c) Liability against securitised assets

From the balance sheet date	As at March 31, 2026		As at March 31, 2025	
	Interest rate range	Amount	Interest rate range	Amount
Maturing within 1 year	9.45% to 10.35%	7,402.90	8.83% to 10.35%	11,363.97
Maturing between 1 year to 3 years	9.50% to 10.35%	2,698.45	9.45% to 10.35%	10,351.30
Maturing beyond 3 years to 5 years		-	9.90% to 10.10%	220.07
Total		**10,101.35**		**21,935.34**
Interest accrued		34.14		70.48
EIR Adjustment		(17.02)		(53.84)
Total amortised cost		**10,118.47**		**21,951.98**

Notes forming part of the Consolidated Financial Statements

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A. Nature of security

Secured by way of specific / pari passu charge on loan receivables of the Group.

B. Other information

i) The Group has not defaulted in the repayment of dues to its lenders.
ii) Liability against securitised assets represents the net outstanding value (Net of Investment in Pass- through Certificates) of the proceeds received by The Group from securitisation trust in respect of loan receivables transferred by The Group pursuant to the Deed of Assignment. The Group has provided Credit enhancement to the trust by way of cash collateral.
iii) The Group has utilised the borrowings for the purpose for which it was obtained.

d) Cash credit facilities

From the balance sheet date	As at March 31, 2026		As at March 31, 2025	
	Interest rate range	Amount	Interest rate range	Amount
Repayable on maturity:				
Maturing within 1 year	8.00% to 10.40%	5,099.02	8.00% to 10.30%	1,250.00
Total		**5,099.02**		**1,250.00**
Interest accrued		16.94		8.75
EIR Adjustment		(3.17)		(4.50)
Total amortised cost		**5,112.79**		**1,254.25**

A. Nature of security

Secured by an exclusive charge by way of hypothecation of loan assets receivables.

B. Other information

i) The Group has not defaulted in the repayment of dues to its lenders.

ii) The quarterly statements or returns filed by the Group with banks are in agreement with books of accounts.

20 Subordinated liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
At amortised cost Unsecured loan^		
- Unsecured term loan	493.65	1,025.34
- Non Convertible Debentures	1,921.47	-
Total	**2,415.12**	**1,025.34**
Subordinated liabilities in India	2,415.12	1,025.34
Subordinated liabilities outside India	-	-
Total	**2,415.12**	**1,025.34**

^ Refer Note 20.1 for terms of subordinated liabilities

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20.1 Details on subordinated liabilities

From the balance sheet date	As at March 31, 2026		As at March 31, 2025	
	Interest rate range	Amount	Interest rate range	Amount
Repayable on maturity:				
Maturing between 1 year to 3 years	-	-	12.50%	500.00
Maturing beyond 3 years to 5 years	11.90% to 13.60%	2,500.00	13.60%	500.00
Subtotal at face value		**2,500.00**		**1,000.00**
Interest accrued		5.86		32.98
EIR Adjustment		(90.74)		(7.64)
Total amortised cost		**2,415.12**		**1,025.34**

^ Includes payable to related parties. Refer note 43 for related parties disclosures

21 Other financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Payable on account of assignment	2,137.63	1,170.75
Payables under Co-lending Arrangements	590.01	136.75
Other payables^	83.90	2,139.00
Total	**2,811.54**	**3,446.50**

^ Includes payable to related parties. Refer note 43 for related parties disclosures

22 Current tax liabilities (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for tax (net of advance tax)	-	173.68
Total	**-**	**173.68**

23 Provisions

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits^	51.59	100.14
Provision for gratuity#	39.65	81.86
Provisions for compensated absences#	82.22	62.37
Provision for default loss guarantee arrangement*	180.66	270.38
Provision on loan commitment	18.31	11.60
Total	**372.43**	**526.35**

^ Includes payable to related parties. Refer note 43 for related parties disclosures

#Refer note 41 for detailed disclosure.

*The Group has created provision against default loss guarantee arrangements based on default loss guarantee agreements entered with multiple co-lenders.

24 Other-non financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory dues payable	130.32	139.56
Service liabilities	189.31	134.20
Other payable	227.51	54.16
Total	**547.14**	**327.92**

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(All amount in INR millions, unless otherwise stated)

25 Equity share capital

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised share capital		
400,000,000 Equity shares of INR 10 each (Previous Year: 600,000,000 Equity shares of INR 10 each)	4,000.00	6,000.00
Total authorised capital	**4,000.00**	**6,000.00**
Issued, subscribed and fully paid up share capital		
285,240,353 Equity shares of INR 10 each (Previous Year: 285,240,353 Equity shares of INR 10 each)	2,852.40	2,852.40
Total	**2,852.40**	**2,852.40**

(i) Rights, preferences and restrictions attached to equity shares:

The Holding company has equity shares having a par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The Holding company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors in any financial year is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The equity shares shall be transferable subject to the provisions contained in the Articles of Association and in the agreements entered / to be entered into with the investors / shareholders from time to time.

(ii) Reconciliation of equity shares outstanding at the beginning and end of the year

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Amount	No. of shares	Amount
Equity share capital of INR 10 each fully paid up				
Balance at the beginning of the year	28,52,40,353	2,852.40	28,52,40,353	2,852.40
Add: Issued during the year	-	-	-	-
Balance at the end of the year	**28,52,40,353**	**2,852.40**	**28,52,40,353**	**2,852.40**

(iii) Shares held by the Holding Company

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	% holding	No. of shares	% holding
Navi Limited* (Holding Company)	28,52,40,353	100.00%	28,52,40,353	100.00%

*Out of the above, 6 shares are held by nominees on behalf of our promoter.

(iv) Details of shareholders holding more than 5% of shares of the Holding company

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	% holding	No. of shares	% holding
Navi Limited	28,52,40,353	100.00%	28,52,40,353	100.00%

(v) Details of shareholding of promoters

Name of the Promoters	As at March 31, 2026		As at March 31, 2025		% Change during the year
	No of shares	% of Total Shares	No of shares	% of Total Shares	
Navi Limited*	28,52,40,353	100%	28,52,40,353	100%	-

*Out of the above, 6 shares are held by nominees on behalf of our promoter.

Notes forming part of the Consolidated Financial Statements

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(All amount in INR millions, unless otherwise stated)

(vi) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

The Holding company has issued 2,50,88,994 equity shares for consideration other than cash and has not bought back any shares during the last 5 years.

26 Instruments entirely equity in nature

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised Convertible Preference Shares		
20,000 Preference shares of INR 1,00,000 each	2,000.00	-
Total authorised capital	**2,000.00**	**-**
Issued, subscribed and fully paid up Convetible Preference Shares		
5,000 Preference shares of INR 1,00,000 each	500.00	-
Total	**500.00**	**-**

(i) Rights, preferences and restrictions attached to Convertible Preference Shares (CPS):

The Holding company has convertible preference shares having a face value of INR 1,00,000 per share. Conversion ratio is 4041 equity shares for each convertible preference shares. The holders of CPS are not entitled to voting rights to the maximum extent permitted under Applicable Laws. In the event Applicable Laws require voting rights to be granted to the holders of CPS, then, every 10,000 Convertible Preference Shares shall carry 1 vote. CPS carries a pre-determined non-cumulative dividend rate of 0.0001% per annum on an As-Converted Basis (CPS converted into Equity shares). If the holders of Equity Shares are paid dividend in excess of 0.0001% per annum, the holders of CPS shall be entitled to dividend at such higher rate. In the event of liquidation, CPS shall rank in priority to and above the Equity Shares, subject always to the rights of creditors and any mandatory provisions of Applicable Law, such that no payment or distribution shall be made in respect of the Equity Shares until an amount equal to the subscription price paid in respect of each CPS has been paid in full to the holders of the relevant CPS. The CPS are freely transferable.

(ii) Reconciliation of Convertible Preference Shares outstanding at the beginning and end of the year

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Amount	No. of shares	Amount
Convertible Preference Shares of INR 1,00,000 each fully paid up				
Balance at the beginning of the year	-	-	-	-
Add: Issued during the year	5,000	500.00	-	-
Balance at the end of the year	**5,000**	**500.00**	**-**	**-**

(iii) Details of Preference Shareholders holding more than 5% of Convertible Preference shares of the Holding company

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	% holding	No. of shares	% holding
Phillip Finance & Investment Services India Pvt Ltd	990	19.80%	-	-
Mosaic Asset Management Multiyield Fund -Series 1	500	10.00%	-	-
Phillip Services India Private Limited	380	7.60%	-	-
Total	**1,870**	**37.40%**	**-**	**-**

Notes forming part of the Consolidated Financial Statements

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(iv) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

The Holding company has not issued convertible preference shares for consideration other than cash and has not bought back any shares during the last 5 years.

27 Other equity

Particulars	As at March 31, 2026	As at March 31, 2025
Securities premium		
Opening balance	16,570.24	16,570.24
Add: Securities premium on issuance of CPS	4,500.00	-
Less: CPS issue expenses	(310.22)	-
Closing balance	**20,760.02**	**16,570.24**
Reserve fund u/s 45-IC of RBI Act 1934		
Opening balance	2,348.93	1,905.00
Add: Transfer from retained earnings	584.42	443.93
Closing balance	**2,933.35**	**2,348.93**
Retained earnings		
Opening balance	8,153.14	6,888.12
Add: Transferred from statement of profit and loss for the year	933.19	1,722.70
Add: Remeasurement of the net defined benefit plans, net of tax	14.11	(13.75)
Less: Transfer to statutory reserve as per Section 45-IC of the RBI Act, 1934	(584.42)	(443.93)
Closing balance	**8,516.02**	**8,153.14**
Other comprehensive income on fair value of loans		
Opening balance	30.75	(52.68)
Add: Net change in fair value of loans measured at fair value through other comprehensive income	220.75	83.43
Closing balance	**251.50**	**30.75**
Equity component of Compulsory Convertible Debentures (CCD)		
Opening Balance	1,129.22	1,129.22
Add: Issue during the year		-
Less: Changes in terms of Compulsory Convertible Debenture [Refer note - 27(g)]	(1,129.22)	-
Closing balance	**-**	**1,129.22**
Capital redemption reserve		
Opening balance	44.05	44.05
Add: Created on buy back of equity shares	-	-
Closing balance	**44.05**	**44.05**
Capital reserve		
Opening balance	(1,411.82)	(1,411.82)
Add: Adjustments on account of consolidation	566.87	-
Closing balance	**(844.95)**	**(1,411.82)**
Total	**31,659.99**	**26,864.51**

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for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

Nature and purpose of reserves

(a) Securities premium

The amount received in excess of face value of the equity shares is recognised in Securities premium. The reserve can be utilised only in accordance with the provisions of the Companies Act, 2013 ("the Act").

(b) Statutory reserve

Statutory reserve represents the reserve created as per section 45IC of the RBI Act, 1934, pursuant to which a non-banking financial company shall create a reserve fund and transfer therein a sum not less than twenty percent of its net profit annually as disclosed in the statement of profit and loss, before any dividend is declared.

(c) Retained earnings

Retained earnings are the profits that the Group has earned till date, less any transfers to statutory reserve and dividend distributions paid to shareholders.

(d) Other comprehensive income on loans

Other comprehensive income represents the cumulative gains and losses arising on the fair valuation of loans measured at fair value through Other Comprehensive Income.

(e) Capital redemption reserve

Capital redemption reserve has been created in accordance with Section 69 of the Companies Act, 2013, being the nominal value of the shares brought back by the Group during the year ended March 31, 2020. The reserve can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

(f) Capital reserve

Capital reserve has been created pursuant to a business combination as per Ind AS 103 using the pooling of interests method. The reserve can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

(g) Equity Component of Compulsory Convertible Debentures (CCD)

During the previous years, the Group had issued Compulsory Convertible Debentures ('the CCDs') amounting to INR1500 millions with mandatory conversion period of 3 years having maturity date as February 27, 2026 at a coupon interest rate of 9.50% . The conversion ratio was 1:1000 (i.e. each CCDs was to be converted into 1,000 Equity Shares). During the year ended March 31, 2026, pursuant to an agreement between the Debenture Holder and the Company, these CCDs have been converted into Optionally Convertible and Redeemable Debentures ('the OCRD') and then subsequently redeemed upon exercise of early redemption option by the Holder on September 25, 2025. This has resulted to an additional cost of INR 311.24 millions to the Company which has been classified under finance costs.

28 Interest income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
On financial assets measured at amortised cost		
Interest on loans	20,273.29	18,379.51
Interest income on deposits with banks	550.43	542.30
Interest income on Investments	390.99	280.19
Sub-total	**21,214.71**	**19,202.00**
On financial assets measured at fair value through other comprehensive income		
Interest on loans	3,223.95	582.87
Sub-total	**3,223.95**	**582.87**
On financial assets measured at fair value through profit or loss		
Interest income on Investments	363.25	273.93
Sub-total	**363.25**	**273.93**
Total	**24,801.91**	**20,058.80**

Notes forming part of the Consolidated Financial Statements

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29 Fees and commission income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Fee received on collections	207.48	319.81
Service fees	273.97	465.39
Others	0.55	-
Total	**482.00**	**785.20**

30 Net gain on fair value changes

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(A) Net gain on financial instruments at fair value through profit or loss		
- Investments in:		
(i) Government Securities	125.02	315.23
(ii) Infrastructure Investment Trust	35.18	-
(iii) Bonds and debentures	211.81	89.84
(iv) Equity shares	335.62	792.17
(v) Mutual Fund	3.03	-
(vi) Others	21.93	(14.47)
Net gain on fair value changes	**732.59**	**1,182.77**
Fair value changes:		
- Realised	744.48	1,118.76
- Unrealised	(11.89)	64.01
Net gain on fair value changes	**732.59**	**1,182.77**

31 Net gain on derecognition of financial instruments

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Net gain on derecognition of financial instruments	898.58	915.80
Total	**898.58**	**915.80**

32 Other income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Gain on lease modification	-	16.92
Miscellaneous income	53.31	28.98
Total	**53.31**	**45.90**

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(All amount in INR millions, unless otherwise stated)

33 Finance costs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
On financial liabilities measured at amortised cost		
Interest on debt securities	4,409.96	2,904.89
Interest on borrowings (other than debt securities)	5,495.24	4,651.74
Interest on subordinated liabilities	244.94	78.67
Interest on lease liabilities	138.28	156.23
Others [Refer note - 27(f)]	460.01	176.75
Total	**10,748.43**	**7,968.28**

34 Fees and commission expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Fees to service provider	54.53	32.15
Others - collection cost	2.63	3.23
Total	**57.16**	**35.38**

35 Impairment on financial instruments

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Loans written off (net of recoveries)*	4,175.14	4,634.44
Impairment allowance on:		
- Loans	(288.00)	811.10
- Default loss guarantee arrangements (net of recoveries)	190.97	304.64
- Excess Interest Spread (EIS) Receivable	(6.25)	44.97
- Commitments	6.71	(12.71)
Total	**4,078.57**	**5,782.44**

*Write off recoveries for the year ended March 31, 2026, were INR 266.00 millions (March 31, 2025 INR 256.96 millions)

36 Employee benefits expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, wages and bonus	2,066.40	1,712.76
Contribution to provident and other funds	109.43	68.09
Employee share-based payment expense#	263.57	194.88
Staff welfare expenses	109.75	77.65
Total	**2,549.15**	**2,053.38**

#Refer note 43 for related party disclosures

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

37 Depreciation expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation on property, plant and equipment	20.86	23.09
Depreciation on right of use assets	186.63	203.22
Total	**207.49**	**226.31**

38 Other expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Rent and electricity charges	46.07	30.39
Customer onboarding and verification	410.22	333.70
Traveling and conveyance	70.29	38.06
Communication costs	11.42	6.76
Repairs and maintenance	51.94	58.24
Software support charges*	1,569.61	2,408.35
Legal and professional charges	745.34	655.62
Debt Recovery Cost	43.16	26.15
Auditors' remuneration (refer note 38.1)	21.23	15.12
Rates and taxes	12.86	4.49
Advertisement expenses	4,387.10	593.97
Director's sitting fees	19.08	15.91
Office and general expenses	27.50	24.57
Corporate social responsibility (CSR) expenses (refer note 38.2)	37.51	12.49
Royalty Fees *	178.84	150.52
Loss on sale of property, plant and equiptment	-	24.84
Insurance	0.28	-
Miscellaneous expenses	118.57	123.03
Total	**7,751.02**	**4,522.21**

* Refer note 43 for related party disclosures

38.1 Payments to auditor (net of GST credit availed)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
As auditor:		
- Statutory audit and limited review fees	14.24	13.46
- Special purpose audit fees	4.07	-
- Out of pocket expenses	1.02	0.32
In any other manner:		
- Certification	1.90	1.34

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

38.2 Corporate social responsibility expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Gross amount required to be spent by the Group during the period	37.51	12.49
b) Amount spent during the period on :		
(i) Construction / acquisition of any asset	-	-
(ii) On purpose other than (i) above	37.51	12.49
In cash	-	-
Yet to be paid	-	-
c) Excess/(shortfall) at the end of the period	-	-
d) Total of previous periods shortfall at the end of the period	-	-
e) Excess amount to be spent :		
Opening balance	-	-
Amount spent during the period	37.51	12.49
Amount required to be spent during the period	37.51	12.49
f) Closing balance	-	-
g) Nature of CSR activities: (activities as per Schedule VII)		
(i) Promotion of Sports as per clause (vii)	-	9.00
(ii) Promoting Education as per clause (ii)	-	2.12
(iii) Promotion of sanitation and making available safe drinking water as per Schedule VII	37.51	1.37
h) Details of related party transactions in relation to CSR expenditure	-	-
i) Where a provision is made with respect to a liability incurred by entering into a contractual obligation	-	-

39 Tax expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax	1,131.44	1,182.76
Tax relating to earlier years	9.68	82.34
Deferred tax	(497.74)	(587.33)
Total	**643.38**	**677.77**

The reconciliation of estimated income tax expense at statutory income tax rate to income tax expense reported in statement of profit and loss is as follows:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before tax	1,576.57	2,400.47
Enacted tax rate	25.17%	25.17%
Expected income tax expense	**396.79**	**604.15**
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Tax on expense not eligible for deduction	25.47	8.56
Tax relating to earlier years	9.68	82.34
Others	211.44	(17.28)
Total income tax expense	**643.38**	**677.77**

The Group has opted for the lower tax regime under Section 115BAA of the Income Tax Act, 1961.

Notes forming part of the Consolidated Financial Statements

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40 Earnings per equity share (EPS)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit for the year	933.19	1,722.70
Weighted-average number of equity shares outstanding (B)	28,52,40,353	28,52,40,353
Weighted-average number of Convertible Preference Shares outstanding - Potential Equity Shares (C)	40,13,322	-
Weighted-average number of Compulsory Convertible Debentures (Later converted into Optionally Convertible and Redeemable Debentures) - Potential Equity Shares (D)	55,06,849	1,50,00,000
Weighted-average number of equity shares in calculating Basic and Diluted EPS (E = B+C+D)	**29,47,60,524**	**30,02,40,353**
Basic and Diluted EPS	**3.17**	**5.74**
Face Value of equity share	10.00	10.00

41 Retirement benefit plan

(i) Defined Contribution Plan

The Group makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund and other funds which are defined contribution plans. The Group has no obligations other than this to make the specified contributions. The contributions are charged to the Consolidated Statement of Profit and Loss as they accrue. The Group makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans for qualifying employees. Under the Schemes, The Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The Group recognized INR 55.18 millions (March 31, 2025: INR 47.20 millions) for Provident Fund contributions and INR 0.47 milions(March 31, 2025: INR 0.61 millions) for Employee State Insurance Scheme contributions in the Consolidated Statement of Profit and Loss. The contributions payable to these plans by the Group are at rates specified in the rules of the Schemes.

(ii) Defined Benefit Plan

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination will be on rendering of five years continuous service at the rate of 15 days wages for each completed year of service based on the last drawn wages. The liability of Gratuity is recognised on the basis of actuarial valuation. The Defined Benfit Plan of the Group is funded. Acturial liability is computed using Projected Unit Credit Method. The Government of India has consolidated multiple existing labour legislations into a unified framework comprising four labour codes collectively referred to as the "New Labour Codes". The Group has assessed the implications of the New Labour Codes and have recognised its impact as employee benefits expense in the financial year ended March 31, 2026. The Government is in the process of notifying related Central / State rules to the New Labour Codes and impact of these will be evaluated and accounted for, as needed, in accordance with applicable accounting standards in the period in which they are notified.

I. The amounts recognised in the balance sheet and the movements in the net defined benefit obligation (DBO) & Fair Value of plan assets over the year are as follows:

Particulars	Defined benefit obligation	Fair value of plan assets	Net defined benefit (assets) / liabilities
As at April 1, 2025	**81.86**	**-**	**81.86**
Current service cost	35.48	-	35.48
Interest expense/(income)	6.70	-	6.70
Past Service Cost	15.70	-	15.70
Return on plan asset	-	(3.27)	(3.27)
Total amount recognised in profit or loss	**57.88**	**(3.27)**	**54.61**

Notes forming part of the Consolidated Financial Statements

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Particulars	Defined benefit obligation	Fair value of plan assets	Net defined benefit (assets) / liabilities
Remeasurements :			
(Return)/loss on plan asset	-	4.48	4.48
Actuarial loss from change in financial assumption in DBO	0.60	-	0.60
Actuarial gain due to Experience on DBO	(7.91)	-	(7.91)
Actuarial gain from change in demographic assumptions in DBO	(16.03)	-	(16.03)
Total amount recognised in other comprehensive income	**(23.34)**	**4.48**	**(18.86)**
Payments from plan:	-	-	-
(a) Contributions paid by the Group	-	(76.50)	(76.50)
(b) Benefit payments/transfers	(5.42)	3.95	(1.46)
As at March 31, 2026	**110.98**	**(71.34)**	**39.65**

The Group has incorporated gratuity trust during the previous year and required approval from Income tax authorities is obtained. The fund is managed by HDFC Life Insurance.

Particulars	Present value of obligation	Fair value of plan assets	Total
As at April 1, 2024	**28.89**	**-**	**28.89**
Current service cost	19.53	-	19.53
Interest expense/(income)	2.43	-	2.43
Past Service Cost	6.63	-	6.63
Total amount recognised in profit or loss	**28.59**	**-**	**28.59**
Remeasurements :			
Actuarial (gain)/loss from change in financial assumption changes in DBO	10.39	-	10.39
Actuarial (gains)/losses due to Experience on DBO	7.99	-	7.99
Total amount recognised in other comprehensive income	**18.38**	**-**	**18.38**
Payments from plan:	-	-	-
(a) Benefit payments/transfer	6.01	-	6.01
As at March 31, 2025	**81.87**	**-**	**81.87**

II. The significant acturial assumptions were as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Discount rate	6.53% - 6.69%	6.66% - 6.68%
Salary growth rate	12.00%	12.00%
Attrition rate	30.00%	20.00%
Expected Rate of Return of Plan Assets	6.66 - 6.69%	-
Retirement age (in years)	60	60
Mortality rate	Indian Assured Lives Mortality (2012-2014) Ultimate	Indian Assured Lives Mortality (2012-2014) Ultimate

a) The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

b) The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

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III. The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	As at March 31, 2026	As at March 31, 2025
Discount Rate		
Increase by 100 basis points	(3.87)	(5.28)
Decrease by 100 basis points	4.13	5.92
Salary Growth Rate	-	-
Increase by 100 basis points	2.53	5.95
Decrease by 100 basis points	(2.29)	(5.42)
Attrition Rate	-	-
Increase by 100 basis points	(1.61)	(2.84)
Decrease by 100 basis points	1.62	3.05

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change as compared to prior year.

IV. Risk Exposure

Interest rates risk: The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits and vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Salary inflation risk: Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risks: This is the risk of volatility of results due to unexpected nature of decrements that include mortality attrition, disability and retirement. The effects of this decrement on the defined benefit obligation depend upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawal rate because the cost of retirement benefit of an employee serving a shorter tenor will be less compared to long service employees.

V. Defined benefit liability

The weighted average duration of the defined benefit obligation is 4.57 years. The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Year 1	12.98	2.94
Year 2	21.41	5.96
Year 3	23.09	9.54
Year 4	21.41	11.64
Year 5	17.36	11.92
Year 6-10	38.22	44.47
Year 10 and above	9.78	54.06

42 Share based payments

ESOP Plan under Navi Limited ("the Holding Company"):Under the Employee Share-option Plan (ESOP), introduced on December 19, 2019 i.e. Navi Stock Option Scheme 2019, the Holding Company, at its discretion, may grant share options, to any of the employees within the Group. The Holding Company introduced the Plan for the benefit of the employees of all companies under the Group. The options are to be granted to the eligible employees as per the eligibility criteria as

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determined by the Board/Compensation Committee at its sole discretion. Under the plan, employees have been granted options which will vest as follows:

Scheme	Vesting Conditions	Exercise year	Exercise Price / Ratio
Employee Share-option Plan ('ESOP'), 2019	Vested in a graded manner in not less than 1 year and not more than 5 years from the date of grant, subject to continuous employment with the company.	Options are exercisable in one or more tranches within a year of 10 years from the date of vesting, failing which the options shall lapse.	INR 10/- Options : Shares = 1:1

Details of ESOP plan

Pursuant to the plan, the Holding Company has granted ESOPs to the employees of the Group during the year March 31, 2026 . Outstanding options as on March 31, 2026 are 6,66,70,287 (March 31, 2025 are 4,96,24,232).

The details for stock options granted and lapsed during the year, pursuant to the plan, has been provided below. The stock compensation cost is computed under the fair value method and has been recognised over the vesting period up to March 31, 2026.

For the year ended March 31, 2026, the Group has recorded stock compensation expenses of INR 263.57 (March 31, 2025 INR 194.88) millions which has been charged by the Holding Company.

Particulars	No. of options	
	March 31, 2026	March 31, 2025
Options outstanding at the beginning of the year	4,96,24,232	3,65,55,571
Granted during the year	1,72,74,556	1,59,92,676
Lapsed during the year	(57,49,184)	(1,31,47,594)
Transfer (to)/in during the period ended (net)	55,20,683	1,02,23,579
Options outstanding at the end of the year	**6,66,70,287**	**4,96,24,232**

The fair value of share options granted is estimated at the date of grant using a Black Scholes Merton model, taking into account the terms and conditions upon which the share options were granted. The expected life used in the model has been adjusted, based on management's best estimate for the effects of non-transferability, exercise restrictions and behavioral considerations. The contractual term of the share options is ten years and there are no cash settlement alternatives for the employees. The Holding Company does not have a policy of cash settlement for these awards.

Particulars	January 1, 2026- March 31, 2026	July 1, 2025 - December 31, 2025	April 1, 2025- June 30, 2025	April 1, 2024 - March 31, 2025
Fair value of the equity share as on grant date	INR 39.22	INR 38.95	INR 38.73	38.73
Fair value of option as on grant date	30.90	30.74	30.92	30.92
Expected life of share options (years)	2.0-5.0	2.0-5.0	2.5 - 5.5	2.50-5.50
Expected volatility (%)	29.9%-33.74%	28.06%-43.63%	27.03%-33.54%	28.5%-34.1%
Dividend yield (%)	0.00%	0.00%	0.00%	0.00%
Risk-free interest rate (%)	5.64%-6.02%	6.29% - 6.34%	6.75%-6.82%	6.67%-6.73%
Model used	Black Scholes Merton	Black Scholes Merton	Black Scholes Merton	Black Scholes Merton

Expected volatility during the expected life of the option can be estimated using historical volatility of the underlying asset observed during the year equivalent to the expected life of the option.

The above disclosure is based on the information provided by the Holding Company.

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43 Related party disclosures

43(1) Names of related parties

Table 1 (As per Ind AS 24—Related Party Disclosures)

Nature of relationship	Name of the related party
Ultimate Holding Company	Navi Limited (formerly known as Navi Technologies Limited)
Fellow subsidiaries	Navi AMC Limited ("Navi AMC")
	Navi General Insurance Limited ("Navi GI")
	Navi Investment Advisors Private Limited
	Mavenhive Technologies Private Limited
	Navi MF Sponsor Private Limited (formerly Known as Anmol Como Broking Private Limited)
	Navi Trustee Limited
	Navi Securities Private Limited
	Navi Payment Technologies Private Limited (formerly known as Uniorbit Payment Solution Private Limited)
Post employment benefit plan	Navi Finserv Limited Employees Gratuity Trust
Nature of relationship	Name of key managerial personnel
Key Managerial Personnel	Mr. Sachin Bansal (Ultimate Controlling Person), Executive Chairman and Chief Executive Officer (upto February 14, 2025) Non Executive Chairman (w.e.f. February 14, 2025).
	Mr. Abhishek, Chief Executive Officer (w.e.f. February 14, 2025) Managing Director (w.e.f. May 14, 2025).
	Mr. Ankit Agarwal, Managing Director (up to May 14, 2025) Non-Executive Director (w.e.f. May 14, 2025).
	Mr. Thomas Joseph, Company Secretary (up to October 1, 2024).
	Ms. Prachi Mathur, Company Secretary (w.e.f. November 14, 2024 up to May 31, 2025).
	Mr. Chanchal Kumar, Company Secretary (w.e.f. June 1, 2025).
	Mr. Ankit Surana, Chief Financial Officer (up to June 10, 2025).
	Ms. Mahima Gautam, Chief Financial Officer (w.e.f. June 11, 2025).

Table 2 (In addition to Table 1, following are the related parties as per sec 2(76) of The Companies Act, 2013)

Nature of relationship	Name of the related party
Independent Director	Mr. Ranganathan Sridharan
	Mr. Arindam Haraprasad Ghosh
	Mr. Ashwani Kumar (w.e.f. May 28, 2025)
	Ms. Nilufer Panthaki (w.e.f. February 13, 2026)
	Mr. Anil Kumar Misra (w.e.f. August 23, 2024 upto January 23, 2025)
	Ms. Usha A Narayanan (upto February 13, 2026)

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43(2) Related Party Transactions

Related Party/Items	For the year ended March 31, 2026	For the year ended March 31, 2025
Transactions during the year		
Ultimate Holding Company: Navi Limited		
Software support charges	1,565.89	2,405.53
Loan sourcing fee	-	1,128.17
Royalty Fees	178.78	150.52
ESOP expense	324.11	341.79
ESOP funding scheme	62.61	71.31
Employee cost (net) cross charged/(received) for transferred employees	(88.13)	(211.72)
Reimbursements expenses cross charge	8.90	5.15
Interest on Compulsory Convertible Debenture	69.10	142.50
Interest on Non-Convertible Debenture	-	214.77
Interest on Loan	36.30	62.16
Rent expense	140.74	140.74
Term loan availed	-	3,750.00
Term loan repaid	(500.00)	(3,250.00)
Non convertible debenture repaid	-	(3,000.56)
Maintenance charges	30.08	30.08
Reimbursements for group insurance policies	25.61	19.16
Repayment of Optionally Convertible and Redeemable Debentures (previously, Compulsory Convertible Debentures)	(1,500.00)	-
Exercise Fee Income	(5.08)	-
Advertisement, marketing and publicity expenses	4,386.47	571.04
Cab Hire Charges	0.03	-
Fellow subsidiaries		
Navi AMC limited		
Employee cost (net) cross charged/(received) for transferred employees	1.76	(0.03)
Rental income	-	(0.03)
Security Deposit Refund	-	(0.07)
Navi General Insurance Limited		
Net payments towards PL attachment business (EMI Shield)	(1,093.06)	-
Deposit paid towards PL attachment business (EMI Shield)	(2.00)	-
Employee cost (net) cross charged/(received) for transferred employees	7.21	1.50
Rental income	(0.45)	(0.33)
Security Deposit Refund	-	(0.07)
Security deposit received	(0.11)	(0.26)
Navi Investment Advisors Private Limited		
Employee cost (net) cross charged/(received) for transferred employees	-	0.30
Employee receivable transfer	-	0.10

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Related Party/Items	For the year ended March 31, 2026	For the year ended March 31, 2025
Post employment benefit plan		
Navi Finserv Limited Employees Gratuity Trust		
Contribution to plan assets	62.43	-
Key Managerial Personnel		
Loan advanced	(0.87)	(0.80)
Loan repaid	0.48	0.38
Interest Payment	0.10	-
Remuneration (Refer Note - 1 & 4)	80.89	30.03
Sitting fees	19.08	15.91
Receivable/(Payable) as at the end of the period		
Ultimate Holding Company: Navi Limited		
Software support charges#	(155.87)	(109.91)
Royalty Fees#	(23.47)	(11.79)
ESOP expense*	(31.82)	(35.71)
ESOP funding scheme*	(12.85)	(12.49)
Employee cost (net) cross charged for transferred employees#	8.74	2.48
Security deposit receivable	60.42	60.42
Reimbursement expenses cross charge#	(6.30)	-
Rent for sublease#	(11.73)	(11.73)
Maintenance#	(2.51)	(2.51)
Reimbursements for group insurance policies#	0.55	2.45
Advance	-	0.11
Equity component of Compulsory Convertible Debentures	-	(1,129.29)
Debt component of Compulsory Convertible Debentures	-	(124.07)
Loan Payable	-	(500.00)
Interest Accrued on Loan	(2.40)	(32.98)
Sourcing Fees#	-	(235.17)
Promotioanl Fees#	(682.74)	-
Fellow subsidiaries		
Navi AMC limited		
Employee cost (net) cross charged for transferred employees *	(0.06)	-
Navi General Insurance Limited		
Employee cost (net) cross charged for transferred employees *	(2.49)	(0.02)
Deposit paid towards PL attachment business (EMI Shield)^	2.00	-
Security deposit receivable ^	(0.00)	(0.11)
Security Deposit payable#	(0.11)	-
Rental Income	0.83	-
Navi Investment Advisors Private Limited		
Employee cost (net) cross charged/(received) for transferred employees *	-	(0.40)
Key Managerial Personnel		
Loan advanced$	0.82	0.43

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Note:

1. The above figures do not include the provision for gratuity and leave payable and ESOP funding scheme expense since the same are determined based on actuarial report.
2. All transactions with related parties are on an arm's length basis in a manner similar to transactions with third parties.
3. Figures are including ineligible GST (wherever applicable).
4. The remuneration includes share-based payments charged to the statement of profit and loss.

* included in other payable

included in trade payable

^ included in other receivable

$ included in Loans

Loans to directors, senior officers and relatives of directors

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
	Principal outstanding amount	Principal outstanding amount
Directors and relatives	0.82	0.43
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	-	-

44 Maturity analysis of assets and liabilities

The table below shows the maturity analysis of assets and liabilities according to when they are expected to be recovered or settled:

Particulars	As at March 31, 2026			As at March 31, 2025		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	7,784.78	-	7,784.78	4,488.84	-	4,488.84
Bank balances other than cash and cash equivalents	5,339.71	1,490.96	6,830.67	7,433.68	594.09	8,027.77
Receivables:						
(I) Trade Receivables	453.79	-	453.79	475.41	-	475.41
Loans	43,461.57	81,454.19	1,24,915.76	41,632.80	37,741.80	79,374.60
Investment	8,984.20	-	8,984.20	11,379.77	-	11,379.77
Other financial assets	2,262.19	831.99	3,094.18	506.89	703.42	1,210.31
Non-financial assets						
Current tax asset (net)	-	109.44	109.44	-	-	-
Deferred tax asset (net)	-	1,610.84	1,610.84	-	1,192.09	1,192.09
Property, plant and equipment	-	168.33	168.33	-	189.11	189.11
Other intangible assets	-	2.07	2.07	-	2.07	2.07
Right of use asset	-	1,166.28	1,166.28	-	1,371.56	1,371.56
Other non-financial assets	1,098.95	5.56	1,104.51	1,285.40	2.06	1,287.46
Total	**69,385.19**	**86,839.66**	**1,56,224.84**	**67,202.79**	**41,796.20**	**1,08,998.99**

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Particulars	As at March 31, 2026			As at March 31, 2025		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Liabilities						
Financial liabilities						
Trade payables						
(i) total outstanding dues of micro enterprises and small enterprises	25.34	-	25.34	4.04	-	4.04
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1,269.76	-	1,269.76	794.69	-	794.69
Debt securities	21,308.27	35,130.60	56,438.87	11,037.04	11,607.97	22,645.01
Borrowings (other than debt securities)	35,836.93	20,110.60	55,947.53	33,954.06	14,857.49	48,811.55
Subordinated liabilities	5.86	2,409.26	2,415.12	-	1,025.34	1,025.34
Lease liabilities	145.10	1,239.63	1,384.73	115.36	1,411.64	1,527.00
Other financial liabilities	2,785.24	26.30	2,811.54	3,446.50	-	3,446.50
Non-financial liabilities						
Current tax liabilities (net)	-	-	-	173.68	-	173.68
Provisions	338.14	34.29	372.43	405.22	121.12	526.35
Other non financial liabilities	457.53	89.61	547.14	327.92	-	327.92
Total	**62,172.17**	**59,040.29**	**1,21,212.46**	**50,258.52**	**29,023.56**	**79,282.08**
Total Equity			**35,012.39**			**29,716.91**

45 Contingent liabilities and commitments

(A) Contingent liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
In respect of tax demands where the Group has filed appeal before the relevant authority	35.00	11.00
Total	**35.00**	**11.00**

i) The Group is of the opinion that for the above demands, based on the management estimate no material liabilities are expected to arise.

ii) It is not practicable for the Group to estimate the timing of the cashflows, if any, in respect of the above pending resolution of the respective proceedings. The potential future cash outflows, if any, will become determinable only upon receipt of judgements/decisions currently pending before the respecitve forums and authorities.

(B) Commitments

Particulars	As at March 31, 2026	As at March 31, 2025
Housing loans sanctioned pending disbursements	4,576.86	4,617.33

46 Capital management

The Group's capital management strategy is to effectively determine, raise and deploy capital so as to create value for its shareholders. The same is done through a mix of either equity and/or convertible and/or combination of short term/long term debt as may be appropriate.

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The Group determines the amount of capital required on the basis of operations, capital expenditure and strategic investment plans. The capital structure is monitored on the basis of net debt to equity and maturity profile of overall debt portfolio.

The Group is subject to the capital adequacy requirements of the Reserve Bank of India (RBI). Under RBI's capital adequacy guidelines, The Group is required to maintain a capital adequacy ratio consisting of Tier I and Tier II Capital. The total of Tier II Capital at any point of time, shall not exceed 100 percent of Tier I Capital. The minimum capital ratio as prescribed by RBI guidelines and applicable to The Group, consisting of Tier I and Tier II capital, shall not be less than 15 percent of its aggregate risk weighted assets on-balance sheet and of risk adjusted value of off-balance sheet.

47 Fair value measurement

47.1 Financial assets and liabilities

The financial instruments by category are as follows:

Particulars	As at March 31, 2026				As at March 31, 2025			
	FVTPL	FVOCI	Amortised cost	Total	FVTPL	FVOCI	Amortised cost	Total
Financial assets								
Cash and cash equivalents	-	-	7,784.78	7,784.78	-	-	4,488.84	4,488.84
Bank balances other than cash and cash equivalents	-	-	6,830.67	6,830.67	-	-	8,027.77	8,027.77
Receivables:								
(I) Trade Receivables	-	-	453.79	453.79	-	-	475.41	475.41
Loans [Gross]	-	40,755.16	89,588.93	1,30,344.09	-	2,660.78	82,430.15	85,090.93
Investments:								
Mutual funds	722.24	-	-	722.24	-	-	-	-
Bonds and debentures	-	-	-	-	6,098.75	-	-	6,098.75
Government Securities	2,212.82	-	-	2,212.82	3,273.37	-	-	3,273.37
Equity Shares	-	-	-	-	556.85	-	-	556.85
Repo Lending	-	-	-	-	-	-	1,450.80	1,450.80
Certificate of deposits	5,664.60	-	-	5,664.60	-	-	-	-
Infrastructure Investment Trust	384.54	-	-	384.54	-	-	-	-
Other financial assets	-	-	3,094.18	3,094.18	-	-	1,210.31	1,210.31
Total	**8,984.20**	**40,755.16**	**1,07,752.35**	**1,57,491.71**	**9,928.97**	**2,660.78**	**98,083.28**	**1,10,673.03**

Particulars	FVTPL	FVOCI	Amortised cost	Total	FVTPL	FVOCI	Amortised cost	Total
Financial liabilities								
Trade payables	-	-	1,295.10	1,295.10	-	-	798.73	798.73
Debt securities	-	-	56,438.87	56,438.87	-	-	22,645.01	22,645.01
Borrowings (other than debt securities)	-	-	55,947.53	55,947.53	-	-	48,811.55	48,811.55
Subordinated liabilities	-	-	2,415.12	2,415.12	-	-	1,025.34	1,025.34
Lease liabilities	-	-	1,384.73	1,384.73	-	-	1,527.00	1,527.00
Other financial liabilities	-	-	2,811.54	2,811.54	-	-	3,446.50	3,446.50
Total	**-**	**-**	**1,20,292.89**	**1,20,292.89**	**-**	**-**	**78,254.13**	**78,254.13**

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47.2 Fair value hierarchy

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation sale. Methods and assumptions used to estimate the fair values are consistent in all the years. Fair value of financial instruments referred to in note above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets and liabilities and lowest priority to unobservable entity specific inputs.

The categories used are as follows:

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The mutual funds are valued using the closing NAV. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) 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, contingent consideration and indemnification asset included in level 3.

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

As at March 31, 2026

Particulars	Notes	Level 1	Level 2	Level 3	Total
Financial assets and liabilities measured at fair value through profit or loss – recurring fair value measurements:					
1. Financial assets					
Investments					
Mutual funds	9	722.24	-	-	722.24
Government Securities	9	2,212.82	-	-	2,212.82
Certificate of deposits	9	5,664.60	-	-	5,664.60
Infrastructure Investment Trust	9	384.54	-	-	384.54
Total		**8,984.20**	**-**	**-**	**8,984.20**
2. Financial liabilities			**Nil**		
Financial assets and liabilities which are measured at other comprehensive income:					
1. Financial assets					
Loans	8	-	-	40,755.16	40,755.16
Total		**-**	**-**	**40,755.16**	**40,755.16**
2. Financial liabilities			**Nil**		

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As at March 31, 2025

Particulars	Notes	Level 1	Level 2	Level 3	Total
Financial assets and liabilities measured at fair value through profit or loss – recurring fair value measurements:					
1. Financial assets					
Investments					
Bonds and debentures	9	6,098.75	-	-	6,098.75
Government Securities	9	3,273.37	-	-	3,273.37
Equity Shares	9	556.85	-	-	556.85
Total		**9,928.97**	**-**	**-**	**9,928.97**
2. Financial liabilities			**Nil**		
Financial assets and liabilities which are measured at other comprehensive income:					
1. Financial assets					
Loans	8	-	-	2,660.78	2,660.78
Total		**-**	**-**	**2,660.78**	**2,660.78**
2. Financial liabilities			**Nil**		

Movement of loans measured at fair value through other comprehensive income

Particulars	As at March 31, 2026	As at March 31, 2025
Opening Balance	**2,660.78**	**8,271.17**
Purchase/origination	40,115.56	-
Sale/reversals	(2,316.18)	(8,271.17)
Issuances	-	-
Settlements	-	-
Transfers to level 3	-	2,549.29
Transfers from level 3	-	-
Net interest income, net trading income and other income	-	-
Other comprehensive income	295.00	111.49
Closing Balance	**40,755.16**	**2,660.78**

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47.3 Fair value of financial instruments measured at amortised cost

Set out below is a comparison, by class, of the carrying amounts and fair values of the Group's financial instruments measured at amortised cost.

Particulars	As at March 31, 2026		As at March 31, 2025	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets:				
Cash and cash equivalents	7,784.78	7,784.78	4,488.84	4,488.84
Bank balances other than cash and cash equivalents	6,830.67	6,830.67	8,027.77	8,027.77
Receivables:				
(I) Trade Receivables	453.79	453.79	475.41	475.41
Loans [Gross]	89,588.93	89,504.91	82,430.15	84,224.20
Investments:	-	-	1,450.80	1,450.80
Other financial assets	3,094.18	3,094.18	1,210.31	1,210.31
Total financial assets	**1,07,752.35**	**1,07,668.33**	**98,083.28**	**99,877.33**
Financial liabilities:				
Trade payables	1,295.10	1,295.10	798.73	798.73
Debt securities	56,438.87	56,786.50	22,645.01	22,709.67
Borrowings (other than debt securities)	55,947.53	56,231.75	48,811.55	48,828.33
Subordinated liabilities	2,415.12	2,524.84	1,025.34	1,031.72
Lease liabilities	1,384.73	1,342.86	1,527.00	1,477.89
Other financial liabilities	2,811.54	2,811.54	3,446.50	3,446.50
Total financial liabilities	**1,20,292.89**	**1,20,992.59**	**78,254.13**	**78,292.84**

Valuation methodologies of financial instruments measured at amortised cost

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the consolidated financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Financial assets at amortised cost

The fair value of loans given to customers are estimated using a discounted cash flow model based on contractual cash flows using actual or estimated yields. The fair value of investments are estimated using a cash flow model based on contractual cash flows using actual maturities.

Financial liability at amortised cost

The fair value of borrowings, debt securities, subordinate liabilities and lease liabilities are estimated using a discounted cash flow model based on contractual cash flows using actual or estimated yields.

Short term financial assets and laibilities

The fair value of cash and cash equivalents, bank balances, other financial assets and other financial liabilities approximate their carrying amount largely due to the short-term nature of these instruments.

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48 Risk management

The Group is exposed to various financial risks associated with financial products such as credit or default risk, liquidity risk, market risk and interest rate risk. It has a robust risk management policies and frameworks in place to identify, evaluate, manage and mitigate various risks associated with its financial assets and financial liabilities to ensure that desired financial objectives are met. The Group's senior management is responsible for establishing and monitoring the risk management framework within its overall risk management objectives and strategies, as approved by the Board of Directors. Such risk management strategies and objectives are established to identify and analyse potential risks faced by the Group, set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and assess changes to the risk profile. Any change in The Group's risk management objectives and policies need prior approval of its Board of Directors.

This note explains the sources of risk which the entity is exposed to and how the entity manages these risks and the related impact on Consolidated financial statements for the year ended March 31, 2026.

Risk	Exposure arising from	Measurement	Risk management
Credit risk	Loans, Investments and Excess Interest Spread (EIS) receivable	Ageing analysis, credit risk modelling, portfolio monitoring, exposure limit monitoring	Structured and standardized credit appraisal process, diversification of asset base, credit limits and collaterals taken for assets, wherever applicable
Liquidity risk	Financial liabilities	Asset Liability Management (ALM) monitoring, Liquidity Coverage Ratio (LCR), Stress Testing	Forecasting and stress testing of ALM, Projection of LCR values, diversification of funding sources, monitoring of ALM ratios.
Market risk - interest rate and security price	Investments, borrowings, debt securities, subordinated debt and derivative financial instruments	Sensitivity analysis - Earnings at Risk and Economic Value of Equity	Impact analysis of fluctuation in interest rates and review of fair value of investments.

The Group's Enterprise Risk Management (ERM) & ICAAP Policy provides a comprehensive framework that addresses all potential risks associated with its assets and liabilities. This overarching policy is complemented by specific policies and procedures designed to assess, monitor, and manage significant risks that The Group may face. These include material risks such as credit risk, liquidity risk, interest rate risk, model risk, fraud risk, technology risk, operational risk, regulatory risk, human capital risk and outsourcing risk. Moreover, The Group acknowledges the potential impact of non-financial risks and has implemented measures to address these as well. Additionally, a Board approved Risk Appetite Framework has been established by The Group to periodically monitor key risk appetite metrics. The Group recognizes that the risk landscape is constantly evolving due to shifts in both internal strategy and the external environment. Therefore, the risk management process is not static but rather subject to continuous review, improvement, and adaptation to ensure that it remains effective and aligned with The Group's strategic objectives and the prevailing market conditions.

The Group's Mid Office under Risk Department is responsible for managing its assets and liabilities and liquidity position. It is also primarily responsible for the funding and interest rate risks of The Group. This is done within the guidelines of the Asset Liability Management Policy and other related risk management guidances issued by the Risk Management department.

48.1 Credit risk

A. Loans

Credit risk is the risk that a customer or counterparty will default on its contractual obligations resulting in financial loss to The Group. The Group's primary strategy is focused on lending to retail customers and therefore credit risk is the principal risk associated with the business.

The risk management framework of the Group seeks to have following controls objective and key metrics that allows risks to be identified, assessed, monitored and reported in a timely and efficient manner in compliance with regulatory requirements.

- Standardize the process of identifying new risks and designing appropriate controls for these risks
- Minimize losses due to defaults or untimely payments by borrowers
- Maintain an appropriate credit administration and loan review system
- Establish metrics for portfolio monitoring
- Design appropriate credit risk mitigation techniques

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B. Investments

This risk is common to all investors who invest in bonds and debt instruments and it refers to a situation where a particular bond issuer is unable to make the expected principal payments, interest rate payments, or both. The Group continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. The Group has set the limits in the Investment Policy.

C. Excess Interest Spread (EIS) receivable

Credit risk on EIS receivables arises from the possibility that customers may default on their scheduled repayments, which could result in a corresponding default in the contractual cash flows of the underlying EIS receivables (derived from the transfer of the loan assets).

48.1.1 Risk identification

Credit risk in loans may originate in one or multiple of following ways mentioned below:

- Adverse selection of target market for undertaking lending activity
- Gap in credit assessment of borrower's credit worthiness
- Inability to accurately map the underlying credit risk to the parameters of the sanctioned loan
- Over-borrowing by customers
- Over-concentration in any geography/zone/customer segment etc.

Credit risk in investments may originate in one or multiple of following ways mentioned below:

- Adverse economic environment / regulatory changes impacting the credit / liquidity profile of underlying issuers
- Financial stress due to internal factors (such as over-leveraging by underlying issuers) resulting in lower demand for the security in the secondary market or leading to an impact on the issuer's ability to service debt obligations
- Any financial stress in the group entities of the underlying issuer impacting its refinancing ability
- Deterioration in the value of underlying collateral
- Aggressive growth / policies affecting the asset quality and in turn profitability and refinancing options
- Material frauds by promoters / key management personnel / employees
- Breach of any covenants triggering cross-default / liquidity shocks

48.1.2 Risk assessment and measurement

The Group assesses and manages credit risk based on characteristics of underlying financial instruments.

48.1.3 Risk monitoring

Monitoring and follow up is an essential element in the overall risk management framework and is taken up at all levels within the organization. Monitoring and controlling risks is primarily performed based on limits established by the Group and reported to the Enterprise Risk Management Committee (ERMC) on a monthly basis and Risk Management Committee (RMC) on a quarterly basis.

Investments–Risk concentration is minimized by investing in highly rated, investment grade bonds and debt instruments which have a very low risk of default. These investments are reviewed by the Finance Committee on a regular basis.

Loans–Borrower risk categorization is an effective tool to flag potential problems in the loan accounts and identify if any corrective action plan are to be taken. The Group regularly monitors borrower repayments.

Key performance indicators are continuously generated through monitoring alerts in the loan origination flow and post disbursal flow to highlight areas requiring attention and action. Monitoring includes diagnostic studies of problem areas in collections performance and proactively taking actions.

The risk monitoring metrics have been defined to track performance at each stage of the loan life cycle:

– Disbursal quality monitoring: Once the loan is disbursed to the customer, it takes 1-1.5 month to see the earliest performance of the customers. Thus, it becomes important to monitor the customer attributes at time of underwriting; it includes (but not limited to):

– Customer type–Fresh, Repeat, and Top-Up

– Bureau score

– Income

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– Fixed Obligation to Income Ratio (FOIR)
– Age
– State
– Performance monitoring: This includes monitoring the repayment behavior of the customer based on customer attributes (mentioned) above on cohort level and AUM level.
– Cohort Level: We monitor early risk metrics such as First EMI (FEMI), FEMI D5, FEMI D30 and month on month vintage charts
– AUM Level: We monitor the D0 Bounce, Coincidental 30+/90+, write-offs and collection efficiency.

48.1.4 Risk mitigation

Risk mitigation or risk reduction is defined as the process of reducing risk exposures and/or minimizing the likelihood of incident occurrence.

Loans

The Group has created mechanisms for underwriting credit for digital personal loans, housing loans and loan against property. The following risk mitigation measures are incorporated at each stage of the loan life cycle:

- loan origination–profile/income selection, document verification process, KYC checks, creditworthiness checks based on Bureau, fraud database checks, device data
- loan underwriting–risk rating tires, credit assessment, independent assessment of legal validity and value of property by experts etc.
- loan pre and post disbursement–disbursement in the verified bank account only
- loan collection and recovery–monitor repayments, days past due review, DPD stagewise collection framework
- Apropriate policy-driven loan origination and collection process.

Investments

With respect to investments, the Group maintains a well-diversified portfolio of investments in shares and securities which are saleable at any given point of time. A dedicated team of market experts are monitoring the markets on a continuous basis, which advises the management for timely purchase or sale of securities.

48.1.5 Impairment assessment

Investments

Investments are carried at fair value through profit and loss and amortised cost. Any mark to market movement in investments carried at fair value through profit and loss is directly recognised in Consolidated Statement of Profit and Loss.

EIS Receivable

The Group assesses & provides impairment on EIS receivables by applying the ECL methodology as approved by the Board for loans.

Loans

The Group is engaged in the business of providing personal loans, housing loans and loan against property to the customers. The tenure of which is upto 84 months for its personal loan product, upto 240 months for its loan against property and upto 360 months for its housing loan product

The Group's impairment assessment and measurement approach is set out in this note. It should be read in conjunction with the summary of material accounting policies Note 2.8.1 (Overview of the Expected Credit Loss, i.e., ECL).

Definition of default

The Group considers a financial instrument defaulted, and therefore Stage 3 (credit-impaired), for ECL calculations in all cases when the borrower becomes more than 90 days past due from its contractual payments or has been classified as NPA as per regulatory classification. The Group considers probability of default upon initial recognition of asset and whether there has been any significant increase in credit risk (SICR) on an ongoing basis throughout each reporting year."

The Group's staging criteria for loans are as follows:

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

Stages	Days past due (DPD)
Stage 1	0-30 DPD
Stage 2	31-90 DPD
Stage 3	91 and above DPD

Additionally, the Group also considers loan accounts which have moved to 90 + Days Past Due during the period or in previous years and has not fully repaid the overdue interest and principal as credit impaired or Stage 3 assets.

Forward looking approach

ECL is determined using historical data on financial asset performance and a forward-looking macro overlay. These inputs include:

- Internal and off-book historical credit loss experience, at the most granular level possible that helps with discrimination of risk
- Credit loss history for similar assets with homogenous customer profiles, where internal data is limited
- Expectations of macroeconomic conditions as captured by the statistical relationships established between the credit performance and select macro economic variables (based on CMIE datasets).

Measurement of ECL

Expected Credit Loss or ECL is measured in the following manner.

The Group calculates ECL based on probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to The Group in accordance with the contract and the cash flows that The Group expects to receive.

ECL = PD*LGD*EAD

Each item is defined as follows: -

ECL–Expected credit loss

Present value of difference between contractual cash flows and actual cash flows expected to be received over a given time horizon.

PD–Probability of default

The Probability of default is an estimate of the likelihood of default over a given time horizon.

LGD–Loss given default

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 Group would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

EAD- Exposure at default

EAD represents the expected balance at default, taking into account the repayment of the principal and interest from the balance sheet date to the date of default.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

i) Expected credit losses for financial assets other than loans

As at March 31, 2026	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	7,784.78	-	7,784.78
Bank balance other than cash and cash equivalents	6,830.67	-	6,830.67
Trade Receivables	453.79	-	453.79
Investments	8,984.20	-	8,984.20
Other financial assets	3,132.90	(38.72)	3,094.18

As at March 31, 2025	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	4,488.84	-	4,488.84
Bank balance other than cash and cash equivalents	8,027.77	-	8,027.77
Trade Receivables	475.41	-	475.41
Investments	11,379.77	-	11,379.77
Other financial assets	1,255.28	(44.97)	1,210.31

Undrawn loan commitments

Expected credit loss on undrawn loan commitments is calculated basis the stage in which the particular customer already exists.

The Group has not provided ECL on cash and cash equivalents, bank balance other than cash and cash equivalents as these instruments are short term in nature and all the custodians are good rated entities and there has not been any changes in the credit rating of these custodians.

Credit quality of assets

(a) Loans

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to portfolio loans is, as follows:

Particulars	As at March 31, 2026				As at March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount -opening balance	**81,616.02**	**1,369.22**	**2,105.69**	**85,090.93**	**82,454.38**	**1,224.05**	**1,593.93**	**85,272.36**
New assets originated during the year	1,03,830.71	719.69	366.68	1,04,917.08	54,764.32	518.09	559.06	55,841.47
Movement between stages								
Transferring from Stage 1	(2,249.68)	909.32	1,340.36	-	(3,267.99)	1,235.13	2,032.86	-
Transferring from Stage 2	64.80	(274.95)	210.15	-	79.99	(204.93)	124.94	-
Transferring from Stage 3	31.14	5.05	(36.19)	-	81.06	13.66	(94.72)	-
Assets repaid, derecognized and written off	(55,946.26)	(1,403.79)	(2,313.87)	(59,663.92)	(52,495.74)	(1,416.78)	(2,110.38)	(56,022.90)
Gross carrying amount- closing balance	**1,27,346.73**	**1,324.54**	**1,672.82**	**1,30,344.09**	**81,616.02**	**1,369.22**	**2,105.69**	**85,090.93**

Note : New assets originated is presented net of collections made.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

Reconciliation of impairment allowance on loans is given below:

Particulars	As at March 31, 2026				As at March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Impairment allowance - opening balance	**2,927.80**	**979.81**	**1,808.72**	**5,716.33**	**2,664.59**	**843.66**	**1,397.11**	**4,905.36**
New assets originated	2,614.74	514.29	332.77	3,461.80	2,099.57	372.40	488.85	2,960.82
Movement between stages								
Transferring from Stage 1	(86.61)	34.86	51.75	-	(114.65)	43.70	70.95	-
Transferring from Stage 2	46.77	(189.28)	142.51	-	55.66	(130.90)	75.24	-
Transferring from Stage 3	20.03	3.77	(23.80)	-	27.38	7.10	(34.48)	-
Additional provision created during the year/(Assets repaid, derecognized and written off)	(2,488.64)	(412.61)	(848.55)	(3,749.80)	(1,804.75)	(156.15)	(188.95)	(2,149.85)
Impairment allowance - closing balance	**3,034.09**	**930.84**	**1,463.40**	**5,428.33**	**2,927.80**	**979.81**	**1,808.72**	**5,716.33**

Note : New assets originated is presented net of collections made.

48.1.6 Credit Risk from Default Loss Guarantee (DLG)

(i) Nature and Terms of the Financial Guarantee Contract:

As part of its business arrangements, the Group provides Default Loss Guarantee (DLG) to multiple co-lenders pursuant to agreements entered into with such co-lenders. Under these arrangements, the Group undertakes to compensate the respective co-lenders for credit losses arising on the co-lenders' share of the co-lended loan portfolio, subject to a maximum cap of 5% of the disbursed amount.

Further, as part of business arrangement, the Group provides DLG to a partner bank that offers credit lines to customers via Unified Payments Interface (UPI). Under this arrangement, the Group commits to cover credit losses incurred by the bank on these credit lines, limited to 5% of the total invoiced portfolio outstanding (POS). Such arrangements are accounted for as financial guarantee contracts in accordance with Ind AS 109 – Financial Instruments.

The Group is exposed to credit risk under these arrangements in the event borrowers fail to repay scheduled EMIs or credit extended to them. In such cases, the Group is obligated to compensate the co-lenders and partner bank for the resultant credit losses, up to the agreed contractual cap. Accordingly, the Group bears exposure to credit defaults.

(ii) Risk Exposure and Provisioning Methodology

While the contractual exposure under DLG is strictly limited to 5% of the Disbursals or billed POS, the Group recognises provision in its books based on the present value of expected payouts over the life of the underlying loan portfolio for colended loans and on a prudential basis at 5% of the total portfolio outstanding – including both billed and unbilled POS for credit line on UPI. Subsequently, at each reporting date, the DLG liability are re-measured based on revised estimates of expected payouts, such that the carrying value reflects the prevailing risk profile of the portfolio, subject to the overall cap stipulated under the relevant arrangements.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

(iii) Reconciliation of financial guarantee liability:

Particulars	As at March 31, 2026	As at March 31, 2025
Opening default loss guarantee (DLG) Provision	270.38	157.01
Add: New credit issued (net of recoveries)	190.97	304.64
Less: Decrease in liability	(280.69)	(191.27)
Closing default loss guarantee (DLG) Provision	180.66	270.38

a) The provision is presented under Provisions.

b) Changes in provision is presented under "Impairment on financial instruments" in the Consolidated Statement of Profit and Loss.

c) There are no significant concentration risks since DLG exposures are spread across a large, diversified retail customer base.

48.2 Liquidity risk and funding management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established Asset and Liability Management Committee (ALCO) for the management of The Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Financing arrangements

Particulars	As at March 31, 2026	As at March 31, 2025
Financial liabilities		
Expiring within one year (bank overdraft and other facilities)	5,232.49	5,100.00
Expiring beyond one year (bank loans)	3,000.00	3,268.00

48.2.1. Analysis of financial liabilities by remaining contractual maturities

The amount disclosed in the tables have been drawn up based on the undiscounted contractual cash flows of financial liabilities based on the earliest date on which The Group can be required to pay. The tables include both interest and principal cash flows

Contractual maturity of financial liabilities as at March 31, 2026:

Particulars	Less than 1 year	1-3 years	3-5 years	5 years and above	Total
Financial liabilities					
Trade payables	1,295.10	-	-	-	1,295.10
Debt securities	26,184.98	38,656.25	-	-	64,841.23
Borrowings (other than debt securities)	39,850.95	20,478.44	1,205.34	-	61,534.73
Subordinated liabilities	306.00	612.19	2,960.26	-	3,878.45
Lease liabilities	274.59	562.03	618.76	430.76	1,886.14
Other financial liabilities	2,811.54	-	-	-	2,811.54
Total financial liabilities	**70,723.16**	**60,308.91**	**4,784.36**	**430.76**	**1,36,247.19**

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

Contractual maturity of financial liabilities as on March 31, 2025:

Particulars	Less than 1 year	1-3 years	3-5 years	5 years and above	Total
Financial liabilities					
Trade payables	798.73	-	-	-	798.73
Debt securities	13,084.95	12,881.91	-	-	25,966.86
Borrowings (other than debt securities)	32,554.22	20,883.04	583.77	-	54,021.03
Subordinated liabilities	68.00	755.58	610.85	-	1,434.43
Lease liabilities	260.02	556.37	606.39	748.49	2,171.28
Other financial liabilities	3,446.50	-	-	-	3,446.50
Total financial liabilities	**50,212.42**	**35,076.90**	**1,801.01**	**748.49**	**87,838.83**

48.3 Market risk

Market risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factors. It is a form of systematic risk associated with the day-to-day fluctuation in the market prices of shares and securities and such market risk affects all securities and investors in the same manner. Market risks majorly comprises of two types - interest rate risk and price risk, such as equity price risk and commodity risk. Financial instruments affected by market risks include borrowings, equity investments and debt investments.

(a) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. It is a type of systematic risk that particularly affects rate sensitive instruments like bonds and debentures. The value of the fixed-rate debt instruments generally decline due to rise in interest rates and vice versa. The rationale is that a bond is a promise of a future stream of payments; an investor will offer less for a bond that pays-out at a rate lower than the rates offered in the current market.A rising interest rate scenario also affects the Group's interest expenditure on borrowed funds.

The Group monitors the interest rate scenarios on a regular basis and accordingly takes investments decisions as whether to invest in fixed rate debt instruments, shares and securities at a particular point of time. Further, The Group's borrowings carry a fixed and floating rate of interest and The Group is in a position to pass on the rise in interest rates to its borrowers.

The Group's investments in debt instruments are all fixed interest bearing instruments. Refer the price sensitvity analysis given below.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the rate sensitive assets and liabilities. With all other variables held constant, the profit before taxes affected through the impact of rate change in rate sensitive assets and liabilities are as follows:

Particulars	Amount as at March 31, 2026	Amount as at March 31, 2025
Rate Sensitive Assets	1,01,028.40	71,932.46
Rate Sensitive Liabilities	75,448.52	54,252.89
Net Rate Sensitive assets	25,579.88	17,679.57

Particulars	Impact on profit before tax for the year ended March 31, 2026	Impact on profit before tax for the year ended March 31, 2025
0.50% increase	52.81	44.30
0.50% decrease	(52.81)	(44.30)

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

(b) Price risk

Price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. It arises from financial assets such as investments in equity instruments, bonds and debentures, government securities, etc. The Group is exposed to price risk arising from investments held by The Group and classified in the balance sheet as fair value through profit and loss which are valued using quoted prices in active markets (level 1 investments). A sensitivity analysis demonstrating the impact of change in market prices of these instruments from the prices existing as at the reporting date is given below:

Particulars	As at March 31, 2026	As at March 31, 2025
Investments carried at FVTPL valued using quoted prices in active market	8,984.20	9,928.97

Particulars	Impact on profit before tax for the year ended March 31, 2026	Impact on profit before tax for the year ended March 31, 2025
1% increase	89.84	99.29
1% decrease	(89.84)	(99.29)

49 Segment reporting

There is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of The Group.The Group operates in single segment only. There are no operations outside India and hence there is no external revenue or assets which require disclosure. No revenue from transactions with a single external customer amounted to 10% or more of The Group's total revenue in year ended March 31, 2026.

Transferred financial assets that are not derecognised in their entirety

The Group has transferred certain pools of fixed rate loan receivables by entering into securitisation transactions with the Special Purpose Vehicle Trusts ("SPV Trust") for consideration received in cash at the inception of the transaction. The Group, being Originator of these loan receivables, also acts as Servicer with a responsibility of collection of receivables from its borrowers and depositing the same in Collection and Pay-out Account maintained by the SPV Trust for making scheduled pay-outs to the investors in Pass Though Certificates (PTCs) issued by the SPV Trust. These securitisation transactions also requires The Group to provide for first loss credit enhancement in various forms, such as, Excess Interest Spread, Over collateral and cash collateral as credit support in the event of shortfall in collections from underlying loan contracts. By virtue of existence of credit enhancement, The Group is exposed to credit risk, being the expected losses that will be incurred on the transferred loan receivables to the extent of the credit enhancement provided.

In view of the above, The Group has retained substantially all the risks and rewards of ownership of the financial asset and thereby does not meet the de-recognition criteria as set out in Ind AS 109. Consideration received in this transaction is presented as " Liability against Securitised assets" under Note no.19.

The following table provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for de-recognition, together with the associated liabilities:

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

A. The value of Financial assets and liabilities as on :

Particulars	As at March 31, 2026	As at March 31, 2025
Carrying amount of transferred assets measured at amortised cost	14,501.41	27,274.43
Carrying amount of Associated liabilities	10,118.47	21,951.98
Fair value of assets (A)	14,343.34	27,422.96
Fair value of associated liabilities (B)	10,180.24	21,967.37
Net Positions (A - B)	4,163.10	5,455.59

B. The Group has transferred certain loans by way of direct bilateral assignment, as a source of finance. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been de-recognised from The Group's balance sheet.The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain/(loss) on derecognition, per type of asset.

Particulars	As at March 31, 2026	As at March 31, 2025
Carrying amount of Retained Assets at amortised cost	4,026.09	2,272.33

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Net gain on derecognition of financial instruments	898.58	915.80

50 Reconciliation of Liabilities from financing activities

Particulars	As at April 1, 2025	Cash flow		Others	As at March 31, 2026
		Additions	Payment		
Debt securities *	22,645.01	54,461.18	(21,802.36)	1,135.04	56,438.87
Borrowings (other than debt securities)	48,811.55	47,113.83	(39,888.91)	(88.94)	55,947.53
Subordinated liabilities	1,025.34	2,000.00	-	(610.22)	2,415.12
Lease liabilities	1,527.00	-	(260.08)	117.81	1,384.73
Total liabilities from financial activities	**74,008.90**	**1,03,575.01**	**(61,951.35)**	**553.67**	**1,16,186.25**

*Others of debt securities includes impact of change in terms of Compulsory Convertible Debenture. For detail, refer note 27(f).

Particulars	As at April 1, 2024	Cash flow		Others	As at March 31, 2025
		Additions	Payment		
Debt securities	20,937.36	22,321.70	(20,751.13)	137.08	22,645.01
Borrowings (other than debt securities)	43,403.73	48,222.23	(42,578.00)	(236.41)	48,811.55
Subordinated liabilities	99.84	490.83	(100.00)	534.67	1,025.34
Lease liabilities	1,712.01	-	(255.76)	70.75	1,527.00
Total liabilities from financial activities	**66,152.94**	**71,034.76**	**(63,684.89)**	**506.09**	**74,008.90**

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

51 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

For the year ended March 31, 2026

SL No.	Name of the entity in the group	Net Assets i.e., total assets minus total liabilities		Share in Profit and loss		Share in Other Comprehensive income		Share in Total Comprehensive income	
		As % of consolidated net assets	Amount	As % of consolidated Profit and Loss	Amount	As % of Other comprehensive income	Amount	As % of consolidated Total Income	Amount
	Holding Company								
1	Navi Finserv Limited	109.50%	38,340.08	313.13%	2,922.09	98.14%	230.49	269.90%	3,152.58
	Subsidiary								
2	Navi Fintech Private Limited	0.10%	34.86	-40.48%	(377.76)	1.86%	4.36	-31.97%	(373.40)
	Intercompany elimination and consolidation adjustments	-9.60%	(3,362.55)	-172.65%	(1,611.14)	0.00%	0.00	-137.93%	(1,611.14)
Total		**100.00%**	**35,012.39**	**100.00%**	**933.19**	**100.00%**	**234.86**	**100.00%**	**1,168.05**

For the year ended March 31, 2025

SL No.	Name of the entity in the group	Net Assets i.e., total assets minus total liabilities		Share in Profit and loss		Share in Other Comprehensive income		Share in Total Comprehensive income	
		As % of consolidated net assets	Amount	As % of consolidated Profit and Loss	Amount	As % of Other comprehensive income	Amount	As % of consolidated Total Income	Amount
	Holding Company								
1	Navi Finserv Limited	106.43%	31,626.94	128.85%	2,219.65	101.81%	70.94	127.80%	2,290.59
	Subsidiary								
2	Navi Fintech Private Limited	-0.53%	(158.62)	-9.32%	(160.54)	-1.81%	(1.26)	-9.03%	(161.80)
	Intercompany elimination and consolidation adjustments	-5.89%	(1,751.41)	-19.53%	(336.42)	0.00%	(0.00)	-18.77%	(336.42)
Total		**100.00%**	**29,716.91**	**100.00%**	**1,722.70**	**100.00%**	**69.68**	**100.00%**	**1,792.38**

52 Additional regulatory information for current year

52.1 Title deeds of immovable properties not held in name of the Group

The Group does not have immovable properties (other than properties where The Group is the lessee and the lease agreements are duly executed in favour of the lessee), which are not held in the name of the Group.

52.2 Details of benami property held

No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

52.3 Borrowing secured against current assets

The Group has borrowings from banks and financial institutions on the basis of security of loan receivables. The quarterly returns or statements filed by the Group with banks and financial institutions are in agreement with the books of accounts.

52.4 Wilful defaulter

The Group has not been declared wilful defaulter by any bank or financial institution or other lender.

52.5 Relationship with struck off companies

The Group has no transactions with the Companies struck off under Companies Act, 2013.

52.6 Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

52.7 Compliance with number of layers of companies

The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013, read with the Companies (Restriction on number of Layers) Rules, 2017.

52.8 Compliance with approved scheme(s) of arrangements

The Group has not entered into any scheme of arrangement which has an accounting impact on the current year.

52.9 Utilisation of borrowed funds and share premium

i) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

   a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

   b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

ii) the Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that The Group shall:

   a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

   b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

52.10 Undisclosed income

There is no income surrendered or disclosed as income during the current or in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

52.11 There are no loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are:

(a) repayable on demand or

(b) without specifying any terms or period of repayment

52.12 The Group has not traded or invested in Crypto currency or Virtual Currency during the current financial year.

Notes forming part of the Consolidated Financial Statements

for the year ended March 31, 2026
(All amount in INR millions, unless otherwise stated)

52.13 Valuation of PP&E, right-of-use assets and intangible asset

The Company has not revalued its property, plant and equipment (including right-of-use assets) during the current year.

52.14 Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the Group from banks and financial institutions have been applied for the purposes for which it was taken.

52.15 There are no investment properties.

52.16 There are no subsequent events after the reporting date that require disclosure in these consolidated financial statements.

As per our report of even date
For M S K A & Associates LLP
(Formerly known as M S K A & Associates)
Chartered Accountants
Firm Registration No.: 105047W/W101187

Vikram Dhanania
Partner
Membership No. 060568

Place: Bengaluru
Date: May 27, 2026

For and on behalf of the Board of Directors of
Navi Finserv Limited

Abhishek
Managing Director & Chief Executive Officer
(DIN: 07843369)

Ankit Agarwal
Director
(DIN: 08299808)

Mahima Gautam
Chief Financial Officer

Chanchal Kumar
Company Secretary
(M.No. A50952)

Place: Bengaluru
Date: May 27, 2026

Place: Bengaluru
Date: May 27, 2026

Annexure A

Form AOC-1

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

Statement containing salient features of the financial statement of Subsidiaries/Associate companies/Joint Ventures

Part A: Subsidiaries:

CIN/Other Regn. No.	U72900KA2019PTC128852
Name of the Subsidiary	Navi Fintech Private Limited (Formerly known as Navi Payments Private Limited)
The date since when subsidiary was acquired	December 26, 2025
Provisions pursuant to which the company has become a subsidiary (Section 2(87)(i)/Section 2(87)(ii)	Section 2(87)(ii)
Reporting period for the subsidiary concerned, if different from the holding company's reporting period (From - To)	NA
Reporting Currency (along with Exchange Rate)	Indian Rupees (INR) in Millions
Share Capital	25.03
Reserves & Surplus	9.83
Total Assets	2,153.00
Total Liabilities	2,118.14
Investments	722.24
Turnover	5013.01
Profit/(Loss) before taxation	(379.23)
Provision for taxation	1.47
Profit/(Loss) after taxation	(377.76)
Proposed Dividend	0.00
Extent of shareholding (in percentage)	100.00%

Number of subsidiaries which are yet to commence operations - NA

Number of subsidiaries which have been liquidated or have ceased to be a subsidiary during the year - NA

Part B: Associates and Joint Ventures

The Company has no associate company or joint venture.

For & on behalf of the Board of Directors
Navi Finserv Limited

SD/-
Abhishek
Managing Director and CEO
DIN: 07843369

Date: May 27, 2026
Place: Bengaluru

SD/-
Ankit Agarwal
Director
DIN: 08299808

Date: May 27, 2026
Place: Bengaluru

NOTICE OF FOURTEENTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE FOURTEENTH ANNUAL GENERAL MEETING ("AGM") OF THE MEMBERS OF NAVI FINSERV LIMITED ("COMPANY") WILL BE HELD ON THURSDAY, AUGUST 13, 2026 AT 5:00 P.M. (IST) AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT 2ND FLOOR, VAISHNAVI TECH SQUARE, IBALLUR VILLAGE, BEGUR HOBLI, BENGALURU – KARNATAKA, 560102 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. **TO RECEIVE, CONSIDER AND ADOPT THE STANDALONE AND CONSOLIDATED AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026, TOGETHER WITH THE REPORTS OF THE BOARD OF DIRECTORS AND OF THE AUDITORS THEREON**

2. **TO APPOINT A DIRECTOR IN PLACE OF MR. ANKIT AGARWAL (DIN: 08299808), WHO RETIRES BY ROTATION PURSUANT TO THE PROVISIONS OF SECTION 152 OF THE COMPANIES ACT, 2013 AND BEING ELIGIBLE, OFFERS HIS CANDIDATURE FOR RE-APPOINTMENT**

3. **TO APPOINT M/S. SUNDARAM & SRINIVASAN, CHARTERED ACCOUNTANTS (FRN: 004207S), AS THE JOINT STATUTORY AUDITORS OF THE COMPANY AND TO FIX THEIR REMUNERATION**

To consider and if thought fit to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, Regulation 62F and Schedule II, Part C of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Guidelines for Appointment of Statutory Central Auditors / Statutory Auditors of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) issued by the Reserve Bank of India vide circular no. RBI/2021-22/25 Ref. No. DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021, read with the applicable provisions of the Reserve Bank of India (Non-Banking Financial Companies – Miscellaneous) Directions, 2025 and all other applicable laws, rules, regulations, directions and circulars issued by the Reserve Bank of India from time to time, and based on the recommendation of the Audit Committee and the Board of Directors of the Company, consent of the members of the Company be and is hereby accorded for the appointment of M/s. Sundaram & Srinivasan, Chartered Accountants (FRN: 004207S), as the Joint Statutory Auditor of the Company, in addition to the existing Statutory Auditor, for a term of three consecutive years, who shall hold office from the conclusion of the Fourteenth (14th) Annual General Meeting until the conclusion of the Seventeenth (17th) Annual General Meeting of the Company to be held in the year 2029, on such remuneration and terms as may be mutually agreed between the said Joint Auditor and the Board of Directors of the Company.

RESOLVED FURTHER THAT any of the Whole-time Directors or the Company Secretary or the Chief Financial Officer of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be deemed necessary, proper or expedient to give effect to this resolution, including filing of necessary forms / returns with the Registrar of Companies and making necessary intimations to the Reserve Bank of India, stock exchange(s), depositories and / or any other statutory / regulatory authority, as may be required.

RESOLVED FURTHER THAT any of the Whole-time Directors or the Company Secretary of the Company be and are hereby severally authorized to issue a certified true copy of the above-mentioned resolution to anyone concerned or interested in the matter."

SPECIAL BUSINESS

4. **ADOPTION OF RESTATED ARTICLES OF ASSOCIATION OF THE COMPANY**

To consider and if thought fit to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

"**RESOLVED THAT** pursuant to the provisions of Sections 5, 14 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014, the Companies (Management and Administration) Rules, 2014 and other rules framed thereunder, including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force, and subject to approvals, permissions and sanctions of appropriate authority(ies), if any, approval of the Members of the Company be and is hereby accorded for altering the Articles of Association of the Company by adopting the restated Articles of Association, as placed before the Members, in substitution and supersession of the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the existing Articles of Association of the Company be and are hereby amended, replaced and substituted in entirety by the restated Articles of Association of the Company.

RESOLVED FURTHER THAT any of the Whole-time Directors or the Chief Financial Officer or the Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as may be deemed necessary, proper or desirable on behalf of the Company to give effect to the aforementioned resolution, including filing of necessary forms, returns and documents with the Registrar of Companies and other statutory / regulatory authorities, as may be required.

RESOLVED FURTHER THAT any of the Whole-time Directors or the Company Secretary of the Company be and are hereby severally authorised to issue a certified true copy of the above-mentioned resolution to anyone concerned or interested in the matter."

For **Navi Finserv Limited**
Sd/-
Chanchal Kumar
Company Secretary
Membership No. A50952

Date: June 17, 2026
Place: Bengaluru

NOTES:

1. The Explanatory Statement under Section 102 of the Companies Act, 2013, as amended, is annexed herewith and forms part of this Notice.
2. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf, and the proxy need not be a member of the Company. A copy of the blank Proxy Form is duly enclosed with this notice.
3. Pursuant to Section 20(2) of the Companies Act, 2013 and Rule 35 of the Companies (Incorporation) Rules, 2014, as amended, companies are permitted to send official documents to their Members electronically.
4. All documents referred to in this Notice and the accompanying Explanatory Statement, and all documents required to be placed before the Members at the AGM, shall be available for inspection at the Registered Office of the Company during business hours on all working days up to the date of the AGM and during the AGM.
5. In the case of corporate Members proposing to participate at the meeting through their representative, necessary authorization under Section 113 of the Companies Act, 2013 for such representation may please be forwarded to the Company.
6. The Attendance Slip is annexed to this Notice.
7. The route map of the venue of the AGM is annexed hereto.

STATEMENT PURSUANT TO SECRETARIAL STANDARD-2 ON GENERAL MEETINGS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA

2. TO APPOINT A DIRECTOR IN PLACE OF MR. ANKIT AGARWAL (DIN: 08299808), WHO RETIRES BY ROTATION PURSUANT TO THE PROVISIONS OF SECTION 152 OF THE COMPANIES ACT, 2013 AND BEING ELIGIBLE, OFFERS HIS CANDIDATURE FOR RE-APPOINTMENT.

Sr. No.	Particulars	Details
1.	Name	Mr. Ankit Agarwal
2.	Category of Director	Non-Executive Director
3.	Director Identification Number (DIN)	08299808
4.	Date of Birth and Age	April 09, 1983 and 43 years
5.	Date of first appointment	October 23, 2019 Mr. Ankit Agarwal was originally appointed as Non-Executive Director on October 23, 2019. He was further appointed as the Managing Director with effect from February 11, 2022. With effect from May 14, 2025, his designation was changed from Managing Director and Executive Director to Non-Executive Director.
6.	Qualification	Mr. Ankit Agarwal holds a Bachelor's degree in Computer Science and Engineering from the Indian Institute of Technology (IIT) Delhi and a Master's degree in Management from the Indian Institute of Management (IIM) Ahmedabad.
7.	Brief Resume	Mr. Ankit Agarwal is the Executive Director and Chief Financial Officer of Navi Limited (formerly Navi Technologies Limited), the holding company and also serves as a Non-Executive Director of our Company. He has extensive experience in financial services and investment banking, having previously worked as a Director in Global Markets at Bank of America and as a Vice President at Deutsche Bank. His expertise includes corporate finance, capital markets, and strategic financial management.
8.	Experience and expertise in specific functional area	Mr. Ankit Agarwal was previously associated with Bank of America as a Director in global banking and markets. He was also associated with Deutsche Bank AG as Vice President.
9.	Relationship between Directors / Managers / Key Managerial Personnel ("KMP")	Not Applicable
10.	Shareholding in the Company including shareholding as a beneficial owner	As on the date of this Notice, he holds 1 equity share in the Company on behalf of Navi Limited as a nominee shareholder.
11.	Terms and Conditions of Appointment/ Re-appointment	Re-appointment as a Director liable to retire by rotation.
12.	Number of Board Meetings attended during the Financial Year 2025-26	16/16
13.	Details of Remuneration Last Drawn	Not Applicable
14.	Details of Remuneration sought to be paid	Not Applicable
15.	Directorships held in other Companies in India	Navi Limited (formerly known as Navi Technologies Limited) Navi General Insurance Limited Navi Securities Private Limited Navi MF Sponsor Private Limited Navi AMC Limited Navi Payment Technologies Private Limited (formerly known as Uniorbit Payment Solutions Private Limited)
16.	Chairman/ Member of the Committee of the Board of other Companies in which they are a director	(see table below)

Name of Company	Name of Committee	Member/ Chairperson
Navi Limited	Finance Committee	Member
Navi General Insurance Limited	Audit Committee	Member
	Finance Committee	Chairperson
	Investment Committee	Chairperson
Navi AMC Limited	Audit Committee	Member
	Finance Committee	Chairperson
	Investment Committee	Chairperson

In view of the aforesaid, the Board of Directors recommends the Ordinary Resolution set out at item No. 2 for approval of the Members.

Except Mr. Ankit Agarwal and his relatives, none of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the Resolution set out at Item No. 2, except to the extent of their shareholding in the Company, if any.

3. TO APPOINT M/S. SUNDARAM & SRINIVASAN, CHARTERED ACCOUNTANTS (FRN: 004207S), AS THE JOINT STATUTORY AUDITORS OF THE COMPANY AND TO FIX THEIR REMUNERATION

The Members of the Company, at the Thirteenth Annual General Meeting held on September 22, 2025 had approved the appointment of M/s. MSKA & Associates, Chartered Accountants, Firm Registration No. 105047W/W101187, as the Statutory Auditors of the Company for a period of three consecutive years, to hold office until the conclusion of the Sixteenth Annual General Meeting of the Company.

Pursuant to Paragraph 4.1 of the Reserve Bank of India circular bearing Ref. No. DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021, on Guidelines for Appointment of Statutory Central Auditors / Statutory Auditors of Commercial Banks, Urban Co-operative Banks and Non-Banking Financial Companies, including Housing Finance Companies ("RBI Guidelines"), read with the applicable provisions of the Reserve Bank of India (Non-Banking Financial Companies – Miscellaneous) Directions, 2025, entities with asset size of ₹15,000 crore and above as at the end of the previous year are required to conduct statutory audit under joint audit by a minimum of two audit firms. The total asset size of the Company exceeded ₹15,000 crore as at March 31, 2026 and, accordingly, the Company is required to appoint an additional audit firm as the Joint Statutory Auditors of the Company, in addition to the existing Statutory Auditor.

The Board of Directors of the Company ("Board"), based on the recommendation of the Audit Committee ("Committee"), at its meeting held on May 27, 2026, approved and recommended to the Members the appointment of M/s. Sundaram & Srinivasan, Chartered Accountants (FRN: 004207S), as the Joint Statutory Auditors of the Company, for a period of three consecutive years, from the conclusion of the Fourteenth Annual General Meeting until the conclusion of the Seventeenth Annual General Meeting of the Company to be held in the year 2029, subject to the said firm continuing to fulfil the applicable eligibility norms each year.

The Audit Committee and the Board, while recommending the appointment of M/s. Sundaram & Srinivasan, Chartered Accountants, (FRN: 004207S) have considered various parameters prescribed under the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014 and the RBI Guidelines, including the firm's eligibility, audit experience, capability, market standing, sectoral experience, technical competence, independence, absence of conflict of interest and ability to handle the scale, complexity and operating segments of the Company. The Audit Committee and the Board also noted that the proposed firm satisfies the eligibility conditions laid down under the Company's Policy on Appointment of Statutory Auditors.

Chartered Accountants, (FRN: 004207S) have consented to the proposed appointment and have issued the necessary certificate and confirmations, including confirmation that their appointment, if made, shall be in accordance with the provisions of Sections 139 and 141 of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014 and the applicable RBI Guidelines. The firm has also confirmed that it satisfies the eligibility criteria prescribed by the Reserve Bank of India, including criteria relating to independence and conflict of interest.

The proposed remuneration payable to Chartered Accountants, (FRN: 004207S) towards statutory audit and other audit-related services shall be such remuneration plus applicable taxes and reimbursement of travelling, out-of-pocket expenses and other outlays, as may be mutually agreed between the Board of Directors of the Company and the Joint Statutory Auditors of the Company, from time to time.

Brief Profile of M/s. Sundaram & Srinivasan, Chartered Accountants

M/s. Sundaram & Srinivasan, Chartered Accountants, Firm Registration No. 004207S, is a Chartered Accountants firm with over 80 years of professional experience and presence across Chennai, Bengaluru, Mumbai, Hyderabad and Madurai. The firm has experience in audit and assurance, taxation, risk advisory, systems / IT audit and related professional services. The firm has experience in the BFSI sector, including statutory audit assignments for banks and NBFCs, and has handled engagements involving financial services, lending, Ind AS 109 / ECL-related areas, treasury, regulatory and technology-enabled audit procedures. As per the eligibility certificate submitted by the firm, it satisfies the eligibility norms prescribed under the RBI Guidelines for appointment as statutory auditor, including requirements relating to full-time partners, FCA partners, CISA / ISA qualified partners / paid Chartered Accountants, audit experience and professional staff. The firm has also confirmed that it has not been debarred from taking up audit assignments by any regulator / government agency and that there are no disciplinary proceedings against the firm by any financial regulator / government agency during the last three years.

None of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the Resolution set out at Item No. 3, except to the extent of their shareholding in the Company, if any.

The Board recommends the Resolution set out at Item No. 3 of this Notice for approval of the Members as an **Ordinary Resolution**.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following statements set out all material facts relating to the Special Business mentioned under Resolution No. 4 of this Notice.

4. ADOPTION OF RESTATED ARTICLES OF ASSOCIATION OF THE COMPANY

The Company proposes to adopt the Restated Articles of Association in substitution and supersession of the existing Articles of Association of the Company.

The Restated Articles primarily incorporate provisions relating to the proposed issue / terms of Convertible Preference Shares ("CPS") by the Company. For this purpose, a new Part B has been inserted in the Articles of Association to set out the rights, terms and conditions attached to the CPS. The Restated Articles also provide that, in case of any inconsistency between Part A and Part B, the provisions of Part B shall prevail in relation to the matters covered therein.

The key provisions proposed to be incorporated in relation to CPS include, inter alia:

a. the nature of CPS as unsecured, convertible, non-cumulative and non-participating preference shares;

b. dividend rights attached to the CPS;

c. voting rights of the CPS holders, to the extent permitted / required under applicable law;

d. conversion ratio and conversion mechanism for conversion of CPS into equity shares;

e. tenor of the CPS and automatic conversion upon expiry of the tenor;

f. redemption mechanism in specified circumstances, subject to applicable law;

g. adjustment mechanism in case of split, sub-division or consolidation of equity shares;

h. ranking of CPS on winding-up, dissolution or liquidation of the Company;

i. pari passu ranking of equity shares allotted upon conversion of CPS with the existing equity shares of the Company;

j. variation of rights attached to CPS in accordance with applicable law;

k. treatment of fractional shares; and

l. transferability of CPS.

The existing Articles already contain general enabling provisions relating to issue of preference shares. However, in order to specifically set out the rights, obligations and terms attached to the CPS, it is proposed to adopt the Restated Articles of Association.

Pursuant to Sections 5 and 14 of the Companies Act, 2013, alteration of the Articles of Association of the Company requires approval of the Members by way of a Special Resolution. Accordingly, approval of the Members is sought for adoption of the Restated Articles of Association, in substitution and supersession of the existing Articles of Association of the Company.

A copy of the proposed Restated Articles of Association is available for inspection by the Members at the Registered Office of the Company during business hours on all working days up to the date of the AGM and during the AGM.

The Board recommends the resolution set out at Item No. 4 of this Notice for approval of the Members as a Special Resolution.

None of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4, except to the extent of their shareholding in the Company, if any.

By order of the Board
For **Navi Finserv Limited**

Chanchal Kumar
Company Secretary
Membership No. A50952

Date : June 17, 2026
Place: Bangalore

ATTENDANCE SLIP

Members or their proxies are requested to present this form for admission, duly signed in accordance with their specimen signatures registered with the Company.

Regd. Folio No./DP ID/Client ID
Name of shareholder:
Address of shareholder:
Proxy Name:
Address of proxy:

I/We hereby record my/our presence at the Annual General Meeting of the Company to be held on Thursday, August 13, 2026 at 5:00 p.m. (IST), 2nd Floor, Vaishnavi Tech Square, Iballur Village, Begur Hobli, Bengaluru – Karnataka, 560102

Please tick (✓) the appropriate box;

1. Member ☐
2. Proxy ☐

Signature of Member/Proxy

FORM NO. MGT- 11

PROXY FORM

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

Name of the member :
Registered address :
E-mail ID :
Folio No :
DP ID :

I/We, being the member(s) of ________________ Equity shares of the above named Company, hereby appoint

Name :
Address :
E-mail ID :
Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Thursday, August 13, 2026 at 5:00 p.m. (IST) at 2nd Floor, Vaishnavi Tech Square, Iballur Village, Begur Hobli, Bengaluru – Karnataka, 560102 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Particulars	Favor / Against
1	TO RECEIVE, CONSIDER AND ADOPT THE AUDITED CONSOLIDATED AND STANDALONE FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026, TOGETHER WITH THE REPORTS OF THE BOARD OF DIRECTORS AND OF THE AUDITORS THEREON. (**ORDINARY RESOLUTION**)	
2	TO APPOINT A DIRECTOR IN PLACE OF MR. ANKIT AGARWAL (DIN: 08299808), WHO RETIRES BY ROTATION PURSUANT TO THE PROVISIONS OF SECTION 152 OF THE COMPANIES ACT, 2013 AND BEING ELIGIBLE, OFFERS HIS CANDIDATURE FOR RE-APPOINTMENT (**ORDINARY RESOLUTION**)	
3	TO APPOINT M/S. SUNDARAM & SRINIVASAN, CHARTERED ACCOUNTANTS (FRN: 004207S), AS THE JOINT STATUTORY AUDITORS OF THE COMPANY AND TO FIX THEIR REMUNERATION (**ORDINARY RESOLUTION**)	
4	ADOPTION OF RESTATED ARTICLES OF ASSOCIATION OF THE COMPANY (**SPECIAL RESOLUTION**)	

Signed this .... day of 2026

Signature of shareholder

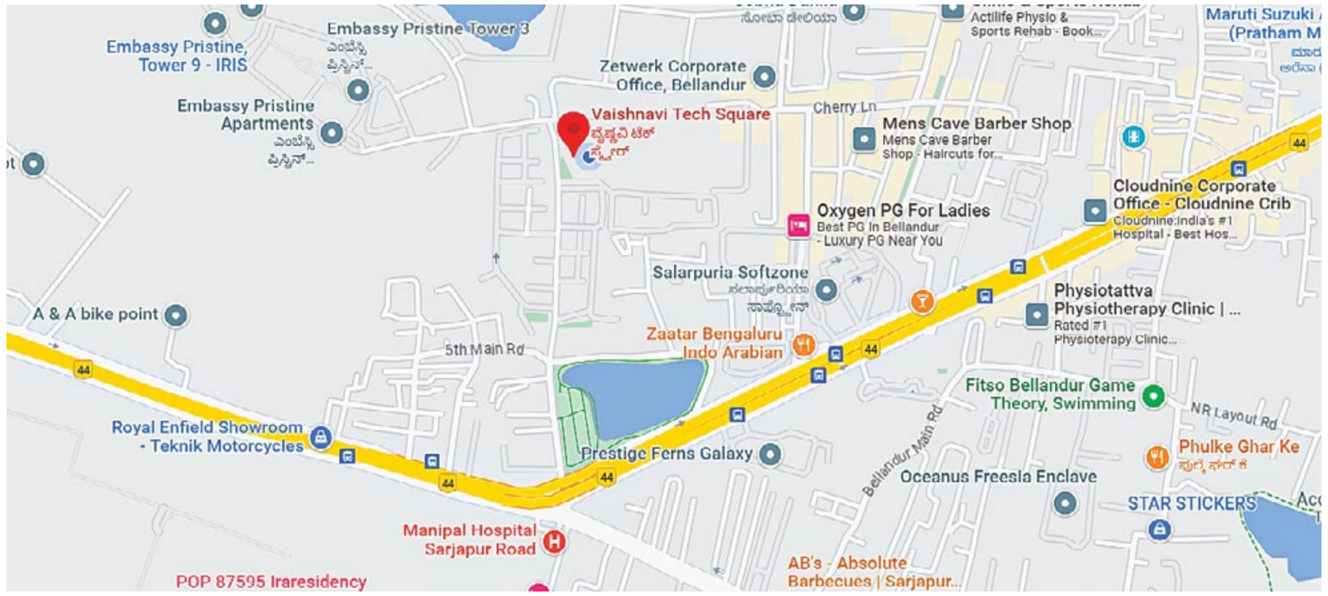
Signature of Proxy holder(s)

Affix Revenue Stamp

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

ROUTE MAP AND PROMINENT LANDMARK

Route Map:



Prominent Landmark: Suncity Apartments, Bellandur

navi FINSERV

Navi Finserv Limited
2nd Floor, Vaishnavi Tech Square,
Iballur Village, Begur Hobli,
Bengaluru, Karnataka 560102

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